The State of the Message
A Marketo Email Benchmark Study

Industry trends, best practices, and the technology designed to help

2019

knak.

# Email marketing isn't going anywhere.

But successful email marketing depends on your game plan.

Those who do it well have crafted a strategy that puts the right people, processes, and technology in place. So what does their strategy look like?

Knak recently commissioned our second Marketo Email Benchmark Study, designed to break down the email creation process and overall results at organizations of all different sizes.

It's an in-depth look at what's working, what's frustrating, and what you should be asking as you develop your own amazing email marketing plan.
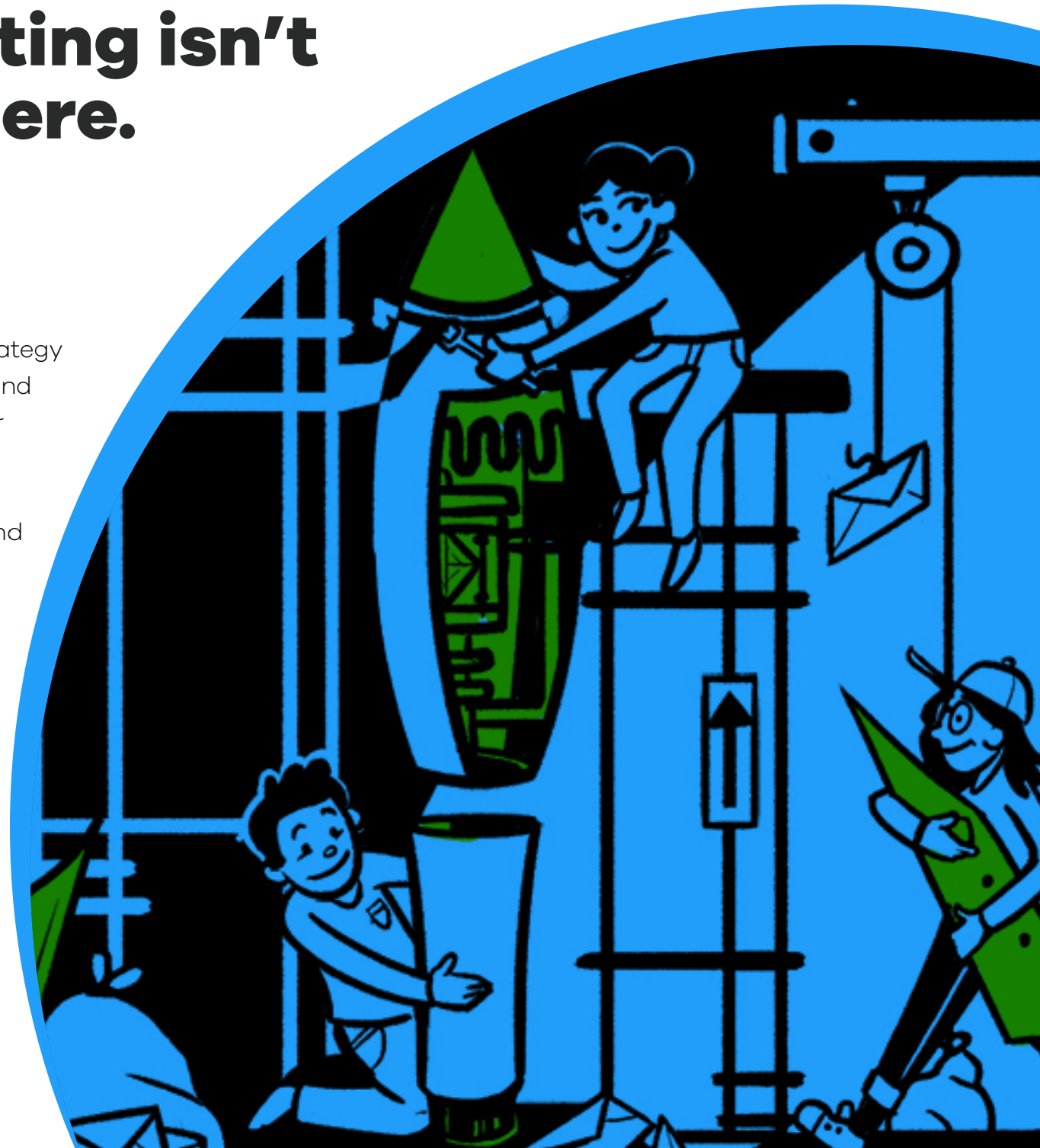
Here's what you'll see in the report

And as a bonus

We've included some common Pain Points and Tech to Consider to help guide you through the results.
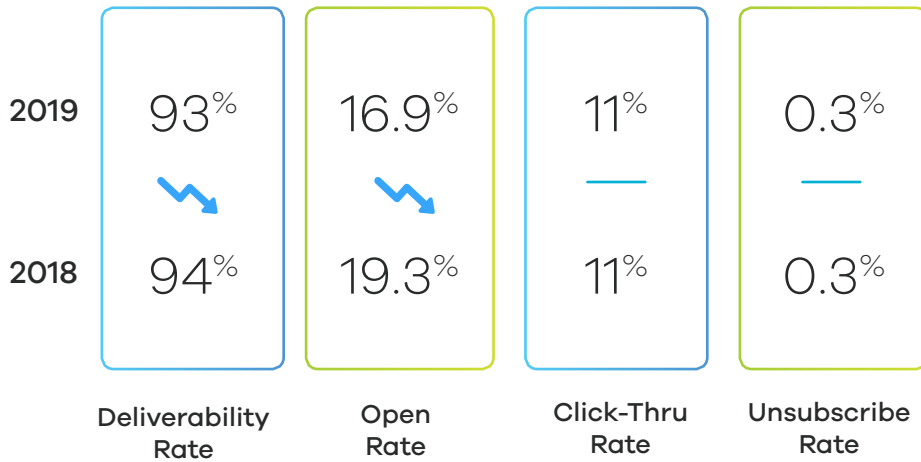
Section 1:

Year Over Year Comparison

Strategy, Structure, & Performance

Year Over Year Email Performance

	Deliverability Rate	Open Rate	Click-Thru Rate	Unsubscribe Rate
2019	93%	16.9%	11%	0.3%
2018	94%	19.3%	11%	0.3%

What's your email marketing strategy?

