

# 20222 Email Marketing Benchmark Report

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### **Doing more with even less**

Marketers have always been asked to do more with less. Less money, less time, and fewer people. This was clear 15 years ago as marketing automation emerged and people were asked to learn and adopt this new technology from the side of their desks, and it's clear now, as the pandemic has slashed marketing budgets and prompted a massive migration in the workforce.

After 2020, marketers were optimistic that spending would bounce back as the world found a way to live with the COVID-19 pandemic in a so-called "new normal." Instead, marketing budgets dropped to <u>6.4% of overall</u> <u>company revenue</u> in 2021 – down from 11% the year before.

At the same time, people are leaving jobs in droves, feeding ongoing claims of a "great resignation." And while marketing teams have dealt with turnover and labour shifts before, this one's different: we're dealing with a labour **shortage**. Take a look at the US, where <u>58%</u> of marketing professionals are currently opting to freelance instead of working full time for a company. This makes it increasingly hard to hire marketers — especially those who have technical skills like HTML and CSS.

#### Despite this, most marketers (71%, as we learned from our survey) are sending more emails than before.

Teams are working hard to meet customers where they are, delivering tailored experiences that move them seamlessly down the path to purchase.

To get some insight into the state of email marketing, and how brands are operating in this delicate state of affairs, we surveyed over 200 marketers working across various industries. In this fourth edition of Knak's Email Marketing Benchmark Report, we're sharing their responses and giving you the vital information you need to set your email marketing up for success in 2022.

Let's get started.



### **Executive summary**

As marketers do more with less money and fewer people, they need tools and processes that are more efficient and effective. They need to be enabled to reach their customers and prospects quickly, with high-quality content that's equal parts engaging and creative. In other words, teams need to be able to get more bang for their buck.

If the responses from our survey tell us anything, it's that marketers are already making these important shifts, particularly when it comes to creating emails. Here are the six key things that we heard from them.



#### **KEY FINDING #1**

### Email is more prevalent than ever



Email is an increasingly important marketing tool. Of the marketers we spoke to, 71% sent more emails in 2021 than they had the year prior. As their email volume increases, marketers are also optimistic about how they're performing across key metrics like open, click-through, and unsubscribe rates. Now is the time to stand out.

#### **KEY FINDING #2**

### Building emails is still challenging for many

Today's customers expect the world from their brands — and that includes personalised, engaging, and responsive emails. Meeting these expectations can be a challenge. Other challenges our marketers face? Implementing new design (45%), prioritising strategic operations (40%), speed to market (34%), and approval processes (32%).



#### **KEY FINDING #3**

### Marketing teams are becoming even more decentralised

More and more, marketing teams are shifting away from a centralised model. In fact, 34% of our respondents indicated that their team became more decentralised in the last year — and this impacts email and landing page creation. As our teams become more distributed, they need tools that help drive consistency and collaboration.



#### **KEY FINDING #4**

### Marketers are democratising creativity



Alongside decentralisation, there's also a shift happening where marketers are empowering more people to be creative, so that they can be more agile. Within email marketing specifically, 51% of marketing teams design their emails themselves. However, as teams are strapped for resources, they're relying on tools to help them stay creative and collaborative.

### KEY FINDING #5 The speed to market keeps accelerating



Despite their many obstacles, marketing teams are finding ways to accelerate the timeline between ideation and execution. Today, 55% of marketers get their emails out to market in minutes or hours, and 39% say the same about their landing page process. While this is great, there's still room for improvement, particularly in the back and forth of approval processes.

#### **BONUS KEY FINDING**

### Landing pages are on the rise — but there's more marketers can do

Marketers built an average 20 landing pages last year, and for 50% of them, that's more than they did in 2020. However, despite their growing popularity, there's still 69% of marketers who rarely create landing pages for their email campaigns, and 23% that rely on their web team to build them. As such, there's room for marketing teams to take more ownership of their landing pages and create seamless marketing experiences.



Read on for our benchmark data and a deeper dive into each of these insights.



44% of marketers saw their clickthrough rates increase.

