

Dynamic Yield Research

The State of Personalization in Email

In Face of Email Fatigue, Personalized Approach
Revives Trust in Consumers

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EXECUTIVE SUMMARY

Even after all these years, email still dominates as the reigning champion of channels marketers turn to for the highest return on investment, and on average, contributes over 20% of revenue for businesses.

But with so many companies planning to increase their spend on email marketing comes an inevitable pressure to increase the amount of emails sent in order to deliver on revenue. And for consumers, that translates into inbox overload, frustration, and often, negative brand sentiment.

To understand the habits, preferences and opinions on email personalization, Dynamic Yield surveyed 550+ consumers in North America, Europe, and Asia to better understand the current state of email personalization and how retailers can create more meaningful experiences for customers via one of the most tried and true channels for revenue growth.

Findings:

- // The degree of personalization respondents encountered within emails from retailers greatly varied by region.
- // By and large, consumers want and expect emails to be tailored specifically to them.
- // Flooded inboxes plague consumers on a daily basis across regions but only a small portion of emails are opened or clicked through.
- // Consumers inspired by the right email will typically transact on desktop in the evening time, after dinner.
- // With the right promotions and discounts, consumers are more likely to associate brands with enjoyable email experiences.
- // Amazon is the email gold standard. Cited as the favorite retailer to receive emails from, consumers associate highly targeted emails that surface and offer information on relevant products as the bar to hit.

All of the findings are presented in detail below.

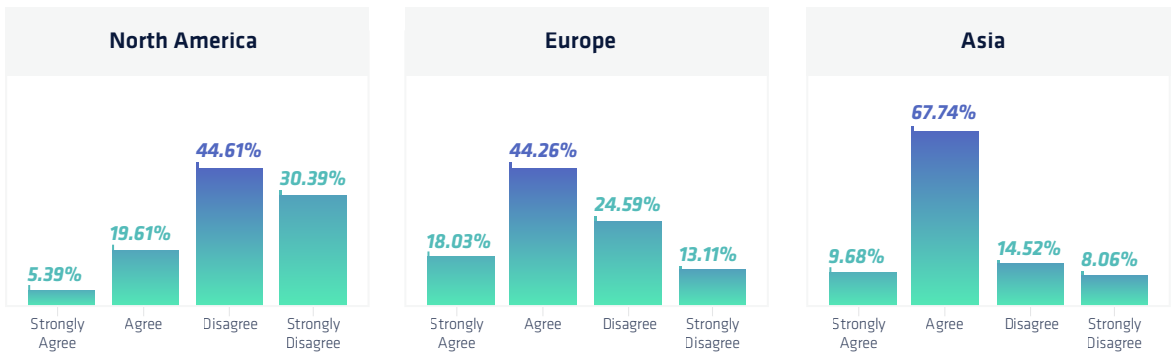
FAVORABLE TO PERSONALIZATION, YET AN OPPORTUNITY GAP

By and large, respondents agreed they would respond favorably to emails if the content felt specifically tailored to them. However, gaps in retailers actually delivering on personalized email experiences indicate fluctuating opportunities across North America, Europe, and Asia.

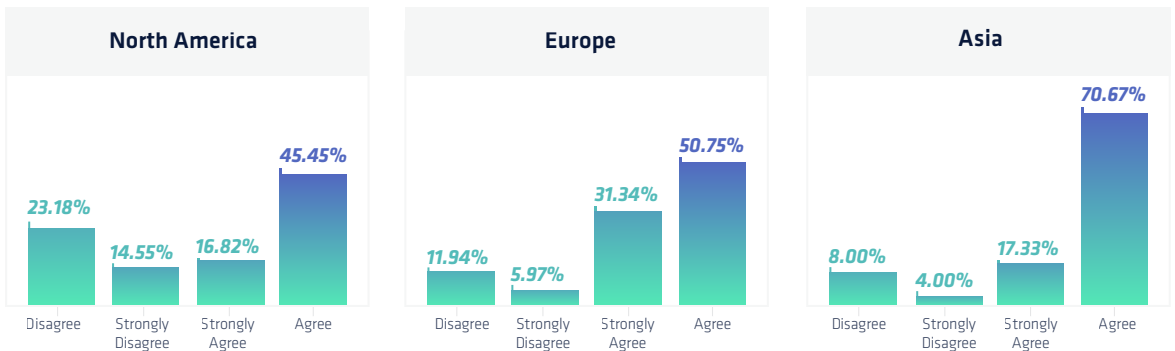
71% of consumers believe personalized experiences would influence their decision to interact with emails, though, in places like North America, personalization is experienced less and not as capitalized on by retailers.