Batch and Blast with Some Lead Nurturing
- 2018: 59%
- 2019: 55%

Mostly Nurture with Some Batch and Blast
- 2018: 36%
- 2019: 33%

Batch and Blast, No Nurturing
- 2018: 4%
- 2019: 8%
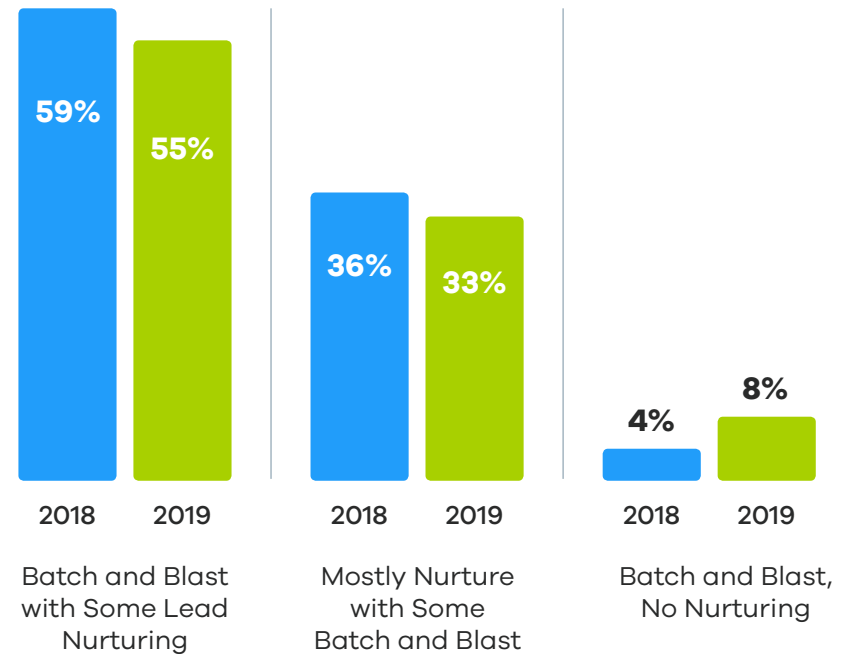
How many people are building emails at your organization?

31+
3% (2018)
4% (2019)

11-30
3% (2018)
10% (2019)

0-10
94% (2018)
86% (2019)

Legend: 2018 (green), 2019 (blue)

Axis: 0% 20% 40% 60% 80% 100%

What is your email creation process?

Use existing templates
2018: 94%
2019: 74%

Use Email Creation Platforms (ECP) or Agency
2018: 6%
2019: 22%
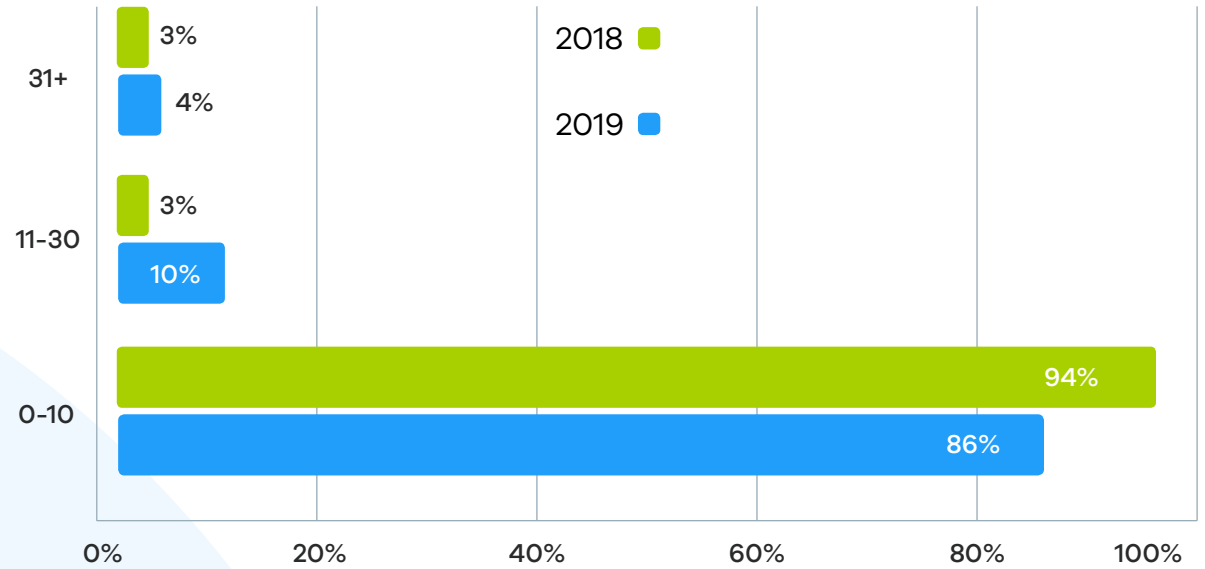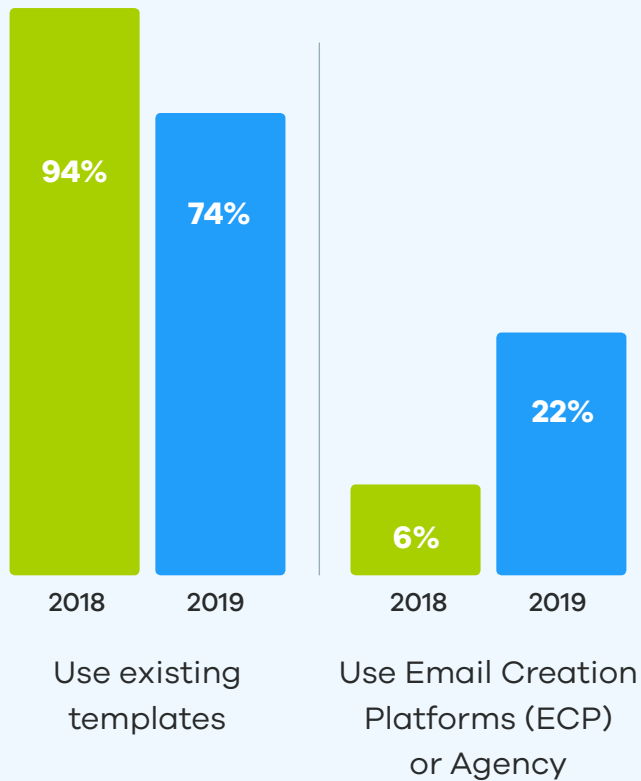
Note

