

## The 2023 State of Email Report

The definitive guide to the most important data points in the email marketing industry today.

#### Contents include...

- Survey results from 1000+ marketers
- A roundup of all the data we collected on emails, who's sending them, and how
- Reflections on the state of email from Litmus' email experts

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# The 2023 State of Email Report

Welcome to the final installment of our four-part series on the state of email in 2023! In this report, our team of email experts takes a close look at the most important data points from the cumulative research of 2023. We pull out the stats that will make the biggest difference for the enterprising email marketer. This is the *highest* of high-value data that will matter most, out of a year's worth of research into how email pros like you are doing what you do best.

Real top-shelf stuff.

## 20/24 Vision (The Future of Email)

It's our hope that by reviewing and reflecting on the top insights from 2023, we can shed some light on the murky waters of the future. The best predictor of future behavior is past behavior, after all! By analyzing the trends of 2023, we can get a sneak peek into what 2024 may hold for email marketers everywhere!



### Who did we hear from?

The State of Email reports gather insights from companies and brands across a wide range of industries—and approximately **47**% **of respondents are not Litmus customers**. Our survey respondents include email marketers from small businesses to technical specialists in major corporations. We put these reports out, it's true, but it's your voices we're showcasing.

Written by email marketing professionals, for email marketing professionals, this report will empower teams like yours with the insights you need to build better, more effective, and more efficient emails this year, next year, and beyond.

### What should I do with this data?

Honestly, what can't you do with this data? Here are just a few possible uses:



- Use them to advocate for program value
- Refine your workflows
- Benchmark current performance against industry standards
- Inspire innovation across the team.

If you're planning for 2024, for example—put these stats in your deck to help advocate for the future of your email program. You can use insights like, "Email is the coolest marketing channel out there," in conversations with demand gen, partner marketing, client services, and more. And yes, you can quote us on that.



Email continues to be the powerhouse of all marketing channels by delivering a stellar return on investment. But email is only as effective as the tactics and strategies that go into it. And with customers expecting to receive relevant, highly personalized, accessible, and perfectly timed emails—every time—the pressure is on for email marketers. And rather than reinventing the wheel, email marketers should take stock of their current email program and ask themselves what they should stop, start, and continue doing, (using their own KPIs) to help meet customer expectations—even if they're challenged to do more, with less."



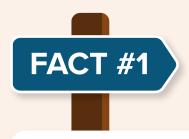
- Jaina Mistry, Director of Email and Content at Litmus

### CHAPTER ONE

# THERE'S NO MARKETING LIKE EMAIL MARKETING

In the first part of the year, we looked at a lot of data about email workflows, efficiency, and processes. We asked email marketers how they're working, and whether what they're doing is *working* to reach their audiences.

Out of that research, one shining fact rose above the rest...



41% of marketers say that email is their most effective marketing channel

According to The State of Email

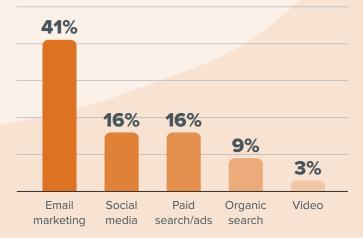
Workflows Report, 41% of email

marketers say email marketing is

their most effective channel! Runnerups included Social media (16%) and

Paid Search (16%), but email marketing
won this round by a pretty significant
amount. That's big news for email folks
everywhere. (Yes, you should screenshot
this stat and send it to your boss.)

### What are your most effective marketing channels?



See it in the State of Email Workflows Report



What does this mean for us?

Email is still the most effective marketing channel, after all these years—and that's huge. There are a lot of reasons why this is true, but to cover just a few of them:



Email enables your team to create **highly personalized experiences through dynamic content** and segmentation in order to ensure you're sending the right message to the right person at the right time.



Email works the whole customer journey, from **brand awareness to customer lifecycle, and beyond**. There's an email for every moment!



It's becoming more challenging to find your audience through organic and even paid social. **Email has a huge potential reach that easily overcomes these roadblocks** without the expense—including outperforming organic social media posts by 13% and social media ads by 11%.



Email is a trusted channel, where you can **build and maintain relationships over time**. Unlike many other marketing channels that are considered less trustworthy, like social, email is a bastion of human connection.



How else is email a cut above the rest? Let us know on  $\underline{\text{LinkedIn}}$  and  $\underline{\text{X}}!$ 

The most important takeaway here, however, is that email marketing is still the biggest marketing powerhouse on the block. And we should be *seriously* investing in it, as such.