- // **75%** of respondents in North America felt as though content was not personalized for them while **60%** of those in Europe and **77%** of people in Asia believed content was, in fact, individualized.
- // Unilaterally, over **60%** of North Americans, **88%** of Asians, and **80%+** Europeans claimed they would respond favorably to an email had the content been personalized to their interests.

When I read an email from a retailer I feel that the content is personalized for me



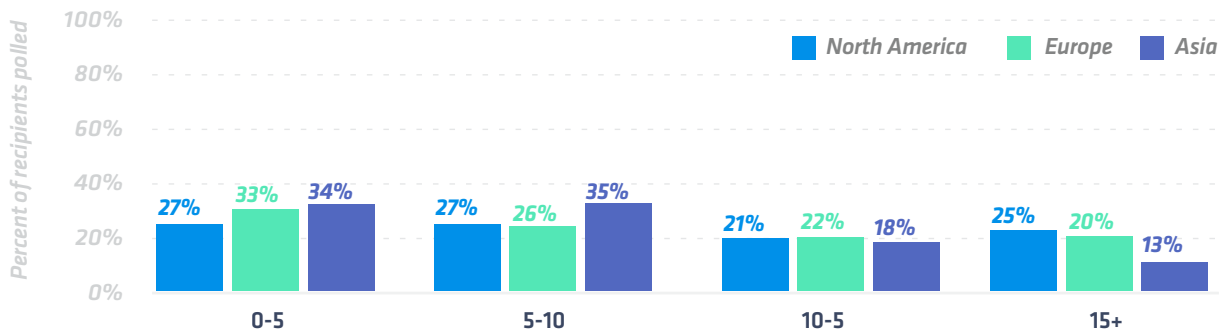
I am more likely to respond favorably to an email from a retailer that looks like it was created specifically for me



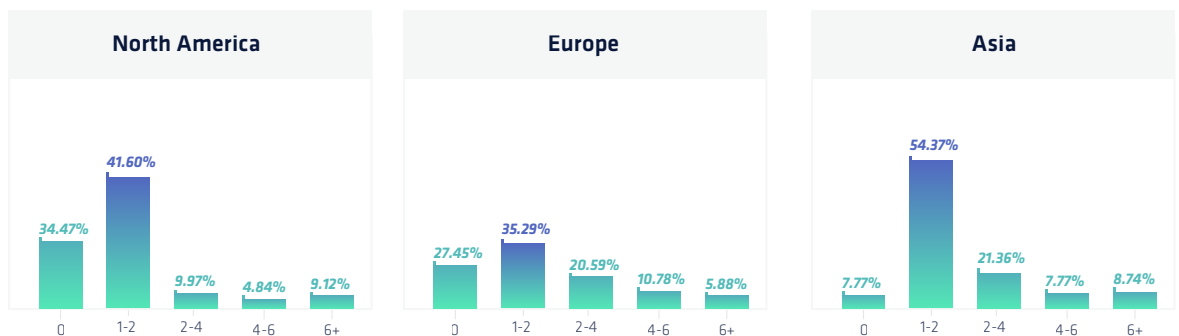
INBOXES ARE INUNDATED

Ranging from 0-15+, the largest ratio of respondents from each region reported receiving 5-10 emails a day. Though not far behind, many reported 15+ emails hit their inbox in a given day. Of those, the majority of people, regardless of territory, said they would open 1-2 emails.