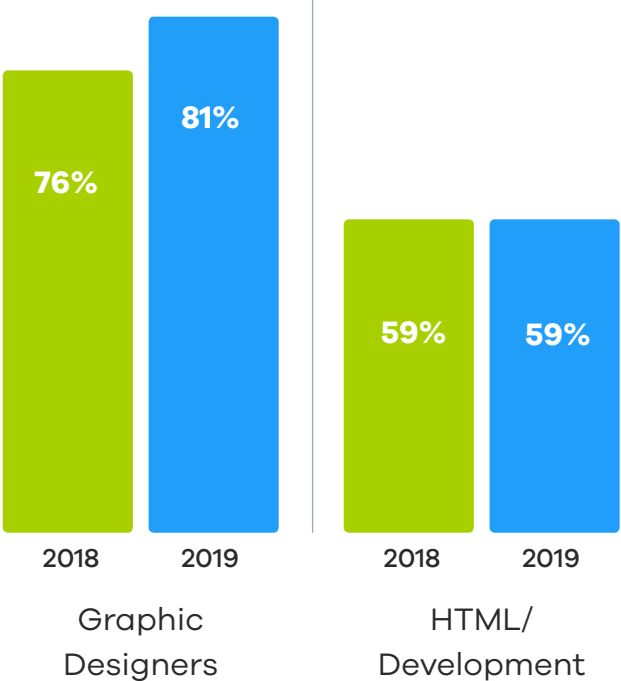An Email Creation Platform, or ECP, helps facilitate the email creation process by enabling teams to build emails in-house easily.

What in-house resources do you have?

Graphic Designers
- 2018: 76%
- 2019: 81%

HTML/ Development
- 2018: 59%
- 2019: 59%

How do you manage email approvals?

Email approval is required
- 2018: 86%
- 2019: 87%

We have a formal email approval process in place
- 2018: 49%
- 2019: 63%
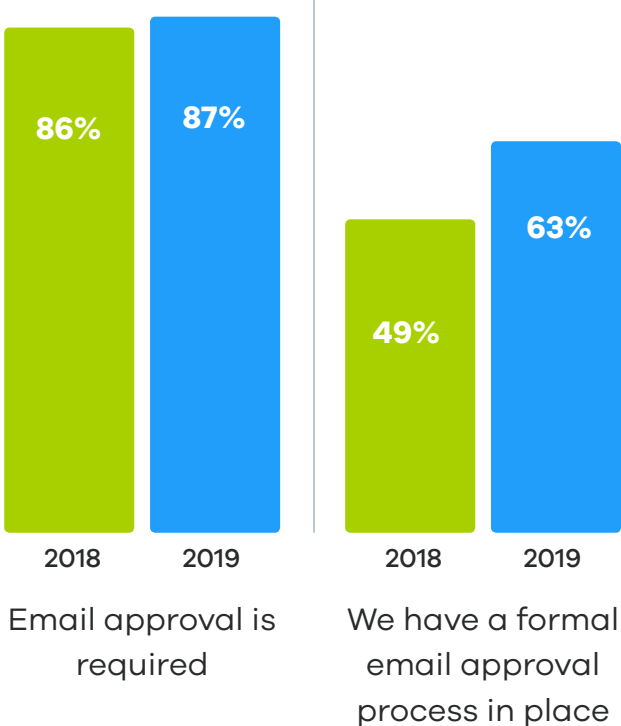
Our Take

Batch & Blast is Increasing

The Batch & Blast approach to email marketing has increased. This is a bit alarming since a nurture strategy has consistently proven to be more effective, and we're seeing the effects of this play out in email performance results. **Batch & Blast increases, and deliverability and open rates take a hit.**

Team Size is Increasing

The teams responsible for email creation are also getting bigger — note the increase in teams with 11-30 people involved. This tends to lead to a decrease in efficiency and flexibility throughout the process — potentially another reason for the increase in Batch & Blast.

Approval is Challenging

The approval process is still a challenge. Even though 87% of teams require email approval, only 63% have a formal process in place. This is a prime area of opportunity: **a smoother approval process = shorter time-to-market for your campaigns.**

We're also seeing a marked increase in the number of organizations of all sizes that rely on third-party Email Creation Platforms (ECPs). Though 94% of organizations built emails in-house just 1 year ago, today the number stands at 74%.