As passionate believers in the power of email marketing ourselves—who wouldn't be, when the **ROI on email is \$36 for every \$1 spent**. As your most effective marketing channel, it's important to make sure your emails are error-free and on-brand every single time they hit your customer's inbox. Every error has a high cost when the stakes are this high.

That's why we care so much about helping you send error-free emails with tools and features like Email Previews on 100+ email clients and devices, automated QA testing, BIMI validation, pre-send spam testing, **Email Guardian**, and so many more.





Personalization was a big win for us in 2023 (and, if my inbox is any indicator, for others as well). I loved seeing the fun ways different companies used dynamic images and engaging personalization in their emails. I hope to see even more through next year, and look forward to seeing how email marketers push email to be better by taking personalization beyond {{first name}}.

On the Litmus team, we're having a blast running our own personalization experiments, and we couldn't do it without Litmus Personalize. It's such a valuable asset that helps us push the horizons of what's possible!"





# CHAPTER TWO YES, YOU NEED AN EMAIL DESIGNER

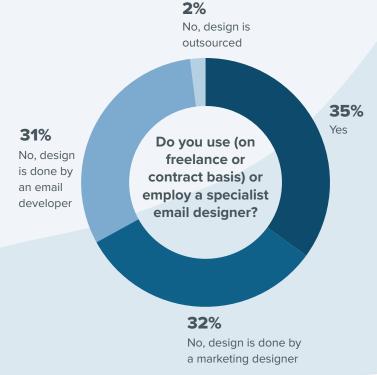
In the second part of the year, we looked at <u>the world of</u> <u>email design</u>. We examined the tools the best designers in the business are using to build beautiful and effective emails that stand out in the inbox.

Out of that research, this stood out to our team:



# 35% of companies have an email design specialist

In email, specialization is incredibly important. It's a highly technical field with lots of intricacies that require an expert to handle—which is why 35% of companies have an email design specialist, whether in-house or otherwise. It's important to have someone who understands the highly specific needs of the email medium working on those projects!



See it in the State of Email Design Report



What does this mean for us?

If you aren't already working with a dedicated email designer, now is the time to get involved with one. Whether that means connecting with a freelancer or expanding your headcount, the future of email includes highly specialized designers (and email design tools). Benefits of a dedicated email designer include:



A dedicated email designer brings expertise to the table, as they understand the <u>unique needs of email</u> and can create visually appealing and effective email campaigns.



An email designer will be able to create (and enforce) <u>consistent branding</u> across all your email communications, creating a cohesive and recognizable identity for your audience—a move that <u>86% of consumers appreciate</u>.



Since <u>email design can impact deliverability</u>, a dedicated designer will be able to create emails that keep your brand consistent across channels—and keep your subscriber's fingers off the unsubscribe button.



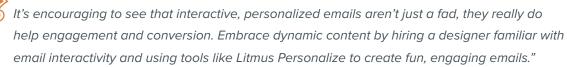
Is a dedicated email designer not in the budget right now?

Easily add <u>Litmus email templates</u> to your Design Library and harness the power of our intuitive Visual Editor in Litmus Builder to create on-brand, flawless email experiences for all. Try it now.

The takeaway is this: an email has <u>300,000 potential renderings</u>, and your marketing team needs to be working with a designer who can create emails prepared for all 300,000 of those iterations.

In a world where there are so many possible ways for an email to display, it's more important than ever to be cautious when hitting the send button. Protect every email experience at every moment with Litmus Email Guardian, the only solution that keeps watch over your most important emails—like templates and transactional sends—when you can't.

Learn more about Email Guardian



- Hannah Tiner, Marketing UX Design Manager, Litmus



# CHAPTER THREE O INTEGRATIONS, WHERE ART THOU?

Finally, we took a look at the tools of the trade in the email world. This research began with the <u>email service</u> <u>provider (ESP)</u>, but also included things like personalization, integration, and innovation in ESPs.

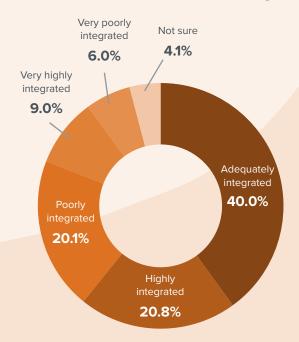
The biggest highlight from that research?