EMAIL MARKETING PERFORMANCE BENCHMARKS

### Email marketing performance benchmarks

Want to compare your email performance relative to your peers? Below you'll find the comprehensive email marketing benchmark data for this year. See how you stack up.

### Email



	Small 0-100 employees	Medium 101-1,000 employees	Large +1,000 employees
Deliverability rate	92.5%	94%	93%
Open rate	28.5%	22%	24%
Click-through rate	9%	10%	11%
Unsubscribe rate	0.21%	0.3%	0.5%

## Year over year change in email marketing metrics

We asked marketers how the following metrics changed in the last 12 months:



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### How marketers are building emails



Marketers rely primarily on templates to create emails, but we are seeing a ongoing shift away from this trend.

This trend is fairly consistent across differently sized companies, with larger enterprises leaning more on email creation platforms.

## How marketers are building emails by company size



And they're prioritising personalization and background images as key features in their emails.

### Design elements used in emails

Personalisation Background images Custom Fonts Dynamic Content Emojis Animated GIFs Interactive Emails Hover Effects CSS Animations AMP Script Artificial Intelligence



35% have either switched their MAP in the last two years or are looking at a new platform.

MARKETING AUTOMATION PLATFORM (MAP) BENCHMARKS

#### **MARKETING AUTOMATION PLATFORMS**

### The marketing automation platforms marketers are using



As we look at the marketing automation platforms that marketers are using, we see that HubSpot occupies a large majority of the market. Typically, we are seeing HubSpot being used by small- to mid-sized companies.

Adobe, Oracle, and Salesforce fight for the enterprise market, the leaders there include Adobe Marketo Engage, Salesforce Marketing Cloud, and Oracle Eloqua. 1/3 of respondents report using a secondary MAP

35% have either switched their MAP in the last two years or are looking at a new platform.

## Percentage of marketers switching their MAP



**The reasons behind the move?** Features, integrations, and ease of use. This third one isn't surprising to us given that legacy marketing automation platforms are often cumbersome and antiquated.



### Why people are switching MAPs

## 71% of the marketers we spoke to told us that they sent more emails in 2021.

**KEY FINDING #1** 



## **Email is more prevalent than ever**

As Ann Handley put it in a recent Knak webinar, email is the only place where people (not algorithms) are in control. As an email marketer, you can choose who gets and reads your messages, and that's unique when you consider all the other distribution channels at your disposal.

It's this — and the growing ability to give customers personalised and engaging messaging — that continues to make email such a valuable marketing tool.

In other words, email is still increasingly popular. This year, 71% of the marketers we spoke to told us that they sent more emails in 2021. A jump from the 60% of respondents that increased their email volume last year. And as the number of emails grows, marketers are also seeing improvements in their key performance metrics.



### Year over year change in email marketing metrics

We asked marketers: how have the following metrics changed in the last 12 months?



As marketing teams embrace this growing volume of emails, they know they need to do more to stand out. For starters, they're leaving time-intensive processes behind. Today, only 12% of teams are still hand coding their emails, and 7% work with agencies to build their assets. However, 56% of marketers still use templates, and that's a problem. While they're faster to deploy than hand-coded efforts and cheaper than using an agency, templates still pose significant barriers for launching engaging, beautiful, and leading email marketing campaigns. Because they're so rigid, marketers have a hard time implementing change requests, conducting A/B testing, and pushing the envelope creatively.

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### How marketers build emails

As marketers take more ownership of their creativity and aim to make more of an impact with their emails, they're going to need no-code email creation platforms (ECPs) that let them build these assets with ease. With ECP users touting email performance rates that are **28% higher** than marketers who don't use an ECP, we expect to see an ongoing shift towards ECPs over the next couple of years.

## 56% of marketers indicated that they use templates to build their emails.

**KEY FINDING #2** 



### REY FINDING #2 Building emails is still challenging for many

While email keeps growing in popularity, there are still challenges that marketers face in getting their emails out the door.

