

RESEARCH

95pc of email marketing deemed irrelevant by recipients

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Photo courtesy of Bloomingdale's

By SARAH JONES

Email marketing is a cost-effective way to communicate with customers, but retailers may need to rethink their messaging strategy to get the most out of their campaigns, according to a new study by First Insight.

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While a small percentage of consumers cannot get enough emails from brands, most complain about the frequency of messages from brands, which can make a subscriber feel they are being spammed. With fewer yet personalized emails, brands can get a better return on their effort, as consumers are more likely to open and convert when the message is aimed at their interests.

"Consumers expect a higher standard of customer service from luxury brands and likely won't have the same patience as they do with other retailers," said Gretchen Jezerc, vice president of marketing & product management at First Insight. "The ability to re-engage lost customers is harder for luxury brands, as non-luxury brands have the added benefit of affordability to keep shoppers coming back."

For "**Retail Email Overload**," First Insight surveyed 1,112 consumers in the United States.

Know your audience

Email marketing spend is expected to increase 20 percent each year, growing to \$6.5 billion in 2018.

With this general investment in email marketing, it should come as no surprise to brands that consumers are subscribed to more than one retailer's newsletter. On average, respondents say they are signed up for emails from 2.3 brands, which send a combined 13 messages per week.

Two thirds of those getting six emails a week said it was too much. Lowering the count to five or less made emails easier to stand, with only 21 percent thinking this was overkill.



Consumers desire fewer emails from brands

Only a quarter of emails are opened, which many respondents attributed to the lack of relevance of the offer or message. On average, consumers feel that only 5.5 percent of emails reflect their personal interests.

Only 17.9 percent of consumers agree with the statement that retailers understand them.

Forty-five percent of consumers have unsubscribed to a retailer's email list in the last six months. While this is partially based on annoyance at email frequency, it is also tied to irrelevancy.

Balking these trends are the 8 percent of people who say they love getting email. Contrary to the average, these shoppers are happy to get 10 or more messages per week.

These email lovers are more apt to open their brand messages, with an open rate of 59 percent. They are also more apt to find something personally appealing about the message, saying that 28 percent of emails are relevant to them.

A key defining characteristic of the email lover is a keen interest and pleasure in shopping. The group was 73 percent more likely to say they like or love shopping.



Shopper at DFS

When respondents were asked to profile themselves based on shopper types identified in a Michigan State and Deakin University in Australia study, the results show a tendency toward more enjoyable, leisurely shopping behavior.

Whereas half of all respondents categorized themselves as a dasher, one who gets in and out of a store as quickly as possible, only a quarter of email fanatics self identified this way. Instead, they are most apt to be hunters, those who focus on finding deals.

Those who genuinely like emails are more likely than the average respondent to classify themselves as someone who uses shopping as therapy or one who looks at shopping as a social event.

By signing up for emails, a consumer is opening the door for a relationship with a brand, but it is up to the retailer to cultivate this connection. This includes getting to know them and personalizing messages through Big Data, such as social media insights and shopping preferences.

Making an effort to cater to individual consumers can pay off, with 43 percent of respondents saying they are more likely to open an email that reflected their person style. Additionally, 39 percent say they would go out of their way to buy from a store that does not deliver irrelevant messaging.

"The right balance is all about personalization," Ms. Jezerc said. "Whether consumers want regular email deals or minimal messaging from their retailers, they all want to feel like their favorite retailers understand them and their personal taste.

"Today's consumer is digitally connected in several ways and they want to be heard," she said. "Asking them what they prefer can help create a dialogue vs a one way conversation. Demonstrating that you are not just interested but actually listening is a step in the right direction."

Personal appeal

Other reports have found a general lack of personalization in email campaigns.

While it may seem like a simple addition to branded communications, two-thirds of retailers do not use consumer data to personalize email offers, according to a recent report by Yesmail.

Yesmail's "The 2016 Yesmail Marketing Channel Report" also found that more than one-third of retailers do not personalize subject lines and the majority do not insert the intended recipient's name in the email body and more so, 64 percent do not personalize any email copy. With so much buzz centered on the omnichannel concept, retailers are missing a mark that can easily be solved through the integration of consumer data mined for existing digital channels ([see story](#)).

While 88 percent of marketers say they personalize their email communications, a recent L2 report finds that about a quarter of brand emails are instead sent using a blast method that does not take into account individual preferences.

Customizing emails can help to boost conversion rates, since consumers are more likely to interact with a targeted message that is relevant to their wants and needs. Brands and retailers should be thinking of ways to bring a more personal touch to their digital marketing by using data and technology to create better relationships with their customers ([see story](#)).

"Marketers are in the perfect position to collect insight and data from their consumers, which can be extremely valuable if used correctly," Ms. Jezerc. "By utilizing the data available to them, marketers can create personas based on demographic, psychographic and social media information that gives greater insight into their personal preferences regarding specific products and deals.

"This data makes it easier for marketers to segment customers based on their interests, allowing them to tailor deals and emails relevant to each group."

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