- // **25%** of people in North America, **20%** of Europeans, and **13%** of Asian respondents reported receiving upwards of 15+ emails a day from a bevy of different retailers.
- // Of that, **40%** of people in NA, **31%** in EU, and **39%** in Asia said they would open 1-2 of those emails.
- // And chances are, those 1-2 emails would be where **42%** of users in NA, **35%** of those in the EU, and **54%** of those in Asia actually clicked through to visit a retailer’s site or app.



How many emails do you click through to a retail site or app on daily basis?



EMAIL TO PURCHASE PREFERENCES

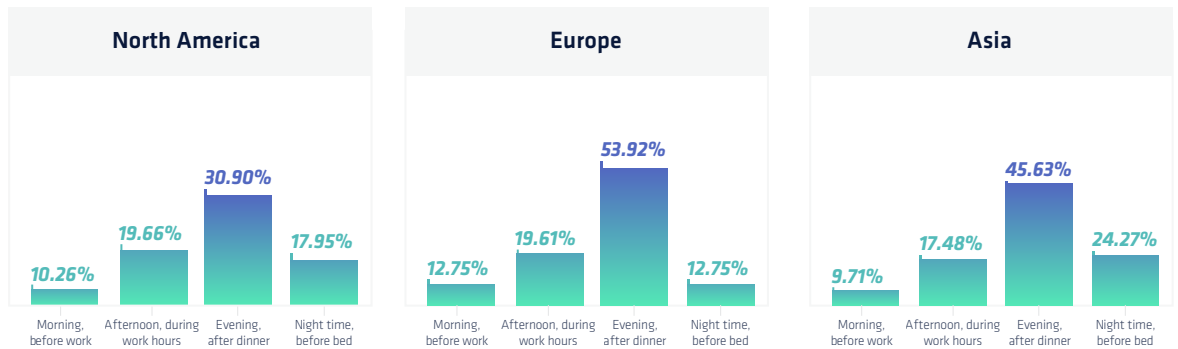
Delivering personalized experiences at the right time is often touted as best practice for producing effective results, regardless of the tactic. Seems pretty obvious, but what exactly does the right time mean when it comes to delivering positive email results?

Well, for consumers who felt inspired by the right email to purchase, it meant a transaction would typically take place with a retailer in the evening time, after dinner.

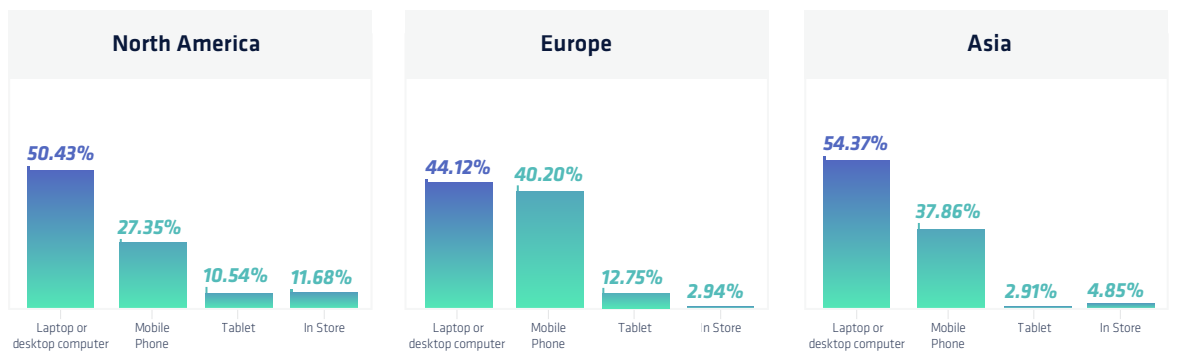
- // **45%** of respondents claimed the time after work is when they had the largest propensity to actually click through an email to purchase.
- // Only **12%** claimed in the morning would be when a transaction would typically take place had they found an email in their inbox that resonated.
- // Surprisingly, only **22%** were inclined to make a purchase from an email that inspired them during their work hours.

Additionally, exactly 1/2 of survey respondents stated if an email inspired them to purchase, that transaction would typically take place on desktop. Though not far behind, 31% of survey respondents preferred a mobile phone for a transaction inspired from an email.

