

4 Email Practices of Marketing Masters

Insights from the "2016 State of Marketing" report

Introduction

What's the state of marketing in 2016? In a single phrase – digital is king and customer experience is the crown jewel. But how does email marketing play a part in the overall marketing landscape? And how are the world's top marketers approaching the channel to stay ahead in changing times?

This e-book highlights topline statistics about email marketing today and identifies four practices of high-performing marketing teams.¹

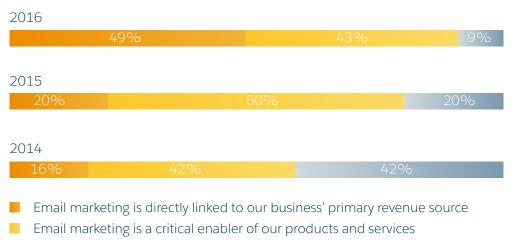
I. Overview: Email Marketing Drives ROI in 2016.	2
II. Practice 1: Use Email to Drive the Customer Journey	6
III. Practice 2: Personalize with Predictive Intelligence	7
IV. Practice 3: Invest in More Sophisticated Ways to Send	8
V. Practice 4: Put Customers First with Responsive Design 1	.0

All data in this e-book comes from the Salesforce Research survey conducted for the "2016 State of Marketing" report, based on nearly 4,000 marketing leaders worldwide. Data in this e-book specifically reflects answers from respondents who use email as part of their marketing strategy.

¹ High-performing marketing teams are those who are extremely satisfied with the current outcomes realized as a direct result of their company's marketing investment.

Eighty percent of marketers today agree that email is core to their business. When asked why, nearly half (49%) report that the channel is directly linked to their business' primary revenue source.





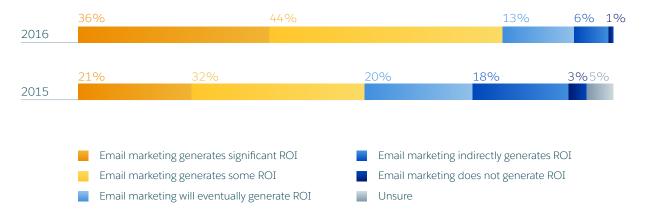
Email marketing indirectly impacts our business performance

While 54% of marketers said email directly generated return on investment (ROI) in 2015, that percentage rose to 79% in 2016. Among those who agree email is core to their business, nearly half (49%) say email is directly linked to their business' primary revenue source – a notable jump from the 20% of marketers who said the same in 2015.

More Marketers Agree Email Generates Significant ROI

Email marketing made a significant leap over the last year as an ROI-producing channel.

Percentage Who Agree with Each Statement about Email Marketing

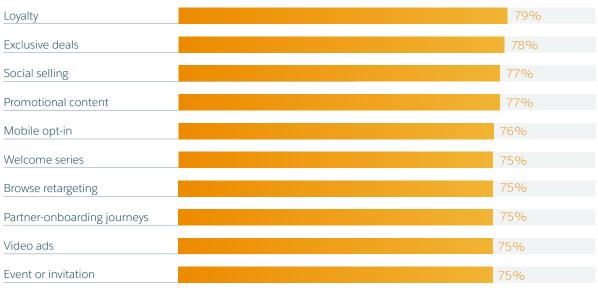


Underscoring the true cross-channel nature of marketing channels in 2016, social and mobile appear in the top five most effective email campaign types. Marketing leaders find the most value in email campaigns used to build customer loyalty, although there's a wide variety of campaign types with high-effectiveness ratings.

Effective Email Campaign Types Are a Diverse Mix

While loyalty programs and exclusive deals are the most effective email campaigns, marketers' toolkits are broader than ever with high levels of effectiveness across the board.

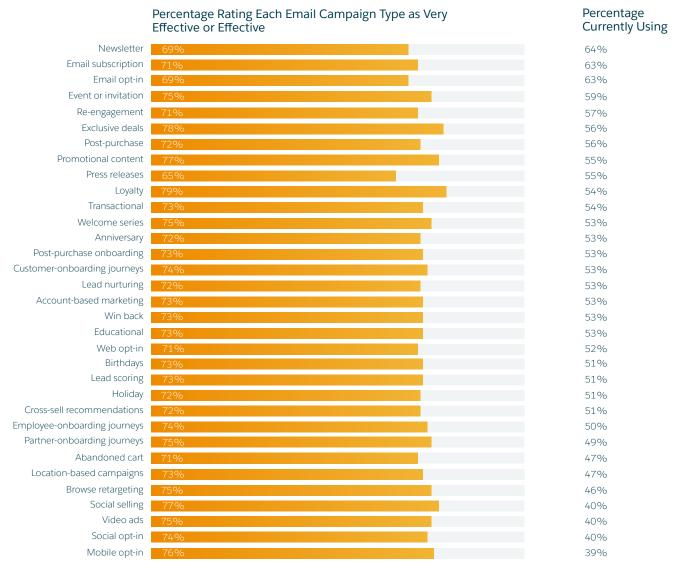
Percentage Who Rate Each Email Campaign Type as Very Effective or Effective



