

Email Marketing Benchmark Report

Q1 2024



Executive Summary

The benchmark report presents an analysis of email marketing data, covering metrics such as sends, unique opens, unique clicks, unique unsubscribes, and corresponding open rates, click rates, click-to-open rates, and unsubscribe rates. This data includes all email volume monitored by Zeta Global and is further categorized into four sectors: Retail, Travel, Hospitality & Entertainment (TH+E), Financial Services & Insurance (FSI), and Media. The analysis includes insights from over 100 US marketers.

Analysis conducted on data collected January 1, 2024 through March 31, 2024.

KEY TRENDS

- Open Rates in Q1 2024 are similar to Open Rates in Q1 2023, but are declining slightly for triggered email communications during the same time frame.
- Click Rates and Click-to-Open Rates are down slightly year-over-year but have improved from Q4 2023 to Q1 2024.
- Unsubscribe rates declined in Q1 2024 compared to the same period last year, indicating enhanced content relevance and increased audience satisfaction, which have led to better subscriber retention.

Using Industry Benchmarks Effectively

Leveraging email marketing benchmarks can improve your email marketing strategy but shouldn't be your only source of measurement. Benchmarks provide a reference point for evaluating the performance of your campaigns against industry averages. This comparative analysis offers insights into areas where your campaigns excel and where they may be falling short.

Benchmark reports also offer insights across various industries, enabling you to fine-tune your strategy according to the specific performance standards of your sector. This third-party validation is often used to demonstrate success to internal stakeholders and inform data-driven goals.

However, it's essential to use these benchmarks thoughtfully to avoid potential pitfalls. While benchmarks provide a snapshot of average performance, they may not fully capture the unique nuances of your audience or brand. Use them as a starting point to identify opportunities for improvement and innovation and combine with insights from your own performance metrics to tailor your email marketing strategy to your specific audience. By coupling industry benchmarks with a deep understanding of your brand's unique needs and challenges, you can develop more targeted, effective email campaigns that drive engagement and conversions.

Industry Trends

To drive engagement and revenue, brands should embrace the latest advancements in email marketing to create content that is highly engaging and relevant to customers



AI-Powered Personalization

Use AI and machine learning to analyze customer data and create highly personalized email content. This includes product recommendations, tailored offers, and dynamic content that adjusts based on user behavior and preferences in real-time.



Customer Behavior

Implement advanced behavioral trigger campaigns that send automated emails based on specific customer actions, such as browsing history, abandoned carts, purchase behavior, and even inaction. These timely and relevant messages can significantly boost conversion rates.



Interactive Content

Incorporate interactive elements such as polls, quizzes, carousels, and gamified content within emails. This not only increases engagement but also provides valuable insights into customer preferences and behaviors.



User-Generated Content (UGC)

Encourage customers to share their experiences and create content that can be featured in email campaigns. Showcasing UGC such as reviews, photos, and testimonials, builds trust and creates a sense of community, driving higher engagement and authenticity.

All Verticals

Q1 Y/Y Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	45.3%	45.4%	-
Unique Click Rates	1.21%	1.19%	+
Click-to-Open Rates	2.69%	2.62%	+
Unsubscribe Rates	0.074%	0.05%	+



45.3%

Unique open rates remain relatively flat compared to the same quarter last year

Engagement rates, including open, click, and click-to-open rates, declined compared to the same quarter last year due to increased inbox clutter, stricter privacy regulations, and changes in email filtering algorithms. Additionally, consumer preferences may be shifting towards alternate communication channels like social media and instant messaging apps, reducing the effectiveness of traditional email campaigns.

All Verticals

Q1 Q/Q Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	45.3%	48.5%	-
Unique Click Rates	1.21%	0.98%	+
Click-to-Open Rates	2.69%	2.01%	+
Unsubscribe Rates	0.074%	0.05%	-



2.69%

Click-to-Open rates are up approximately 18% over the prior quarter.

Click and Click-to-Open Rates are up over the fourth quarter. Performance is typically depressed in Q4 due to increased email volume and frequently reduced relevance during the holiday shopping season.

Retail

Maximize customer value through personalized experiences that recognize the customer at every touch-point and interaction.



Personalize Experiences

Cater to individual customer preferences and behaviors by utilizing data-driven insights to tailor product recommendations, offers, and content that can enhance customer experiences and increase the likelihood of conversions.



Understand the Customer

Retailers can boost revenue by using AI to understand customer preferences and behaviors. AI-driven insights from multiple touchpoints enable personalized marketing strategies, enhancing customer satisfaction, conversion rates, and fostering repeat business.