If an email from a retailer inspires you to purchase, that transaction will typically take place



If an email from a retailer inspires you to purchase, that transaction will take place on



WHAT MORE ENJOYABLE EMAIL EXPERIENCES LOOK LIKE

Consumers are largely influenced by what crops up in the inbox and when, representing a major opportunity for the brand with the strongest email game.

- // **55%** of respondents stated that a more enjoyable email experience would include retailers offering more targeted promotions and discounts. Nothing like a little monetary incentive to make up for years of generic outreach.
- // While **37%** indicated that brands providing more tailored recommendations to their interests would make for more enjoyable emails. Brands must be able to connect the dots with their customer data to reap the benefits on this front.
- // **25%** want retailers to make it easier to discover new products. For eCommerce brands with thousands of SKUs, surfacing relevant items to curate via email not only provides utility, but a greater customer experience.
- // And **23%** of those surveyed stated an interest in being alerted of details and information on product availability. Consumers will never know they want to buy if they don't know what you have.

Understanding the incentives behind what will drive more meaningful interactions with your email list is crucial to delivering successful campaigns -- what once felt overly self-promotional and sales-y is now anticipated, but only effective if personalized to the user.

THE AMAZON ADVANTAGE

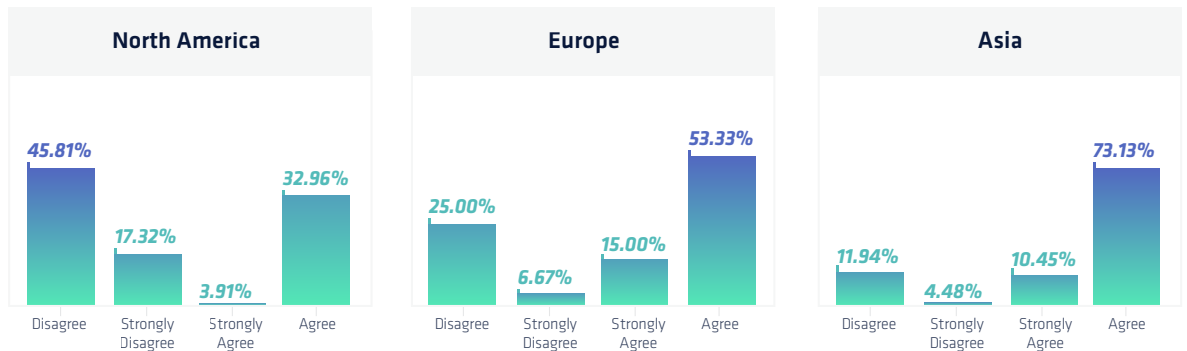
Referenced more times than any other brand by those surveyed in North America and Europe, Amazon was the favorite brand to receive emails from, apart from Qoo10 in Asia, which closely resembles Amazon. And what does Amazon do best? They leverage data like behavioral signals, historical preferences, and user affinities to better serve relevant experiences to their customers across channels.

One common application can be seen in the form of Amazon's famous product recommendations.

Currently, a larger portion of North Americans cited receiving product recommendations from retailers via email that are simply not relevant than in both Europe and Asia, where respondents polled more likely to receive individualized recs.

- // **63%** of respondents in North America disagreed when asked if retailers emailed product recommendations that were relevant.
- // Meanwhile, **68%** of those polled in the Europe and **84%** of people in Asia felt as though product recommendations from retailers within emails were relevant.

When retailers email me product recommendations, they are generally relevant



COMPELLING OFFERS TRANSCEND THE CUSTOMER JOURNEY

While a recipient might open an email during their commute, it's important to recognize that regardless of optimizing send times, it won't always ensure a click or transaction in that present time. However, if the content or products featured in the email are compelling enough, the likelihood an individual will go back to make a transaction later via their desktop increases dramatically.

Out of a laundry list of reactions presented to consumers when met with an email they liked, the largest portion of respondents claimed they would act in the moment, but many others indicated returning to it later on.

