

# Email Trends Report

## Q1 2006

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Prepared by:



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## Introduction

Over the past few years, industry norms have been adjusting to the challenges associated with successful delivery to the inbox: image blocking, email filters, blacklists, whitelists, increasing volumes of email, Spam, and the list goes on. This new Q1 2006 trends report from cardcommunications provides insight into trends from Canadian-based email marketers in Q1 2006. Subsequent reports will be published on a quarterly basis with each report exploring new types of email marketing data.

When compared to email norms from the United States, including email statistics published in a Q1 2006 [study by eROI](#), Canadian findings are much the same. Findings in this report echo findings in the eROI study – specifically the apparent decline in open rates and click-through rates. It is important to understand they are “apparent” because there are many new variables that influence accurate measurement and tracking capabilities. One is the emergence of image blocking which makes it impossible to track actual opens. Another is the increasing use of PDAs. Also known as handhelds, PDAs default to text-only emails and these pose tracking issues as well.

Despite these challenges, smart marketers understand that email remains an important part of the marketing mix. They also know that they must continually find new ways to effectively stand out in the inbox while still following all the best practices around permission-based email marketing. Email remains one of the fastest, most environmental and measurable way to affordably communicate with virtually any target audience.

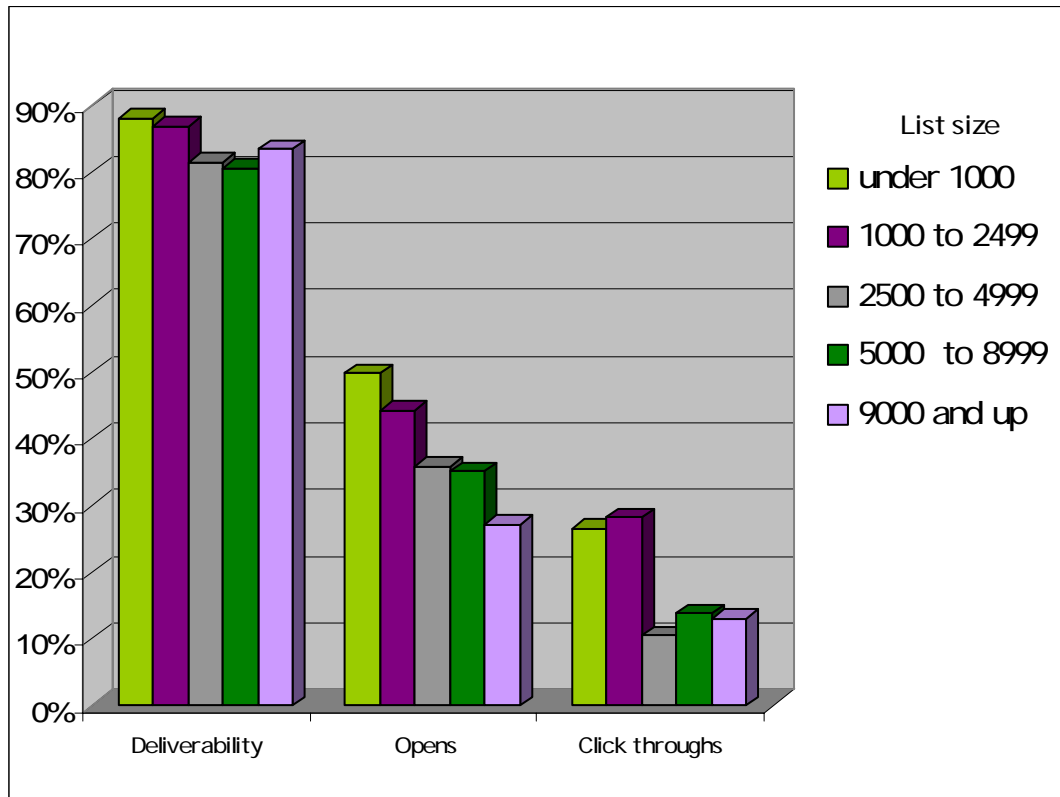
## Key Definitions

**Deliverability Rate:** The total number of emails sent (which is always 100%) minus the total number of email bounces (*which includes both hard and soft bounces*)