For starters, customer expectations for how brands talk to and engage with them are becoming much more refined. When it comes to email, they want a seamless, beautiful, and tailored experience that materialises perfectly regardless of their device or mail client. This is a big driver for marketers to not only build well-designed emails that align with their brand, but also ensure that their content is responsive.

Despite this, a shocking 43% of marketers aren't consistently creating responsive content in their emails — a risky approach, if you ask us. We found that those who never create responsive emails have click-through rates that are 40% lower than the average.



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## Percentage of marketers creating responsive emails



At a more granular level, our respondents identified approvals, the process of creating new design, strategic operations, and lack of speed as other notable challenges in their email creation flow.

## Elements that marketers find challenging in email creation



We're not surprised to see these challenges top of mind for marketers. Of our respondents, **56% indicated that they use templates to build their emails.** According to the data, templates make it particularly difficult to implement new designs, as they're hard coded, and they also limit teams in how strategic they can be with their creative efforts.

Plus, if these teams are using their MAP for collaboration and approval flows, they're dealing with cumbersome technology that really doesn't set them up for success.

Many of these challenges can be mitigated by adopting an integrated email marketing tech stack that allows for easy collaboration, simplified approval flows, and streamlined building. 34% of our respondents indicated that their team became more decentralised in the last year. KEY FINDING #3



**KEY FINDING #3** 

## Marketing teams are becoming even more decentralised

Picture your marketing team. Is it a single team that fields requests from every part of your business? Or are your marketers spread out across verticals, sharing knowledge and skill sets across multiple sub-teams?

More and more, companies are leaning towards a hybrid or decentralised structure. In fact, 34% of our respondents indicated that their team became more decentralised in the last year.



## Different team structures adopted by marketers



## Different team structure adopted by marketers by company size



When it comes to email and landing page creation, this means that there are more people responsible for building these assets. In fact, **43% of teams have five or more people building emails for their company, and 35% have five or more people creating landing pages.** 

people people people people people



Looking at our customers and the survey respondents, we see that decentralised teams are winning. According to our survey data, while decentralised teams struggle more with maintaining brand standards and collaboration, they're faster and have an easier time implementing new designs.

As teams become more distributed, they need tools that facilitate collaboration and brand consistency. These elements are key for driving success and making sure brands show up effectively and creatively in the market.

Plus, their email and landing page builder needs to be easily integrated into their MAP. It's no surprise that **57% of respondents that chose a new MAP were looking for more available integrations, and 71% of those looking for a new MAP prioritise this as well.** We expect this to continue to be a key factor as teams choose a secondary or replacement MAP. We're seeing that more people within the marketing team are taking on creative efforts.

**KEY FINDING #4** 



**KEY FINDING #4** 

## Marketers are democratising creativity

An exciting change that's stemming from the decentralisation trend we discussed above is the democratisation of creativity. What we mean by that is that more people within the marketing team are taking on creative efforts — these tasks are no longer solely relegated to the design team or to an agency partner.



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### Who designs emails



### Who designs emails by company size



If we split our respondents up by company size, we can see that while agency usage remains consistent throughout, large companies are much more likely to have design resources at their disposal.



When it comes to landing pages, marketers are also carrying the bulk of the work, with support from the web team as well.

This is great to see, as it shows that marketing teams are taking more ownership for their creative efforts. However, it can be a challenge when teams don't have enough resources to truly be creative. When we asked our respondents what was holding them back from being creative in their email creation, a whopping 43% cited limited design resources, and 30% pointed at a lack of in-house skills.

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### The obstacles to creativity in email creation

As teams continue to democratise creativity, they need effective collaboration and workflow tools that allow for timely feedback and consistency. Interestingly, in addition to a **15% growth** in the use of collaboration tools, there's also been a **7% year-over-year uptick** in marketers using creation platforms to collaborate as they build emails and landing pages. As marketers prioritise these tools – and the tools become more refined – there are great opportunities for increased collaboration here.