# Only 9% of email marketing professionals say their ESP is very highly integrated with other marketing channels

From this, we can see a simple truth: email marketing still has some progress to make when it comes to integrating with other marketing channels. We talk about integration and how it can streamline your workflow all the time, but clearly there's still some ground left to cover. The good news is that more than 60% of marketers feel their ESP is at least adequately integrated with other channels. So, it could be worse?

#### Integration between ESPs and other marketing channels



See it in the State of ESPs Report



What does this mean for us?

Integration is top of mind for a lot of folks these days, as the above chart may suggest. As we found in The 2023 State of Email Workflows Report, integration was actually the biggest spending priority for 2023. And with each additional channel you add to your messaging mix resulting in <u>4.3X more purchases per user</u> and a 2.8X lift in likelihood to buy, that's no surprise.

#### But wait, there IS good news!

Many ESPs do integrate with core marketing tools—like Litmus—so make sure you're taking advantage of those opportunities. Here are a few of the awesome integration wins we've seen at Litmus:



Reduced time testing. According to <u>Adam McDonald, Director of Campaign</u>

<u>Management at DEG, Linked by Isobar</u>, the Litmus Salesforce Marketing Cloud integration helped their team cut email testing time by **over 50**%.



Increased email accuracy. <u>Digital Additive</u> was able to achieve **99.7% email accuracy** with the Litmus Salesforce Marketing Cloud integration.



Saved time building cutting-edge emails. <u>Palisades Tahoe</u> saves 150+ hours of email build time per year with Litmus, and utilizes a wide range of personalization capabilities including <u>Instagram feed integration</u>.

Those are some pretty hard stats for improving the function of your email program with integration! The takeaway? Integrating your ESP and your email program at large with the rest of the marketing department should be a priority in 2024, too.

The importance of integrations isn't lost on the Litmus team. We're excited to help your team get the most out of your marketing tech stack with a broad range of integrations designed to help Litmus users get the data they need about their email programs into whatever tool they need it in. Talk about upgrading your workflow!

Want to get the most out of your email marketing? Check out our range of integrations.



Already an integration whiz? Take your tech savvy to the next level with Al recommendations. Serve smarter recommendations to your customers increasing conversions, average order value, and overall email-driven revenue. Get a demo.



It's so important to make sure your ESP integrates well with other tools to help save time and unnecessary steps.

As marketers, we have so many tools that we juggle daily. If you have the opportunity to integrate your tools, do it! It'll help reduce room for error and streamline your process more efficiently."

- Tracie Pang, Email Marketing Manager, Litmus



### Retrospective

And that's a wrap. This has been the state of email in 2023. We laughed, we cried, we added music to our emails—but mostly, we worked to send great emails and make every send count™. Thanks for joining us on this incredible journey... and we hope to see you in next year's reports, as well.

Before we go, we wanted to offer one last look back over our shoulder at the state of email (Probably silhouetted in front of the sunset, dramatic music playing in the background. We'll never forget you, email!)

### To sum things up...

In a world where 87% of marketing leaders say email is critical to success but 36% aren't measuring ROI, investing in your email marketing program is more important than ever. Email is a powerful marketing channel that is primed to become even more relevant than ever before in 2024—so it's up to us to set the stage and empower email teams with the tools they need to succeed.

If you're looking for a solution that helps marketers completely maximize their email ROI, you're in the right place. From advanced email testing capabilities to state-of-the-art personalization tools to integration with AI and other emerging technologies, Litmus has all the tools you need to <u>make the most of your email program</u>.

### Commemorate this year in email with us!

If you enjoyed this report series, we'd love to hear about it! Give us a shout on social with your team's number one email learning from 2023—the good, the bad, and even the ugly. What surprised you? What delighted you? What fun thing did you build that you want to share with the world? <u>Tag us with your thoughts!</u>

Well, that's that. Our long journey together this year has reached its inevitable conclusion. Thanks for coming along on the ride.

We look forward to catching you all in the new year and exploring the future of email together in 2024. Onward and upward!



### **Contact Us**

Hi! We're Litmus and we offer a complete solution for email optimization and personalization that helps email marketers like you create, personalize, test, protect, review, and analyze every email to create exceptional brand experiences for every subscriber. To learn more about us, please check out <u>litmus.com</u> or connect with us on <u>LinkedIn</u> and <u>X</u>.

If you're ready to start 2024 off on the right foot in the email department, you're in the right place. From solutions for effective email personalization to an airtight QA process monitored by cutting-edge emerging email technology and more, Litmus is here to help your email team make every send count.

Ready to start sending better emails? Start your free trial with Litmus today!