Orient Around Behavior

Integrate data from in-store purchases, website interactions, and social media engagement to understand and predict customer needs, becoming a trusted advisor in their shopping process.



Enhance Customer Experience

Leverage an omnichannel approach, integrating data for personalized communication across all channels making the customer feel known and understood at every point of interaction.

Retail

Q1 Y/Y Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	41.5%	41.8%	–
Unique Click Rates	0.7%	0.7%	–
Click-to-Open Rates	1.7%	1.7%	–



41.5%

Unique open rates are down 6.8% over the same quarter the prior year

Despite a slight decline in open rates, the retail industry has maintained steady click and click-to-open rates, indicating continued relevance and engagement of email content. Addressing the decline in open rates through subject line and delivery timing optimization could further enhance overall email performance.

Travel, Hospitality + Entertainment

Travelers' needs are as unique as their journeys and every experience should be tailored to recognize and meet these individual preferences.



Personalize Experiences

Use guest data to send tailored travel recommendations, special offers, and destination guides based on their past travel history and preferences.



Orient Around Behavior

Implement automated email series for booking confirmations, pre-trip preparations, on-trip tips, and post-trip follow-ups to provide a seamless customer experience.



Dynamic Content

Incorporate dynamic content such as countdown timers for limited-time offers, weather updates for destinations, and personalized itineraries to create a sense of urgency and excitement.



Tell A Great Story

Use high-quality images, videos, and travel stories to inspire and captivate your audience, encouraging them to explore new destinations and experiences.

Travel, Hospitality + Entertainment

Q1 Y/Y Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	49.3%	37.8%	+
Unique Click Rates	0.9%	0.84%	+
Click-to-Open Rates	1.8%	2.41%	-



49.3%

Unique open rates are up over the same period last year while click rates have remained consistent.

Unique open rates have improved but click rates have remained consistent suggesting that while more recipients are opening emails, they are not necessarily engaging further by clicking on the content. This indicates a need for more engaging or relevant content to convert opens into clicks and, ultimately, bookings.

Financial Services + Insurance

Customers' needs from their Financial Institution are as unique as their fingerprints and should be recognized in every experience.



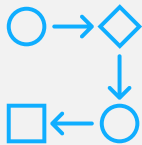
Personalize Experiences

Tailor emails based on customer data, such as their financial goals, transaction history, and preferences, to deliver relevant content and offers.



Keep Them Informed

Provide valuable information and resources, such as financial tips, market updates, and investment strategies, to help customers make informed decisions and build trust.



Automate Workflows

Use automated workflows for onboarding, account updates, reminders, and personalized follow-ups to maintain consistent communication and enhance the customer journey.



Enhance Customer Experience

Segment your audience based on demographics, behaviors, and financial needs to send targeted messages that resonate with specific groups, improving engagement and conversion rates.

Financial Services + Insurance

Q1 Y/Y Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	56.6%	47.6%	+
Unique Click Rates	1.5%	2.7%	-
Click-to-Open Rates	2.6%	5.5%	-



1.5%

Unique click rates are down slightly over the same period last year, though open rates are increasing.

In the financial services industry, rising open rates alongside declining click and click-to-open rates suggest that while subject lines effectively capture attention, the email content or timing may not resonate. To address, it's crucial to reassess and optimize the timing and relevance of email content to better align with the audience's needs and interests.

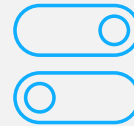
Media

Audience preferences are unique, and content must cater to their diverse interests to be truly meaningful.



Personalize Experiences

Tailor emails with content recommendations based on user preferences and reading/viewing history to deliver relevant content.



Dynamic Newsletters

Use dynamic content to create newsletters that adapt to the reader's interests, including trending topics, breaking news, and personalized sections.



Offer Exclusivity

Provide subscribers with exclusive access to premium content, early releases, special events, and member-only discounts to enhance loyalty and engagement.



Introduce Interactivity

Incorporate interactive elements such as polls, quizzes, and feedback forms to engage readers actively and gather insights on their preferences and interests.

Media

Q1 Y/Y Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	41.5%	44.8%	-
Unique Click Rates	2.8%	2.9%	+
Click-to-Open Rates	6.7%	6.5%	-



41.5%

Engagement metrics for Media have been consistent over the prior year. While there has been minor fluctuation, it is not significant.

