

Email Trends Report

Q2 2006



Prepared by:



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Introduction

Results from the cardcommunications' Q2 2006 Trends Report are similar to findings from our Q1 report. However, for something new in the mix, we've added results broken down by industry.

As previously cited in our Q1 report, and echoed in many other industry reports, open and click rates appear to be on the decline. Since Q1, we've seen a slight drop in numbers, but experts agree this is due in part to the increased use of image blockers that interfere with tracking mechanisms.

Key Definitions

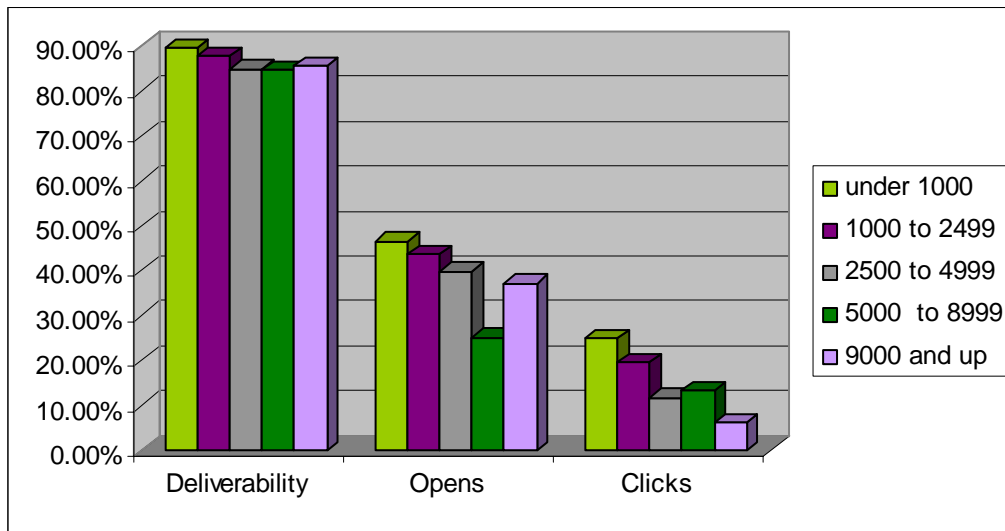
Deliverability Rate: The total number of emails sent (which is always 100%) minus the total number of email bounces (which includes both hard and soft bounces)

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

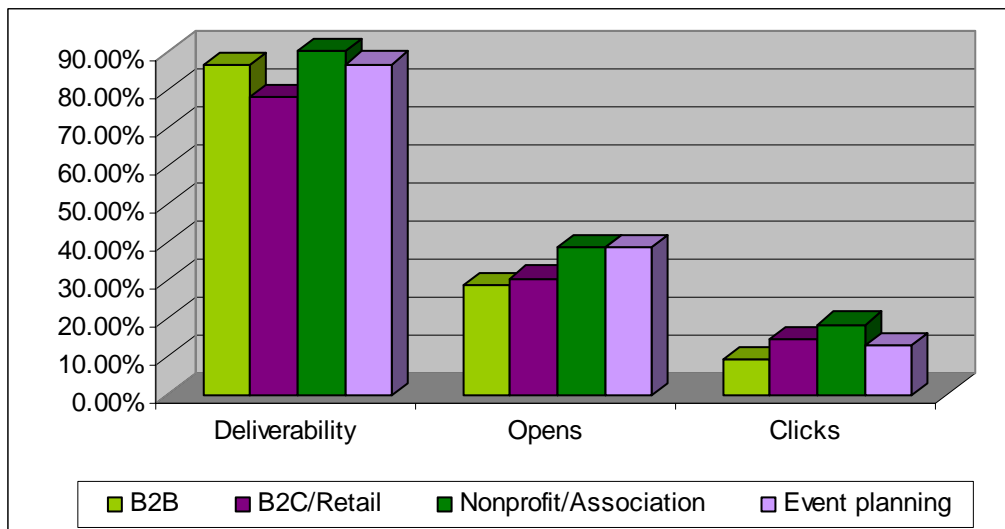
Click-Through Rate: The unique percentage of times a recipient clicks on a link (URL) in an email.