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## The tools marketers use to collaborate on emails and landing pages



Plus, marketers will continue to shift away from outdated methods like reviewing pdfs — which can make approvals almost twice as challenging as any other method — and **test emails that are 29% more likely to slow down the approval process than other methods.** 

During this unprecedented labour crunch, no-code email creation platforms will also have an important role to play. By giving marketers the tools to build emails and landing pages — without requiring vast technical knowledge — teams will have an easier job hiring. Recruiters will be able to remove technical skills like HTML and CSS from their job descriptions and significantly widen the talent pool.

## 55% of marketers say they can get their emails to market in a matter of minutes or hours.

**KEY FINDING #5** 



#### **KEY FINDING #5**

## The speed to market keeps accelerating

Speed to market has always been an important metric for marketers. But in a time where customers expect a constant stream of impactful and interesting content from their brands, the window between ideation and execution has never been smaller.

Across the board, marketers are working hard to eliminate the speed barriers in their workflows. Today, these speed bumps include approvals, editing time, and the time spent collaborating with multiple stakeholders.


# The factors slowing down teams when creating emails and landing pages?



However, despite these barriers, **most marketing professionals (76%) feel that their email creation process is somewhat or highly efficient.** This number goes up to 79% for teams using email creation platforms. Meanwhile, 73% say the same about their landing page creation flow.

In parallel, 55% of marketers say they can get their emails to market in a matter of minutes or hours.

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Today, the process is typically a bit slower for landing pages.

How quickly marketers get landing pages to market



Compared to last year, marketers are also more satisfied with their approval processes. Considering this can be a major roadblock for getting assets out the door, this tells us that teams are likely better able to move quickly.





The one concern in the approval process that remains high for most marketers is too much back and forth (65%), which leads us to think that there's a need for tools that facilitate collaboration with approvers in a central location.

Lastly, as companies rely less on agencies (which were cited as taking up too much time by those respondents who still use them), there are fewer barriers to getting emails out to market.

> In 2021, Knak users created an average of 374 emails each, and spent an average 25 minutes on building each email.

50% of our respondents said they created more landing pages in 2021 than they had the year prior.



**BONUS KEY FINDING** 

# Landing pages are on the rise but there's more marketers can do

One of the things we were really excited to see in our survey data was that marketers are starting to use landing pages more consistently. In fact, **50% of our respondents said they created more landing pages in 2021 than they had the year prior.** 





# Number of landing pages built by company size

An important **38%** of marketers said that their landing page conversion rates improved in the last year, and **only 10% saw a decrease.** This tells us that marketers are doing more to encourage people to take action on these pages.

### Tools marketers are using to build landing pages

At the same time, however, there's still a way to go before marketers fully harness the potential of landing pages. Today, only 31% of our respondents were able to say that they're very satisfied with their landing pages. And that's probably why most email campaigns don't have landing pages associated with them.





### Percentage of time marketers add landing pages to email campaigns

While not all campaigns need a landing page, we see this is a missed opportunity. Having dedicated landing pages that are helpful, consistent in branding, and have a clear call to action can do wonders for improving your campaign's performance. Plus, adopting tools that allow marketers to own the landing page building process rather than the web team, **which 23% of teams still rely on** — means they can do more to create consistent experiences quickly.

## Landing page performance benchmarks

**50% of respondents** built more landing pages in 2021. The landing page conversion rate was **14%**.

	Small	Medium	Large
	0-100 employees	101,-1,000 employees	+1,000 employees
Conversion rate	12%	14%	15%

38% had a higher landing page conversion rate this year.

While a lot of teams still rely on their MAP's builder, many brands are shifting to landing page creation platforms.



#### How marketers build landing pages

The teams that continue to win are the ones that are agile and adaptable.

**CLOSING THOUGHTS** 

# Times are changing, and that's a good thing

There's a lot going on for marketers right now. The massive shift to digital marketing caused by the pandemic has led to more demands on marketing teams to create more emails and landing pages than ever before — but they're having a hard time keeping up. The current labour shortage is making it increasingly difficult to hire people with the right skills to produce emails and landing pages with traditional methods, and that means the old way needs to change.