Often some of the more underutilized campaign types can be highly effective. For example, this research shows that 76% of marketers say mobile opt-in is a very effective or effective campaign, yet only 39% of marketers are currently implementing it. Similarly, browse-retargeting campaigns and onboarding journeys are seeing low overall usage, but providing positive results for marketers who use them.

The Most Effective Email Campaigns Aren't Always Fully Utilized

Here we see the percentage of marketers who rate each email campaign type as effective or very effective, sorted by those most commonly used.



Practice 1 Use Email to Drive the Customer Journey

In the Salesforce Research survey, "customer journey" was defined as all interactions that customers have with a company's brands, products, or services across all touchpoints and channels. As email personalization capabilities grow more sophisticated, the channel becomes even more integral for marketers to deliver a holistic customer journey. In the "2016 State of Marketing" report, 88% of high-performing marketing teams say a customer journey strategy is critical to the success of their overall marketing.

But what does it take to deliver a great customer journey? Eighty-four percent of high performers say that email marketing is an effective channel for creating a cohesive customer journey.

Top teams also ensure that email isn't an afterthought. Ninety percent of highperforming marketers agree or strongly agree that email is integrated into their overall marketing strategy.

Email Marketing Rates High as an Effective Customer Journey Channel

Here we see how marketers at each performance level rate the effectiveness of email marketing in creating a cohesive customer journey.

	High Performers	Moderate Performers	Underperformers
Very effective or effective	84%	66%	45%

Adopting a customer journey strategy has overwhelmingly positive business impacts for the majority of marketing leaders.

Percentage Who Have Adopted a Customer Journey Strategy and Strongly Agree or Agree with Each Statement

Has positively impacted overall customer			
engagement	73%		
Has positively impacted customers' willingness to recommend products and service.			
	70%		
Has positively impacted revenue growth	700/		
	70%		
Has positively impacted customer			
satisfaction (CSAT) scores	67%		
Has positively impacted customer			
hurn rates	65%		



Expert Tip

Ready to re-engage your subscribers? Here are eight reasons why people subscribe – and stay subscribed – to marketing emails: marketingcloud.com/reengage-subscribers

Practice 2 Personalize with Predictive Intelligence

Predictive technology is breathing new life into established marketing channels such as email. Top teams are 4.2x more likely than underperformers to leverage predictive intelligence or data science to create personalized emails. Gaining a deeper, behavior-based understanding of customers allows marketers to be smarter in creating next steps along the customer journey.

Make psychology work for you. See the infographic for ideas on how to personalize

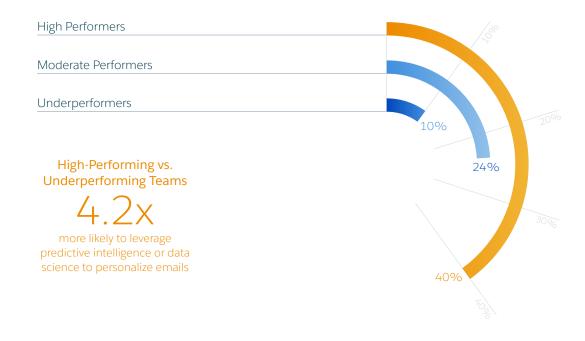
your next email campaign and much more:

marketingcloud.com/email-psychology

Data Science Expands Email's Horizons

Established channels like email are experiencing a fresh wave of marketing personalization possibilities with predictive intelligence and data science.

Percentage Who Leverage Predictive Intelligence or Data Science to Personalize Emails



G MARKETING LEADER perspective

Expert Tip

TimeInc.

"More than ever, marketers need the right tools that will enable them to send highly targeted, dynamic messages to their audiences. Savvy consumers expect it. If you aren't moving in that direction, it will be increasingly difficult to create relevant and impactful marketing."