Summary of Results

By List Size:



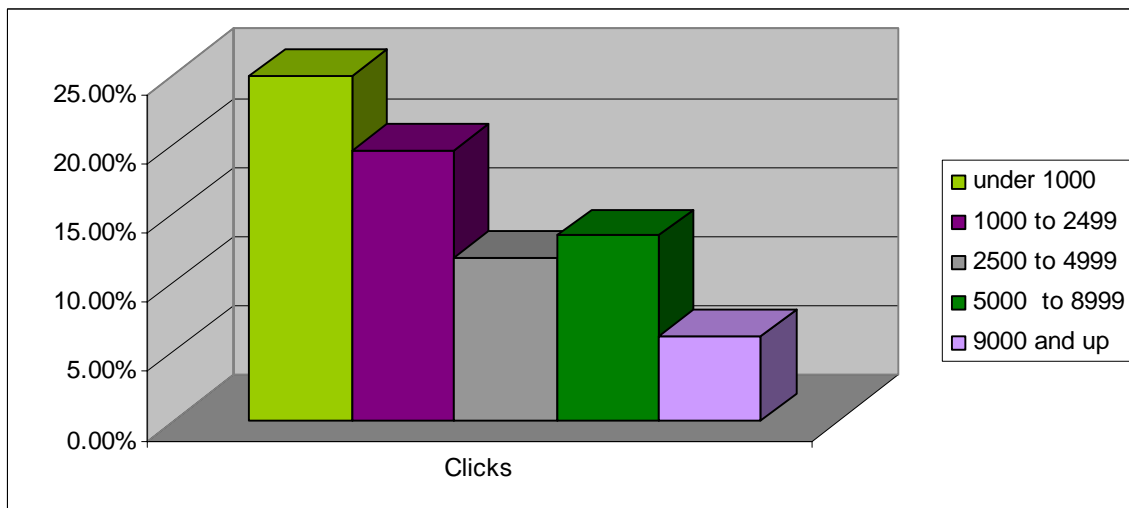
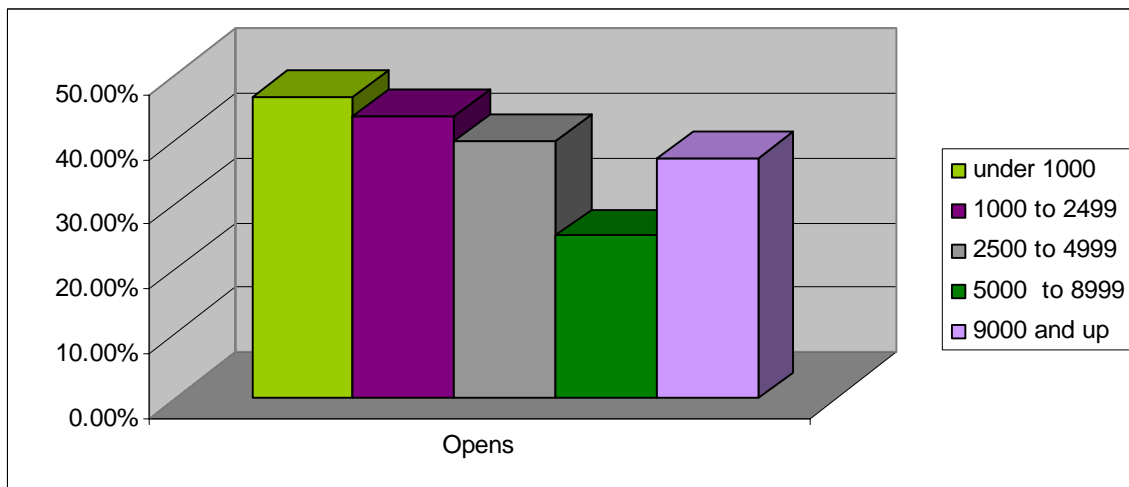
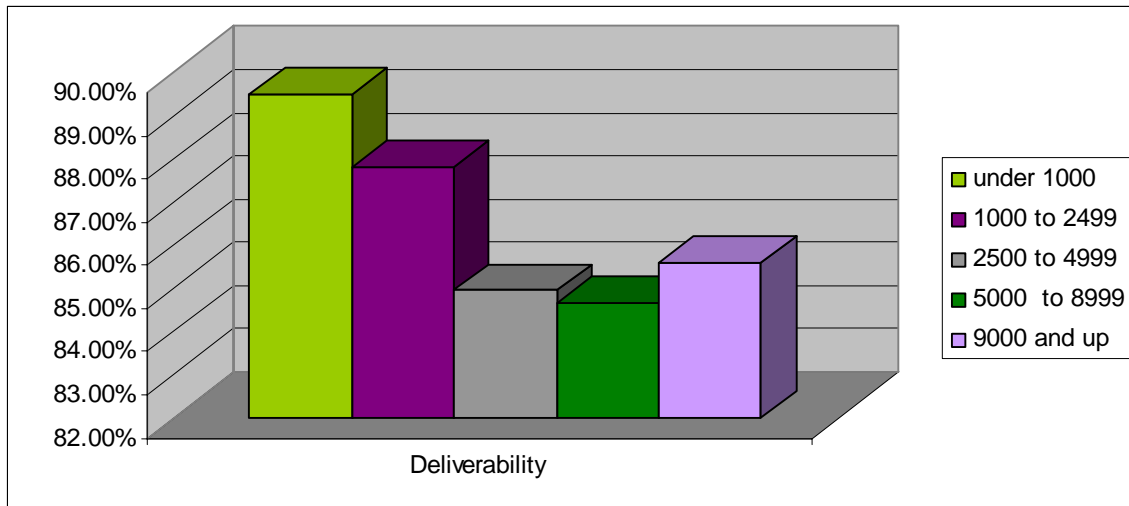
By Industry:



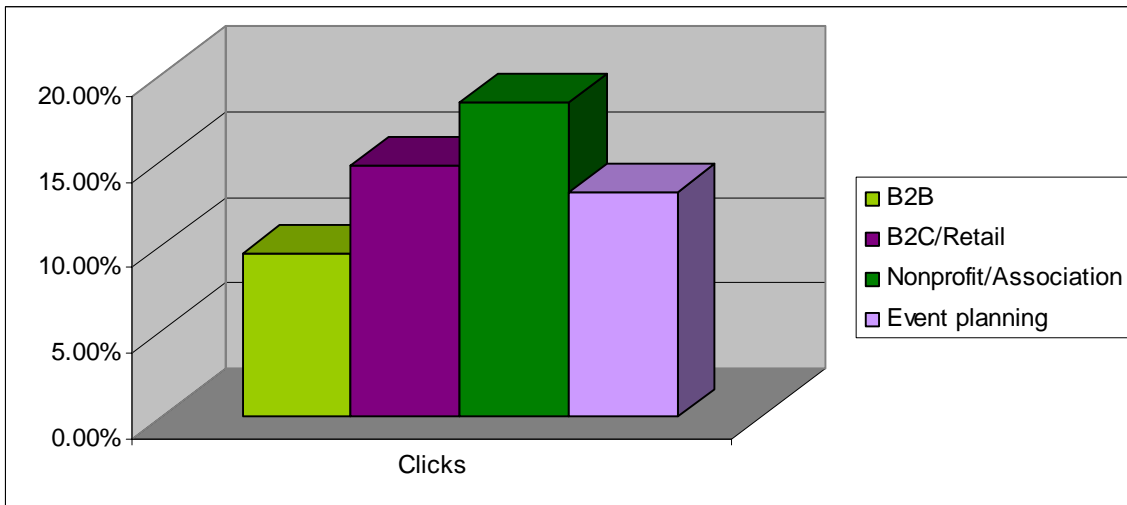
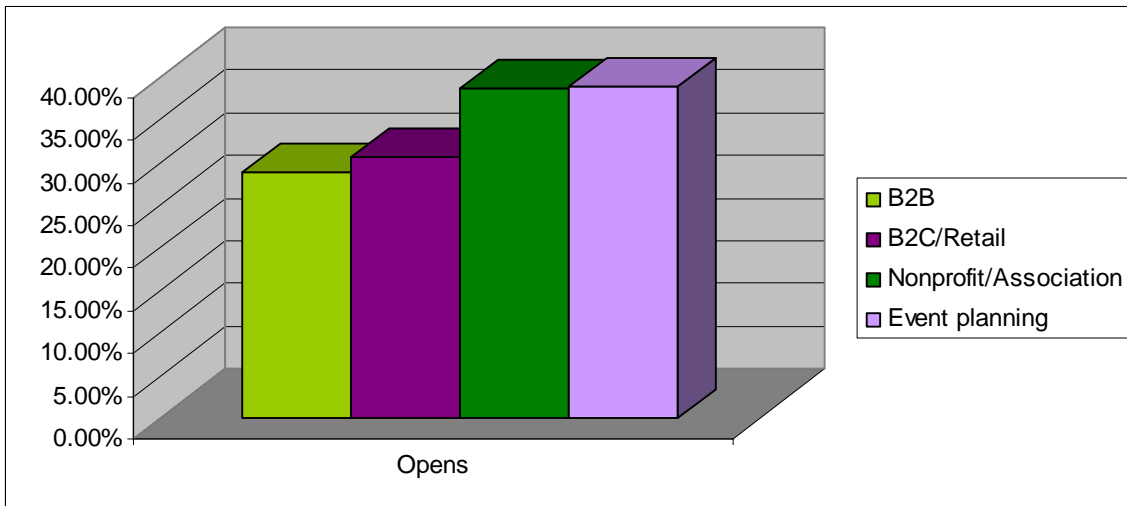
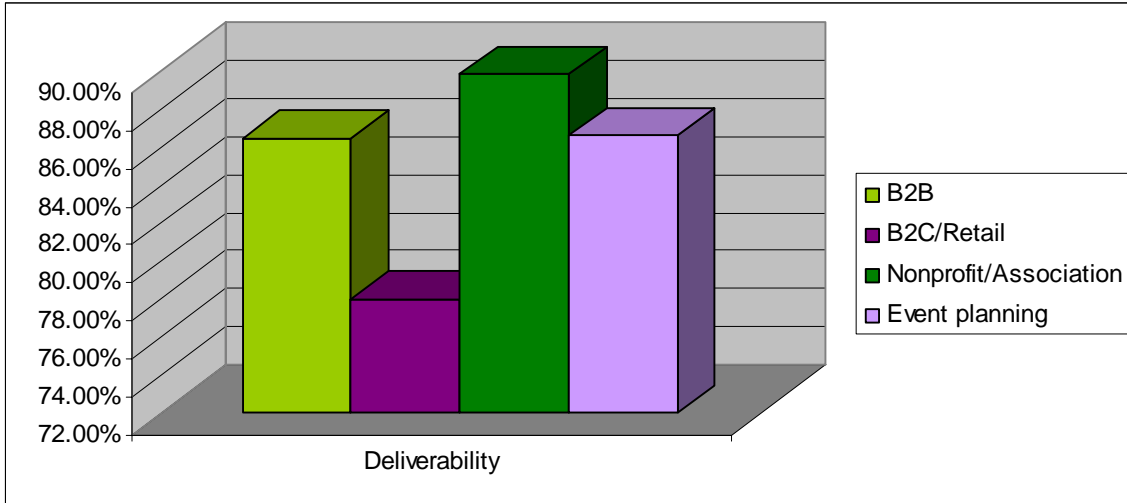
Key Findings