In organizations where large teams are involved in getting campaigns out the door, a collaboration or workflow software is key. If you aren't using an ECP, consider **Workfront**, **Wrike**, or **Asana** to help you coordinate and streamline the process.
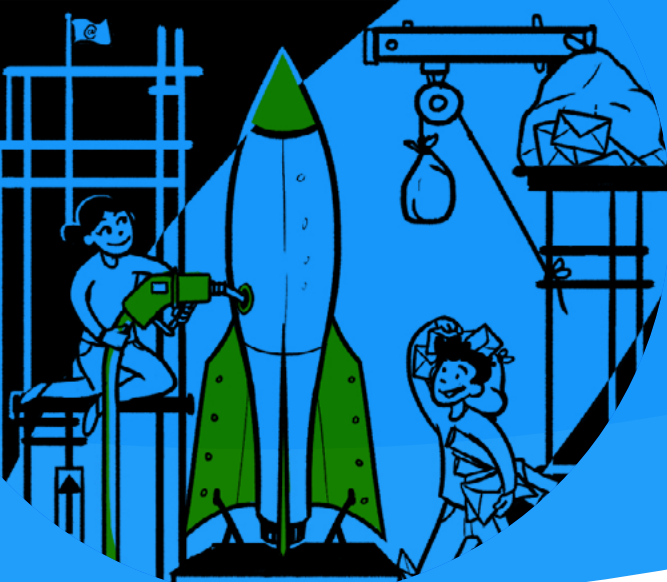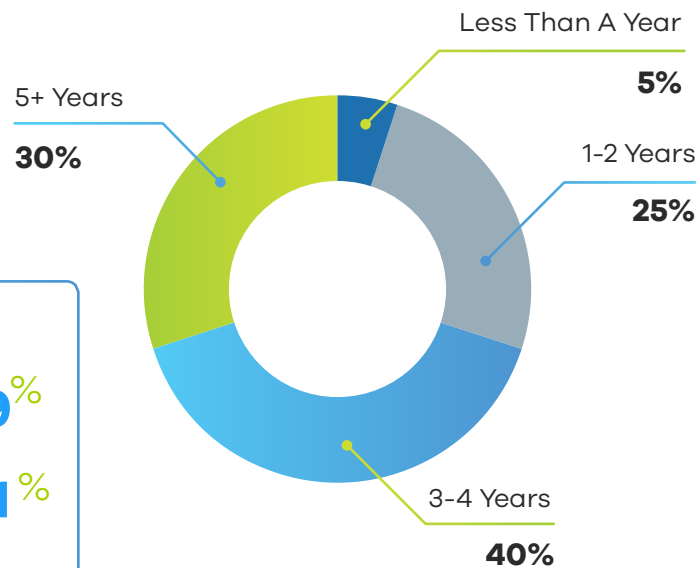
Section 2:

Process & Resources

● ● Process

Let's take a closer look at the people and process that companies are using to put emails together.

How many years have you been using Marketo?

5+ Years **30%**

Less Than A Year **5%**

1-2 Years **25%**

3-4 Years **40%**

Are you confident that your emails render properly across all email clients?
👍 **70**%
👎 **30**%

Do you feel that Marketo's collaboration capabilities are helpful when it comes to assisting you with your email creation process?
👍 **39**%
👎 **61**%

Does your current editing process provide sufficient flexibility?
👍 **65**%
👎 **35**%

Is your email creation process efficient?
👍 **68**%
👎 **32**%

Do you conduct A/B testing on your emails?
👍 **46**%
👎 **54**%

Pain Points

Collaboration

61% of users find Marketo's collaboration capabilities to be unhelpful. The lack of collaboration here leads to inefficiency in the email creation process, especially in organizations that are fairly new to Marketo.

Efficiency

Nearly a third of users feel their email creation process is efficient. Whether the lack of efficiency is due to team size or lack of a formal process, it's an area that continues to be a challenge.

A/B Testing

Conducting A/B testing is key to understanding what's working and what's not. Unfortunately, rendering concerns and non-existent approval processes coupled with insufficient collaboration capabilities mean it can take forever to build an email. When that happens, A/B testing is frequently dropped in favour of simply getting something out the door.

If this is a struggle at your organization, know that experience matters. Someone with in-depth Marketo experience can help you navigate this and simplify your workflow.
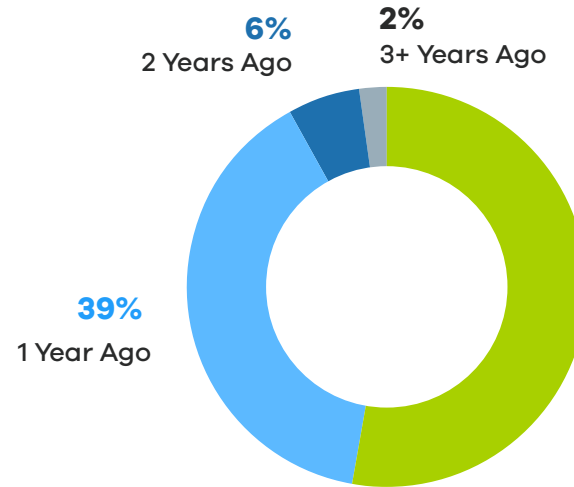
What's the process at your organization?

What's your team structure?

26%
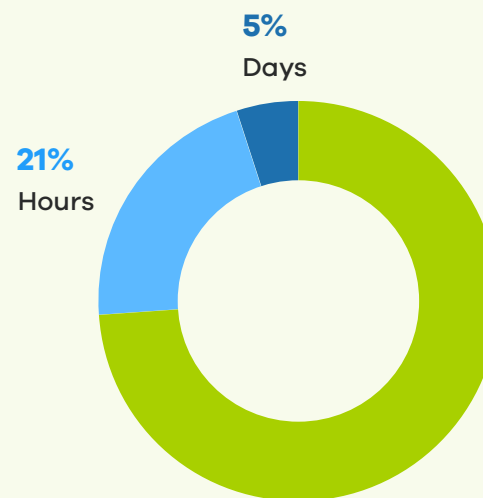**We're a small team:** we do everything

15%
Decentralized: all marketers are enabled to create emails
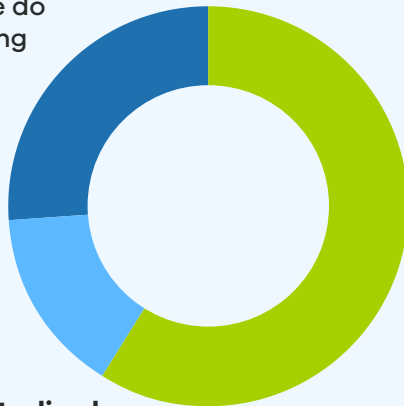
59%
Centralized: a small group manages Marketo and email creation

When did you last refresh your email design?