Consistent year-over-year email performance metrics in the media industry indicate stable audience engagement, suggesting that content and strategies are effectively meeting audience expectations. This stability reflects a loyal subscriber base and reliable brand perception, providing a solid foundation for benchmarking and long-term planning. While consistency is positive, it also presents an opportunity to explore innovative strategies to further improve engagement and growth.

Trends By Message Type

Despite a decline in open rates for triggered emails over the past year, they still outperform batch emails, which have seen an increase in open rates.

Key Opportunities



Optimize Timing

Focus on refining the relevance and timing of triggered emails to orient in a meaningful manner to customer behavior to improve long-term engagement.



Improve Relevance in BAU

Use dynamic content to create unique messages that adapt to the reader's interests, including trending topics, breaking news, and personalized sections.



Over-Index on Behavior

Leverage behavioral insights to not only understand what the customer wants today, but to anticipate what they will need in the future.



Maximize Insights

Leverage data and insights to better understand customer behavior and predict customer lifetime value for content and contact strategy.

Triggered Messages

Q1 Y/Y Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	48.8%	36.17%	+
Unique Click Rates	5.28%	3.51%	+
Click-to-Open Rates	10.82%	9.73%	+
Unsubscribe Rate	0.02%	0.097%	+



48.8%

While open rates have declined slightly over the prior year, all other engagement has improved, including a reduction in unsubscribe.

Overall engagement has improved, suggesting that the content and timing of triggered emails are resonating more effectively with customers, resulting in higher quality interactions and more satisfied subscribers. This improvement indicates that while fewer people may be opening messages, those who do are finding them more relevant and valuable, leading to stronger retention and less churn.

Promotional Messages

Q1 Y/Y Performance

	Q1-24	Q1-23	Y/Y
Unique Open Rates	45.4%	45.3%	+
Unique Click Rates	1.11%	1.13%	-
Click-to-Open Rates	2.44%	2.43%	-
Unsubscribe Rate	0.07%	0.05%	-



45.4%

While open rates have improved marginally over the prior year, all other engagement has declined, including an increase in unsubscribe.

Analysis of performance over the prior year suggests that while more recipients are interested enough to open messages, the content may not be meeting their expectations, leading to lower engagement and higher dissatisfaction. To address, it's crucial to reassess the relevance and quality of the promotional content, ensuring it aligns better with the interests and needs of the audience.

Evolving To Brand Benchmarks

Measure what drives, influences, and limits your email program success



STEP 1: Define Categories

Program benchmarks may vary from one program to the next, making it important to have clear and concise program categories to define success.

STEP 2: Assess Performance

Define performance through dashboards, weighted index performance scores and competitive insights to establish a baseline.

STEP 3: Establish Growth Goals

Establish annual engagement growth goals for each program and continuously measure and report on progress.

What Else Should I Measure?

As the reliance on Open Rate effectiveness continues to decline, many brands are asking the question, "What should we be measuring to determine program success?"



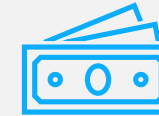
Click-through Rate

Informs interest in content, offers and descriptive calls-to-action



Conversion Rate

Measures recipients that were interested enough to complete the desired action



Revenue Per Email

Quantifies how effective messages are at driving revenue



Email Subscriber Value

Measures the LTV of an email subscriber versus a non-subscriber



Inbox Impression Value

Ascribes value to the impression an email makes on a customer in the inbox



Multi-channel

Assess email within the full journey to align multi-channel attribution across the customer experience

Appendix

Metric Definitions

Unique Open Rate

The number of individual email subscribers that opened the email divided by the total number of email messages delivered.

Unique Click Rate

The number of individual email subscribers that clicked on any link within the email communication divided by the number of messages delivered.

Click To Open Rate

The number of Unique Clicks divided by the number of Unique Opens.

Unsubscribe Rate

The number of individual email subscribers that have unsubscribed from a mailing divided by the number of email messages delivered.

Zeta's AI-Powered Marketing Cloud Helps Marketers Drive Profitable Customer Growth

Zeta is the only platform that is made up of a CDP, ESP, DSP, and the largest private, unwalled, data cloud which gives marketers the tools they need to be successful. The Zeta Marketing Platform (ZMP) is designed for marketers' needs with the unique flexibility to wrap around and augment your tech stack, providing speed to intelligence, deeper analytics, and activation to deliver greater return on investment.

Whether the ZMP is the single platform environment removing the need for multiple point solutions, or it's connecting the dots to extract more value from current tech investments, the AI-powered ZMP is at the forefront of the next generation of marketing technology.

Reach out to ZetaCRM-Partners@zetaglobal.com for more information