**Open Rate:** The unique percentage of times an email was opened by a recipient.

**Click-Through Rate:** The unique percentage of times a recipient clicks on a link (URL) in an email.

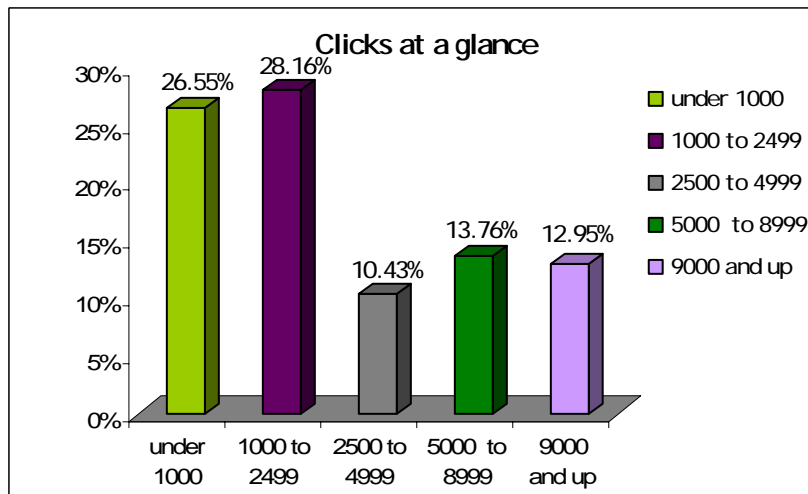
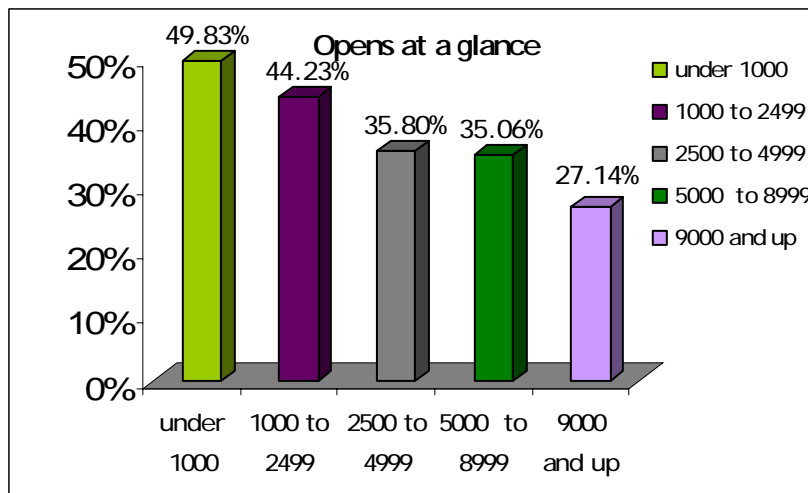
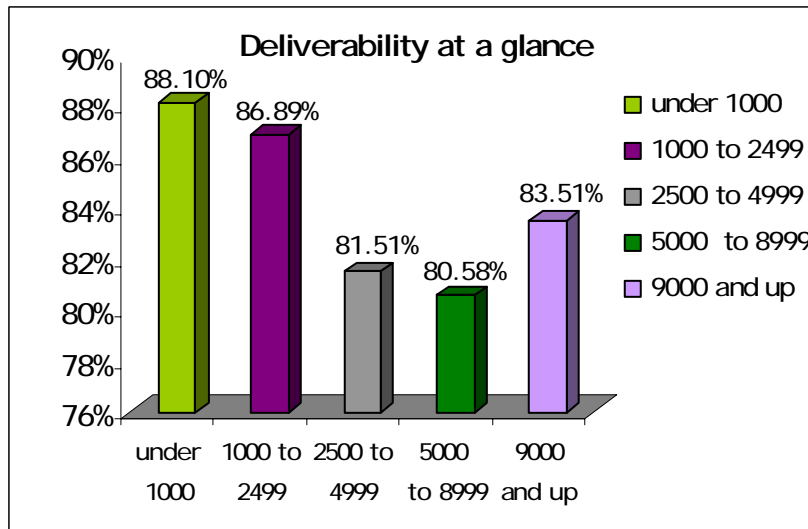
## Summary of Results



## Key Findings

1. Smaller lists achieve higher deliverability rates.
2. Smaller lists achieve higher open rates.
3. Smaller lists achieve higher click-through rates.

## A Closer Look...



## Summary and Conclusions

- **The smaller the list, the higher the deliverability.** For maximum [deliverability](#), marketers must strive to maintain a clean list by enforcing a list management process that removes hard bounces (permanent – i.e. non-existent email addresses) while monitoring soft bounces (temporary – i.e. full mailboxes). High bounce rates have a negative impact on deliverability as do email filters, email blocks and blacklisting by some Internet Service Providers (ISPs).
- **The smaller the list, the higher the open rate.** Marketers must shift the focus from list quantity to list quality because bigger lists are not definitely better lists. Lists must be clean. Lists must be up-to-date. Lists must be permission-based. This realization that “less is more” will help manage expectations in terms of anticipated response rates. For marketers with large lists, it simply means it’s time to segment into smaller lists. For marketers with small lists, it means get going and [plan for segmentation](#) down the road.
- **The smaller the list, the higher the click-through rate.** Marketers must move away from the “one size fits all” approach to content. Through an [email audit](#), determine how you can develop smaller, more targeted lists. Doing such an exercise will lead to more targeted messaging which in turn helps lift overall response rates. The more relevant the message, the more meaningful the message. The more meaningful the message, the more likely the recipient will feel compelled to “read more” via email links they can click through.

## Bottom Line

- Small lists - including those that have been segmented - generate the highest response rates.

## Methodology

- From Jan. 1, 2006 to Mar. 31, 2006, cardcommunications provided specialized managed email marketing services for 155 targeted email campaigns with average list sizes of 3,000 recipients. In total, these campaigns reached over 500,000 recipients. Campaigns were sent from small, medium and large organizations in a variety of industries. All individual client results are confidential. All reported statistics are collected through our technology partner, Constant Contact.

## About cardcommunications

cardcommunications is an Ottawa-based email marketing service provider focused on creating emails people love to open. Started in 2001, cardcommunications offers solutions ranging from blended to fully outsourced email services, specialized training and customizable programs that meet client’s specific needs. Visit [www.cardcommunications.com](http://www.cardcommunications.com) for more details.