6%
2 Years Ago

2%
3+ Years Ago

39%
1 Year Ago

53%
Less Than A Year Ago

On average, how quickly can you build a new email?

5%
Days

21%
Hours

74%
Minutes

Our Take

The **takeaway here comes down to maturity.** A more mature, centralized team will generally have a more efficient process, like the 74% that are building emails within minutes.
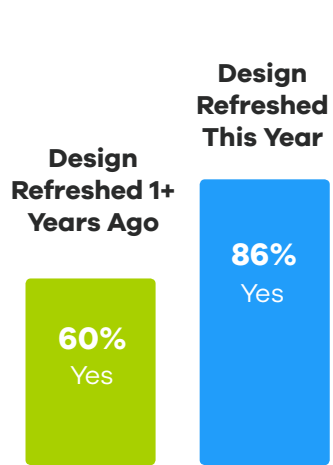
We also see that marketers are constantly refreshing their design, with **92% updating their look within a year or so.**

Design updates tend to have a really positive impact on key metrics like click-thru rates (nearly a **13% increase for those who've refreshed their design within a year**), so if your look is starting to feel stale, it's time to give it an update.
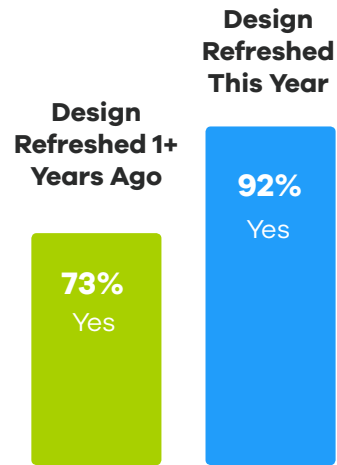
92% of you have refreshed your design within the last year! Can your design team keep up? Building new templates is neither quick nor easy. If you update the look and feel of your emails frequently, you need a system that adapts quickly.
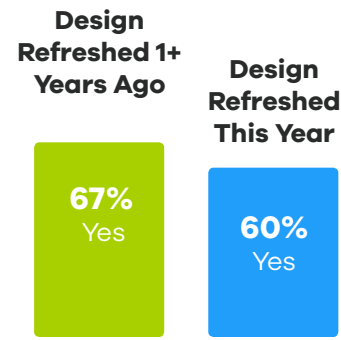
Speaking of Design Refreshes...

Design Refreshed 1+ Years Ago
60% Yes

Design Refreshed This Year
86% Yes

Are you happy with the current look and feel of your emails?

Design Refreshed 1+ Years Ago
73% Yes

Design Refreshed This Year
92% Yes

Are your company's emails consistently on-brand?

Design Refreshed 1+ Years Ago
67% Yes

Design Refreshed This Year
60% Yes

Do you have a formal email approval process at your company?

Those with an updated design are:

- 43% more likely to be happy with the look and feel of their emails

- 26% more likely to think they're on-brand.

If you haven't updated your design in a while, it's definitely time to consider some changes.
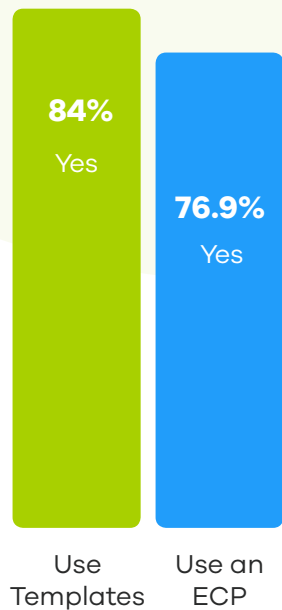
Design Teams

As you saw in the earlier chart, the number of in-house graphic designers has increased since the 2018 survey. Those who rely on existing templates are more likely to need in-house design, HTML, and development resources.

The click-thru rate is the most important metric to note when it comes to judging the effectiveness of your email.
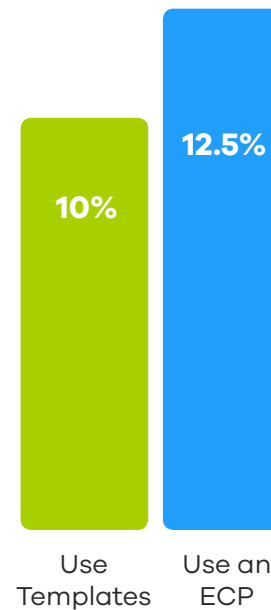
Deliverability and Open statistics are also important, but the click-thru rate shows you the percentage of readers who thought your content was compelling enough to click on, giving you a more complete picture of how your email is performing.

84% Yes

76.9% Yes

Use Templates   Use an ECP

Do you have graphic designers in-house?

66.7% Yes

30.8% Yes

Use Templates   Use an ECP
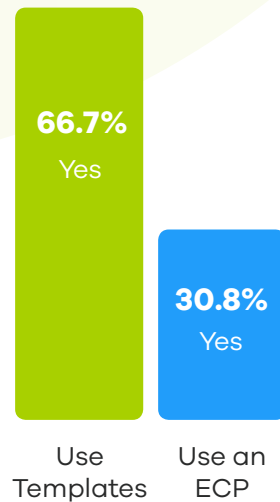
Do you have HTML/ Development resources in-house?

10%

12.5%

Use Templates   Use an ECP

Click-Thru Rates

All-time click-thru rates for both groups show a 20% higher result for those using an ECP.

Business Size & Satisfaction

Are you a small or mid-size business? A global enterprise? See how it's going at other organizations of your size.

Do you agree with the following statements?