1. Small lists typically generate the best response rates (consistent with Q1 2006 results)
2. Emails in the Nonprofit/Association sector generate the best results when compared to emails in B2B, B2C/Retail, and Event planning.

A Closer Look... Metrics by List Size



A Closer Look... Metrics by Industry



Summary and Conclusions

- **Like Q1 results, small lists, including those that have been segmented, generate the highest response rate.** Having a small, segmented list allows e-marketers to tailor content that is relevant and meaningful to each target group.
- In terms of industry, **the Nonprofit/Association sector realized the best deliverability and click-through rates**, plus open rates were only a fraction behind those of Event planning emails. This is most likely due to list quality – most nonprofits and associations have a loyal, dedicated list of members/stakeholders that want, and look forward to, news and updates from that specific organization. For optimal results, it's all about having a targeted and loyal database. This is where B2B and B2C email marketers need to shift their thinking away from list size and towards list quality. Quality lists come through trusted relationships between the sender and the recipient. Trusted relationships are earned through targeted emails. As far as priorities, the size of the list should be secondary to the quality of the list. Even owners of large lists need to think small. This means segment, segment, segment.
- **Event planning emails generated the highest open rate.** The rationale for high open rates can be attributed to list quality since many event planners target previous attendee and exhibitor lists. This means they are reaching an audience who has already demonstrated interest and are therefore likely to demonstrate interest once again. The lower deliverability rate for this sector can be attributed to infrequent sending patterns between events. These gaps in frequency lead to outdated lists that lead to bounces caused by non-existent email addresses etc.

Bottom Line

- Again, **it all comes down to list quality (relationship) and list size (segmentation)**. If you are following all best practices and not getting the results you want, perhaps it's time to rethink your list strategies.

Methodology

- From April 1, 2006 to June 30, 2006, cardcommunications provided specialized managed email marketing services for 160 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 for more details.