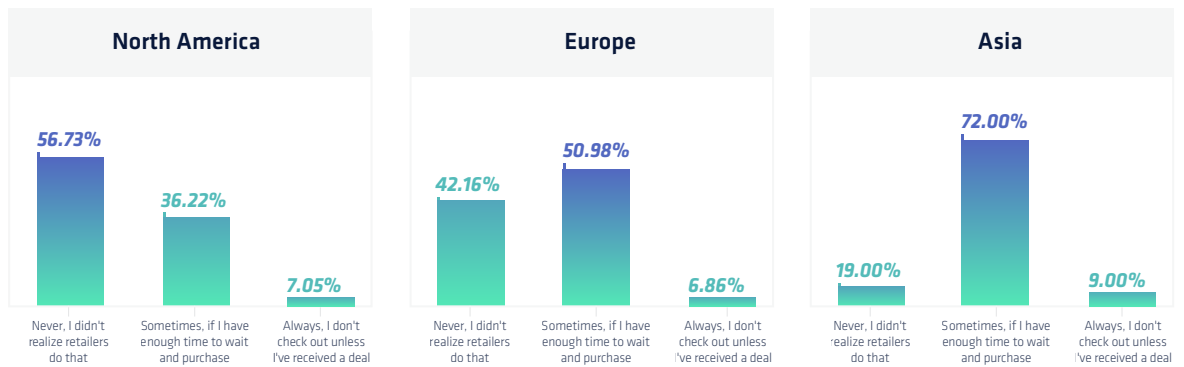
- // 45% claimed they would open an email and act on it in that moment.
- // 35% would simply hope to remember it later.
- // 34% would mark it as unread and access it later.

Offer Hackers

As consumers become savvier to the personalization tactics used to re-engage and capture sales, retailers will need to be mindful of growing expectations around discounts and promotions. Many of our respondents reported adding items to their carts in anticipation of a deal, but it would only influence their decision if they had the time to wait and make a purchase.

- // 43% of consumers didn't realize retailers sent coupons if items are left in a shopping cart.
- // 43% will often wait to purchase in anticipation of an email discount.
- // 18% don't check out until they've received a deal.

How often will you add something to your cart in anticipation of an email coupon code or discount?



A MAJOR OPPORTUNITY FOR MARKETERS

When asked how retailers could make email experiences better, only 13% answered with

“Nothing, I’m very pleased overall when I receive emails from retailers.”

Consumers enjoy email when personalized, but brands still have a lot of room for growth when it comes to delivering on that true one-to-one experience.

As practitioners budget their spend on email marketing this year, the opportunity to improve the current state of the channel is too large to ignore.

ROBUST EMAIL PERSONALIZATION WITH DYNAMIC YIELD

So, how can marketers deliver true personalization within email to forge meaningful relationships with customers?

With the right tools, highly targeted and engaging emails can become the norm for brands, as well as a competitive differentiator. Here are some of the capabilities many companies are already relying on to drive significant revenue.

- 1. Central Data Hub:** Access and leverage customer data from across your marketing stack to provide a robust email channel for your business that can deliver true personalization.
- 2. Dynamic Content:** Tailor the content in your email per segment and auto-target audiences with relevant creative and content to ensure you're delivering the most compelling variations to your users at the time of email open.
- 3. Personalized Recommendations:** Deliver user-specific email recommendations to give customers the same personalized experience they had on your site, rendered at the time of email open based on their most recent interactions.
- 4. Triggered Emails:** Re-engage and recover users who have left your site or app by defining trigger events and conditions to send contextualized, personalized emails when each user is most likely to interact.
- 5. Testing & Optimization:** Optimize and improve the results for your email campaigns by testing different strategies for your emails and analyzing exactly what gets your users to click and convert.

About Dynamic Yield

Dynamic Yield's unified customer engagement platform helps marketers increase revenue by automatically personalizing each customer interaction across the web, mobile web, mobile apps and email. The company's advanced customer segmentation engine uses machine learning to build actionable customer segments in real time, enabling marketers to take instant action via personalization, product/content recommendations, automatic optimization & real-time messaging.

Capitalize on the Email Opportunity with Personalization Now >