	SMB (AR of $0-500M)	Enterprise (AR of $500M+)
Are you happy with the current look and feel of your emails?	**73**% Say Yes	**81**% Say Yes
Are your company's emails consistently on-brand?	**84**% Say Yes	**94**% Say Yes
Are you confident that your emails render properly across all email clients?	**69**% Say Yes	**74**% Say Yes
Is your email creation process efficient?	**67**% Say Yes	**71**% Say Yes
Does your current editing process provide sufficient flexibility?	**65**% Say Yes	**58**% Say Yes
Do you conduct A/B testing on your emails?	**47**% Say Yes	**40**% Say Yes

Pro Tip

If you're looking to improve deliverability rates, our Marketo experts recommend the following:

- ✓ **Maintain data cleanliness**
- ✓ **Send to opted-in recipients only**
- ✓ **Consider using a dedicated IP address**
- ✓ **Set up SPF/DKIM and DMARC**

Download **Marketo's Email Deliverability eBook** for some additional insider tips.

Does Scale Matter?

Larger organizations appear to have a few advantages, namely:

- A more efficient email creation process

- Greater confidence in the look and feel of their emails

Part of this can be attributed to the maturity of their team:
More experience + a more centralized Marketing team = faster time to market.

But the smaller guys have advantages also. They report:

- Greater flexibility throughout the email creation process

- A greater propensity to conduct A/B testing

Their curiosity about what's working combined with their natural agility can help them quickly implement the changes that will drive results.

Pain Points

Agility

Larger organizations could benefit from a bit of the agility that smaller organizations enjoy so emails don't get bogged down in the approval process.

Efficiency

Smaller organizations should focus on developing a more efficient email creation process and could benefit from a renewed focus on email testing to ensure that emails render properly.

Flexibility

The use of tokens also tends to slow down the editing process. They're a great way to increase the functionality of your emails, but they can put a damper on flexibility.
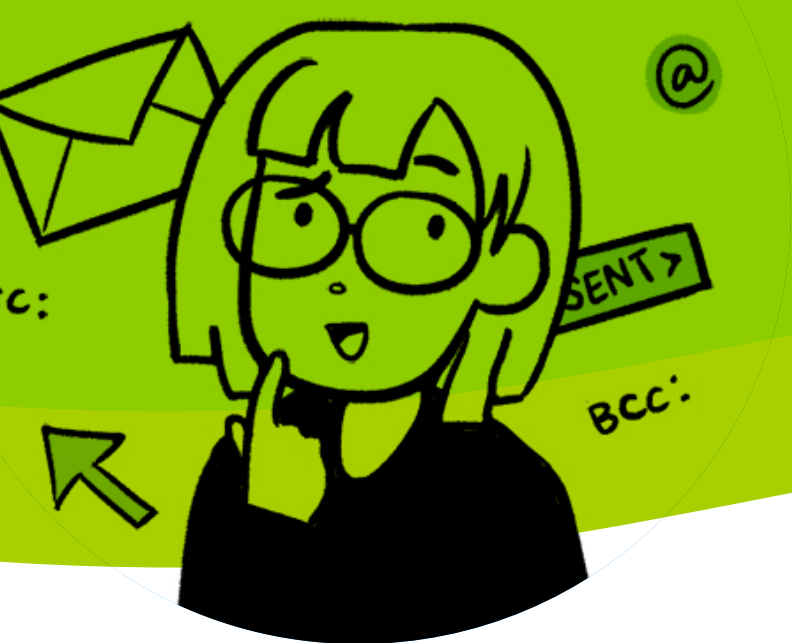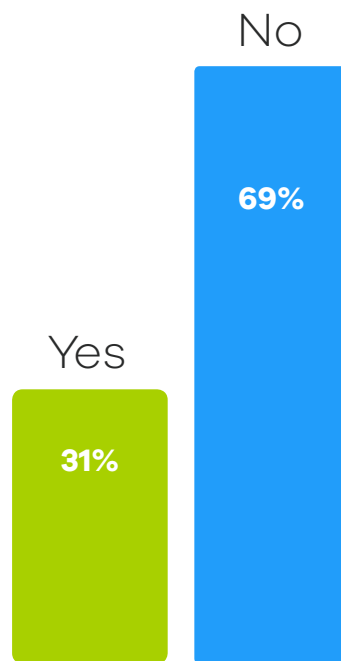
Section 3:

Email Elements

What Goes in Your Emails?

Let's take a look at five common email elements as well as their overall effect on click-thru rates.

For more on making your emails stand out, check out our post on **using GIFs to improve click-thru rates.**

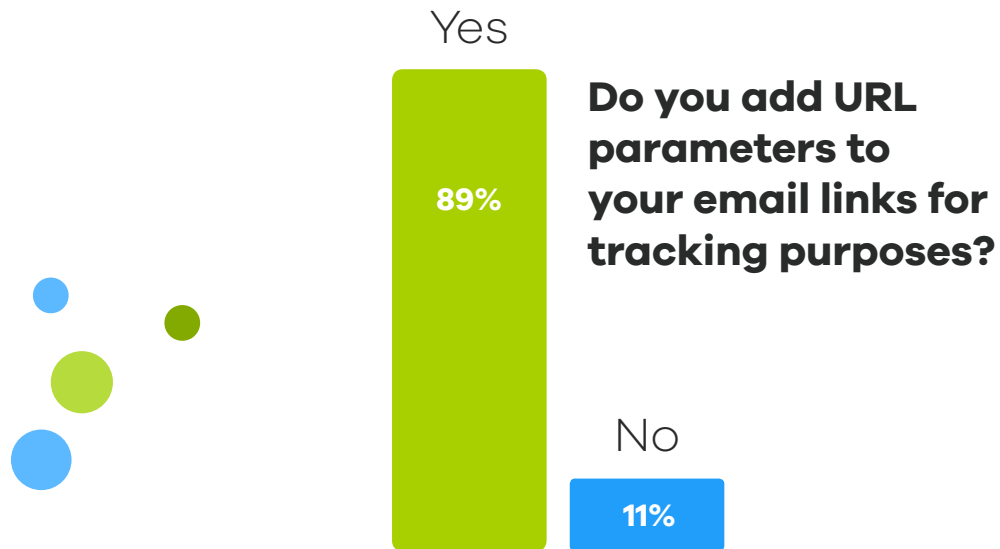## Do you use animated GIFs?