At the same time, teams are becoming increasingly decentralised — they're not just spread out physically, they're also operating across various functions. This is also prompting an exciting shift in how creativity is distributed across teams. Marketers are taking back some creative ownership, and we love to see it.

At Knak, we get the awesome opportunity to see the impact of these changes first hand as we work with hundreds of teams on our platform. The teams that continue to win are the ones that are agile and adaptable. It's the ones that empower all of their people to be creative and decentralise their creative functions. It's the marketers that are giving themselves the space and time to test and optimise their emails. Lastly, it's the teams that use email and landing page creation platforms that are really putting themselves on the path to success.

Choosing the right tools is a key enabler for any marketing team. They empower teams to be more efficient and creative, remove pesky barriers, and ultimately accelerate speed to market. The same is true for email creation platforms. Not only will the right platform improve your team's performance, it will also encourage them to stay. And in a job market where the right people are hard (if not impossible) to find, that alone is worth its weight in gold.

# Get faster and more creative with Knak

At Knak, our mission is to empower enterprise marketing teams to be more efficient and more creative. Our email and landing page creation platform was built by marketers for marketers, and it solves a lot of the issues that they face every day.

Plus, our no-code, drag and drop builder is designed to empower marketing teams to create, collaborate on, and approve beautiful, on-brand emails and landing pages, and get them to market quickly.

#### In fact, Knak customers:

Have click-through rates that are 20% higher than non-Knak users Are 29% less likely to list speed as a challenge in email creation Are 3.3x more likely to have 11 or more people creating emails Are 46% less likely to be slowed down by their email building process

It's fully platform agnostic, integrating seamlessly with all of today's top marketing automation platforms including Marketo Engage, Adobe Campaign, Eloqua, SFMC, Acoustic, Pardot, and many more.

As marketers continue to navigate this labour shortage, Knak can also make hiring easier. If you no longer need your team to have HTML and CSS skills, you can widen your talent selection pool and get access to more high-value candidates.

#### Want to learn more about how your enterprise team can use Knak?

Check out our <u>website</u> or <u>book a demo</u> with one of our experts. We'd love to show you how it works.

# **About the respondents**

We surveyed over 200 marketing professionals across a wide range of job functions and verticals. This includes marketing operations leaders and specialists (40%), digital marketers (7%), marketing generalists (29%), and marketing executives (10%).

Of these 200 individuals, 63% work exclusively in the B2B space, 29% operate in a hybrid of B2B and B2C, and 8% are exclusively B2C marketers. In terms of company size, 27% work at small companies with 100 employees or less, 41% work at medium companies of 101–1,000 employees, and 32% work at large companies with 1,001–10,000+ employees.

While respondents spanned numerous industries including healthcare (7%), education (7%), and financial services (5%), 52% are in the tech space. In addition, 34% of respondents are current Knak customers.

The data included in this report is based almost entirely on the survey responses from this group of individuals, and is paired with a couple of small data points from the Knak platform.



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# **Our sponsors**

As we launch our fourth edition of the Knak email marketing benchmark report, we're so grateful to our sponsors.



"We've always been big fans of Knak and are really excited about how they're energising the email space. This report is just another example of how they provide value to marketers. Anyone looking to leverage useful and tactical insights should give it a read."

Mike Rizzo MO Pros



The MO Pros community is made up of 1,000s of Marketing Operations Professionals from a wide array of industries and backgrounds. We're all here to learn from one another — to connect, collaborate, and grow together. Whether you're searching for your dream job, troubleshooting a problem on analytics and reporting, or looking for feedback on the right tools to get the job done, we've got your back!



"We're excited to return as a sponsor for Knak's 2022 Email Marketing Benchmark Report. This year's insights go deeper than ever, making this a must-read for anyone working in marketing operations. You'll want to check it out."

Joe Peters Revenue Pulse



Many teams are switching marketing automation platforms, often because they're looking for better integrations and collaborative features. Revenue Pulse is a world-leading consultancy in the marketing operations space, and we have the people, knowledge, and culture you need in a partner. We're ready to chat when you are.