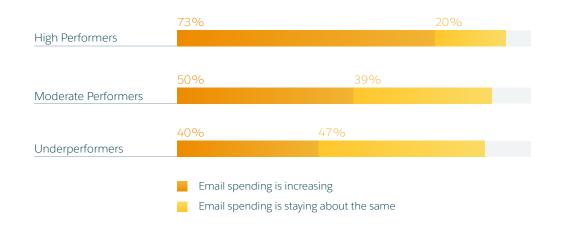
- Stephanie Solomon, Vice President, Consumer Marketing & Revenue

Practice 3 Invest in More Sophisticated Ways to Send

High-performing marketing teams are 4x more likely than underperforming teams to substantially increase their email marketing spending over the next 12 months.

Top Teams Are Investing Back into Email

Here we see how marketers at each performance level expect their email marketing spending to change within the next 12 months.



Practice 3 Invest in More Sophisticated Ways to Send

Not only are top teams dialing up their email investments – they're also more advanced in their email marketing strategies. High-performing marketing teams are more likely to take advantage of marketing automation tactics like triggered emails – although overall adoption in these areas remains relatively low. They're also more likely to segment and target emails to reach customers with personalized content.

To meet customers' real-time expectations, high-performing teams are 2.3x more likely than underperformers to trigger personalized emails in real time based on events.

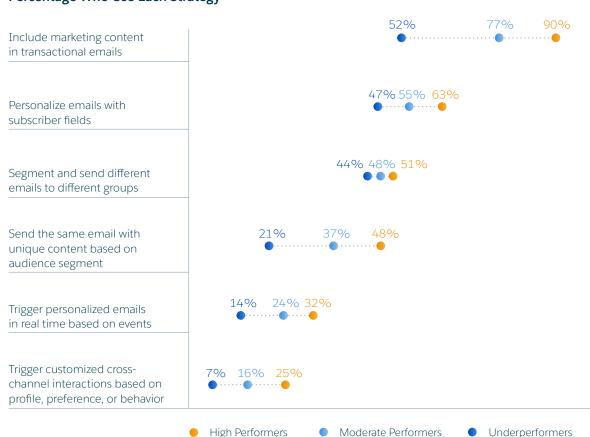
Expert Tip



Sophisticated doesn't have to mean boring. Check out this ultimate guide to using emojis in your email marketing: marketingcloud.com/guide-to-emojis

High Performers Take a More Sophisticated Approach to Email

Top teams go beyond basic email marketing, using predictive intelligence, personalization, and cross-channel inputs to customize messages.



Percentage Who Use Each Strategy

Practice 4 Put Customers First with Responsive Design

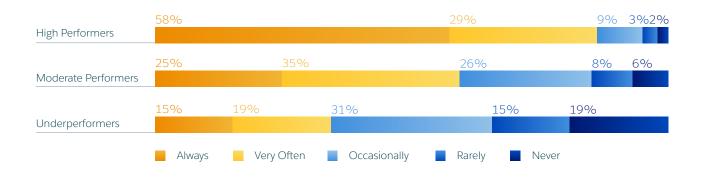
Top marketing teams also tend to keep the customer in mind with every decision. It may seem like a small thing, but designing email for a mobile experience is an essential example of customer-first thinking.

Countless studies have cited the rising rate at which customers are reading emails first on mobile devices. Making sure that they have the best experience possible with the email you've sent – that it's clear to view, easy to click, and so forth – increases the likelihood that your customers will continue their email relationship with your brand.

High-performing marketing teams are 3.8x more likely than underperforming teams to always use responsive design in their emails.

Top Marketers Are Nearly 4x More Likely to Always Send Responsive Emails

Here we see how often marketers at each performance level use responsive design in their email marketing.





Expert Tip

From the headline to the footer, an email's structure determines its performance. Take a peek at this infographic for the anatomy of a perfect email: marketingcloud.com/email-anatomy

At a Glance 4 Ways You Can Master Email Marketing in 2016

Use email to drive the customer journey

Remember, 84% of high-performing marketers say that email marketing is an effective channel for creating a cohesive customer journey.

Personalize with predictive intelligence

Top teams are 4.2x more likely than underperformers to leverage predictive intelligence or data science to create personalized emails.

3 Invest in more sophisticated ways to send

Seventy-three percent of high performers will increase their spending on email marketing in the next year. Top teams are more likely to include marketing content in transactional email and trigger personalized emails in real time based on events.

(4) F

Put customers first with responsive design

High-performing marketing teams are 3.8x more likely than underperforming teams to always use responsive design in their emails.

For complete findings from the "2016 State of Marketing" report, visit marketingcloud.com/stateofmarketing



Browse all reports at <u>salesforce.com/research</u>.