No

69%

Yes

31%

Animated GIFs

Animated GIFs are not widely used, so this could be a good way to make your emails stand out from the crowd. Thorough A/B testing should give you a clearer picture of their value.

URL Parameters

Yes

89%

No

11%

Do you add URL parameters to your email links for tracking purposes?

Adding URL parameters is common, with 89% reporting that they use them. Though the collaboration with Marketo is a source of frustration here, the added ability to understand and analyze customer engagement makes it worthwhile.

Pain Point

☹ **Human Error**

Marketo's platform doesn't add URL parameters automatically, so if you're working from existing templates or coding emails in-house, they have to be added manually.

An ECP adds them automatically and eliminates human error, but if you're coding in-house, an email testing tool like **Litmus** or **Email on Acid** can help make sure they're rendering correctly.

Custom Fonts

Do you use custom fonts?

No

Yes

63%

37%

Click-Thru Rates

12.6 % **9.9** %
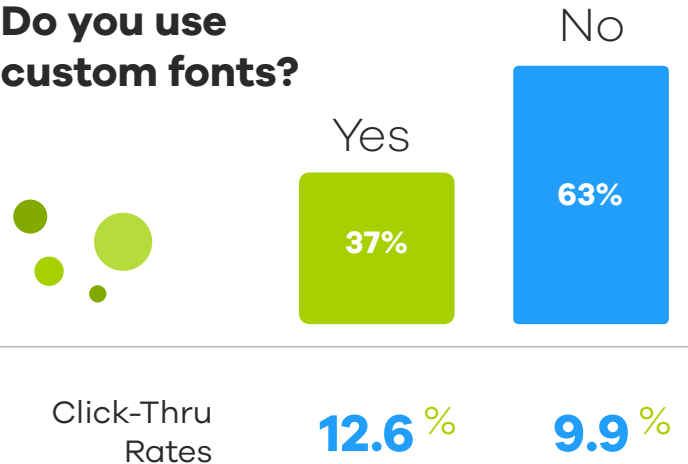
This is another great way to make your emails stand out: **custom font users have click-thru rates 27% higher** than those that don't use them.

While not all platforms support custom fonts, your emails will look amazing on those that do (and those on other platforms will never know the difference.)

# Pain Point

? **Lack of Confidence**

Many customers don't understand how custom fonts work, which leads to lower confidence that emails are rendering properly. The engagement benefit gained here is well worth the investment in learning more.

For more on custom and web fonts, check out the Ultimate Guide to Web Fonts from Litmus.

Dynamic Content

Do you use dynamic content?

Yes
No

58%
42%

Click-Thru Rates   **12.5** %   **8** %
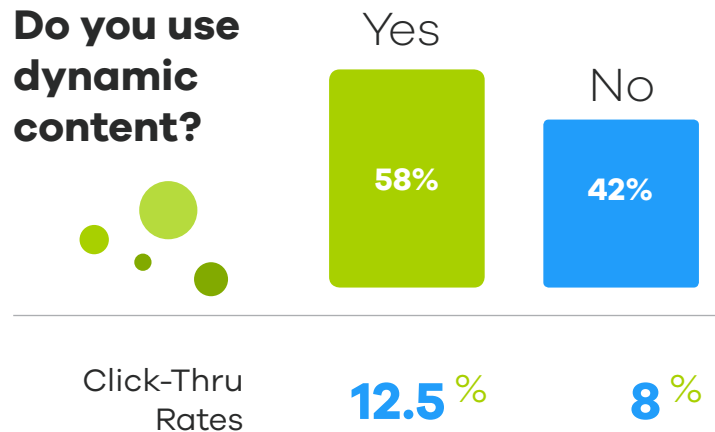
Check out the tremendous difference in click-thru rates here:
56% better for those using dynamic content.

Dynamic content users also report:

- **Greater confidence that emails render properly**

- **Greater efficiency and flexibility throughout the process**

Tech to Consider

If you're not already using dynamic content, it's definitely worth some consideration.

Used correctly, it can build trust, deepen client relationships, and boost engagement. Coupled with the added benefit to click-thru rates, it's a technology that can make a major impact.

For more on dynamic content, check out Understanding Dynamic Content from Marketo.

Email Testing Tools

Do you test your emails using an email testing tool (Litmus/Email on Acid)?

Yes
No

51%
49%

Click-Thru Rates
11.1 %
10 %
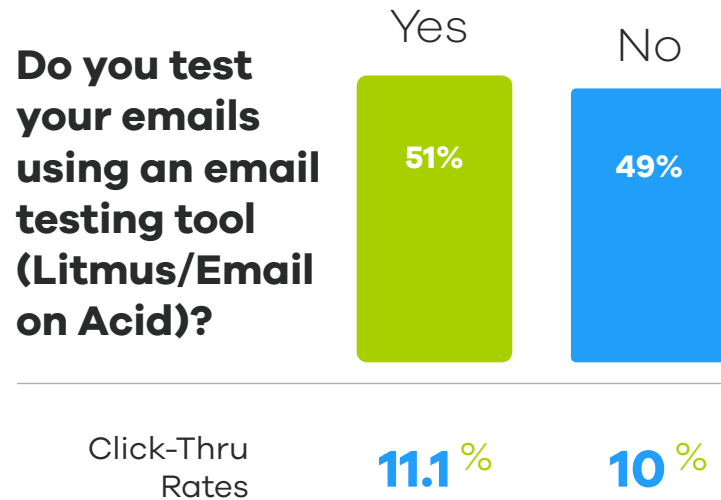
Organizations using an email testing tool report:

- **11% higher click-to-open rates**

- **22% greater confidence that emails render properly**

- **Greater efficiency throughout the email creation process**

Pain Point

Timing

Email testing can be time-consuming, which is why only 51% of users report regularly testing their emails.

In a process already bogged down by labor-intensive email creation, approval, and editing steps, testing can seem to further delay deployment.

Tech to Consider

Testing your emails to make sure they render properly is an important step. A testing tool like **Litmus** or **Email on Acid** can be a valuable addition to your MarTech stack, especially if you're using some of the special components listed here, like dynamic content.

Section 4:

Conclusion

What You Should Be Asking

Email marketing requires thoughtful strategy and careful planning. While it's easy to fall into the "that's what we've always done" rut, the truth is that **the Marketers who are making the greatest strides are willing to look at email a different way** and implement the changes that will drive results.

As you consider your own strategy, we'd encourage you to take a look at your results and ask yourself some key questions:

Is there more we could be doing with our email marketing?

What commonalities with my peers do I see here, and where do we have room to improve?

What can we do creatively to stand out and stay on trend without compromising our brand?

Email Marketers' Biggest Challenges

From our perspective, these are three of the biggest challenges facing Marketing teams right now:

Collaboration

No matter the size of the team, collaboration continues to be problematic. Organizations of every size need to solidify a formal email creation and approval process to eliminate frustration and speed up time-to-market.

New Technology

There's no shortage of new technology. As AI and Machine Learning become more prevalent in Marketing, Marketers will need to rethink their approach to the data they're receiving. Deciding what to implement (and when to pull the plug) requires careful consideration.

Choosing the Right Tools

No matter your approach to email creation, using the right tools is critical. Conduct some A/B testing and dive into your attribution reporting to see what's working. The results may or may not line up with your expectations, but it's critical to evaluate and analyze your approach.
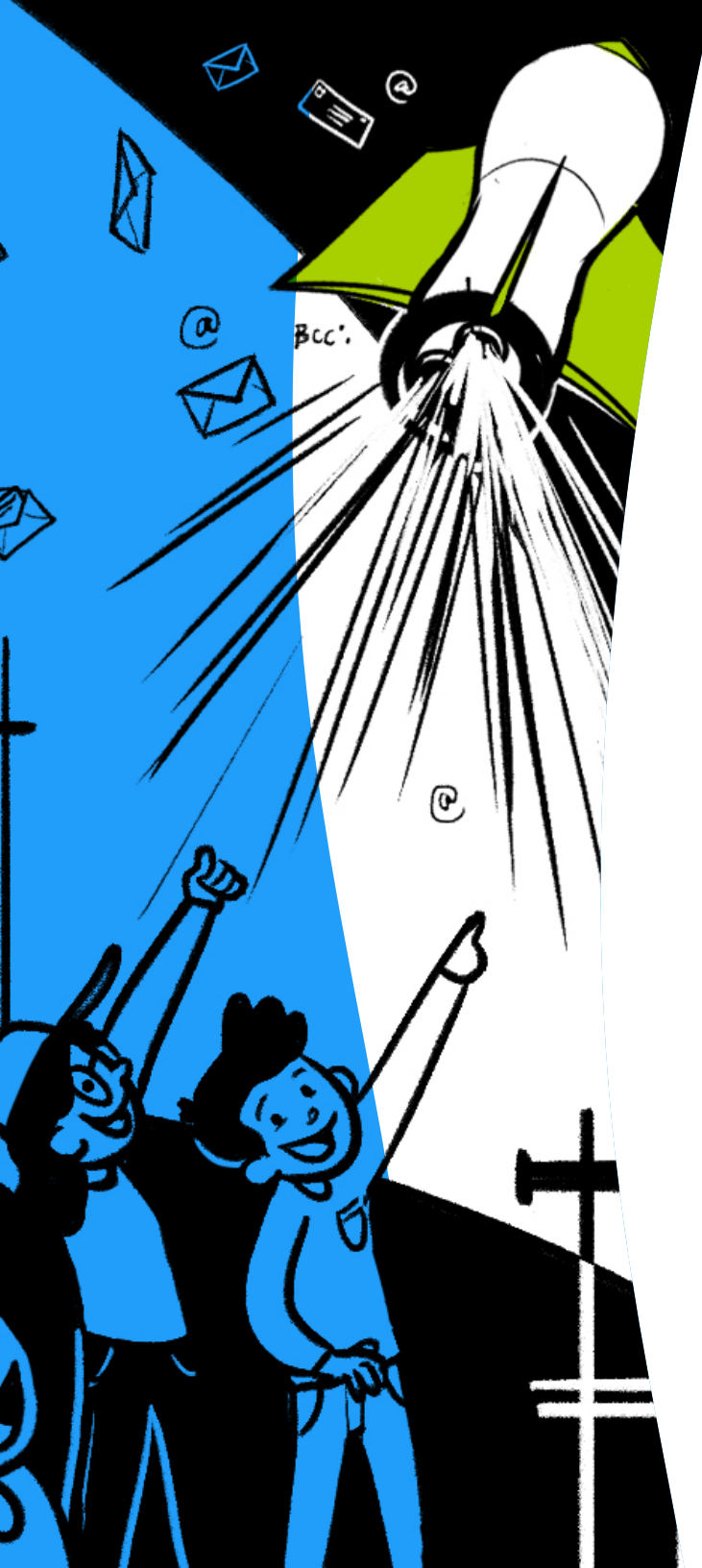
Email can be done better, and it can be done without doubling the size of your team or completely overhauling your MarTech stack.

If it's time to move from a batch-and-blast approach to a nurture strategy (and it's definitely time for that), find out how to make the switch.

If you don't have a formal approval process, rally your team and make one.

If you're ready to think about some next-level technology, do the research and get ahead of the curve.

If your team is ready to simplify the email creation process, an ECP can help.

Use the information you see in this report to determine which changes will lead to the results you want.

knak.

When conducting research for this report, we surveyed thousands of marketers - both Knak and non-Knak customers - to get an unbiased look into the state of email marketing in 2019.

Knak is dedicated to making marketers' lives easier. We are the first email creation platform built for teams. We empower anyone to build beautiful, responsive, on brand emails - no coding required.

If you have questions about the information in this report, we'd love to help. Please reach out to us here or visit us at knak.com.