Lionbridge 2014 Global Email Survey Results

Introduction

Today's consumers are more connected—and more savvy—than ever. While mobile marketing on social media channels gets the Lion's share of attention, customers increasingly want direct communications that are relevant and convenient, making email one of the most effective channels for reaching and engaging with target audiences. In fact, Transparency Market Research estimates that the proliferation of mobile devices, combined with greater internet access globally, will push email marketing to a USD $6.5 billion market by 2018.[1]

So how are organizations handling email marketing today? How do they coordinate communications on a global scale? And how effectively are they using the information available to them to maximize sales?

More than 570 individuals from across 25 countries participated in Lionbridge's 2014 Global Email Marketing Survey during a 3 ½ week period in March through April of 2014. We invite you to share in the insights their responses reveal.

Summary of Findings

Despite the relative maturity of email marketing, the way in which global organizations handle email communications is far from consistent. **While the majority of respondents (64.1%) say they handle email communications centrally, the individuals or departments responsible for campaign execution still vary widely.**

Most organizations view email marketing as part of a larger, integrated marketing strategy. **Only 16.7% of respondents say they run email as a standalone activity. Two-thirds (67%) of those who use an integrated strategy combine email marketing efforts with social media and content marketing** to more effectively engage targets with a multi-channel strategy.

Most companies handle email campaigns in house, using a marketing automation or email system (77%). However, the provider market is highly fragmented with no clear winner. Marketers still have to wade through a variety of options offering varying levels of service.

While most respondents follow email privacy and other regulations carefully, over **45% have no clear strategy for managing the frequency of email communications.**

Around half of our participants localize or translate email content for global markets, but **the majority (74.7%) do not maintain a centralized list of regional preferences.** This highlights an opportunity to centralize and streamline globalization efforts to make a bigger impact with less effort.

Not surprisingly, our results confirm that most marketers struggle with drawing a straight line from their efforts to business results: **nearly 4 out of 5 respondents are not able to directly track their email ROI.** This is sure to make ROI measurement a hot topic for 2014.

64.1%
OF RESPONDENTS HANDLE EMAIL COMMUNICATIONS CENTRALLY

16.7%
USE EMAIL AS A STANDALONE ACTIVITY

67%
OF THOSE THAT USE AN INTEGRATED EMAIL CAMPAIGN STRATEGY ALSO COMBINE SOCIAL MEDIA & CONTENT MARKETING

77%
USE AN AUTOMATION OR EMAIL SYSTEM

45%
HAVE NO CLEAR STRATEGY FOR MANAGING EMAIL FREQUENCY

74.7%
DO NOT MAINTAIN A CENTRALIZED LIST OF REGIONAL PREFERENCES

Email Marketing Owners

Key insights:

Those reporting a decentralized email marketing strategy indicate that they handle communications largely on a regional, line of business (LoB), or business unit basis. In fact, we find that even when one department thinks they "own" email marketing, they are often surprised to find that several other business functions are blasting out messages to the same list based on their own schedules and objectives. This highlights an opportunity to streamline communications for cost savings and enhanced brand management instead of continuing down the path to disorganized and dysfunctional brand management.

Question 1:
Is your global email strategy centralized or decentralized?

Question 2:
If your global email strategy is centralized, which team/function owns email?
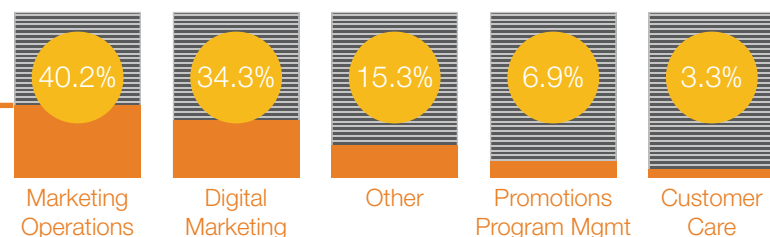
Question 3:
If your global email strategy is decentralized, which teams/functions own email? Is there more than one division handling email functions?

Email marketing tends to be centralized, yet many organizations still take a fragmented approach. While the majority of respondents report using centralized email strategies in their corporate headquarters (64.1%), that leaves more than 1 in 3 taking a decentralized approach. And even when it is centralized, who "owns" email marketing is still largely up for grabs, with 34.4% falling to Digital Marketing, 40.2% falling to Marketing Operations, and the rest split among Customer Care, Promotions/Program Management and "Other."

| Centralized | 64.1% |

Team/Funtion That Owns Email

40.2%	34.3%	15.3%	6.9%	3.3%
Marketing Operations	Digital Marketing	Other	Promotions Program Mgmt	Customer Care

| Decentralized | 35.9% |

Email Communication

Question 4: How is your organization currently using email as a communication vehicle?

Email is used for a variety of purposes. Our respondents don't use email just for marketing. While customer engagement (74%), product announcements/news (71.3%) and customer acquisition/product sales (63.3%) top the list, respondents also use email for brand awareness (57.9%), customer service (45.3%) and customer/industry research (30.8%).

💡 Key insights:

While only 3.3% of respondents to Question 2 (previous) indicate that Customer Care owns email communications, 45.3% perform some form of customer service via email.

Participants were able to select more than one response to this question.

Customer Engagement	Product Announcements	Customer Acquisition/ Product Sales	Brand Awareness	Customer Service	Customer/Industry Research
74%	71.3%	63.3%	57.9%	45.3%	30.8%
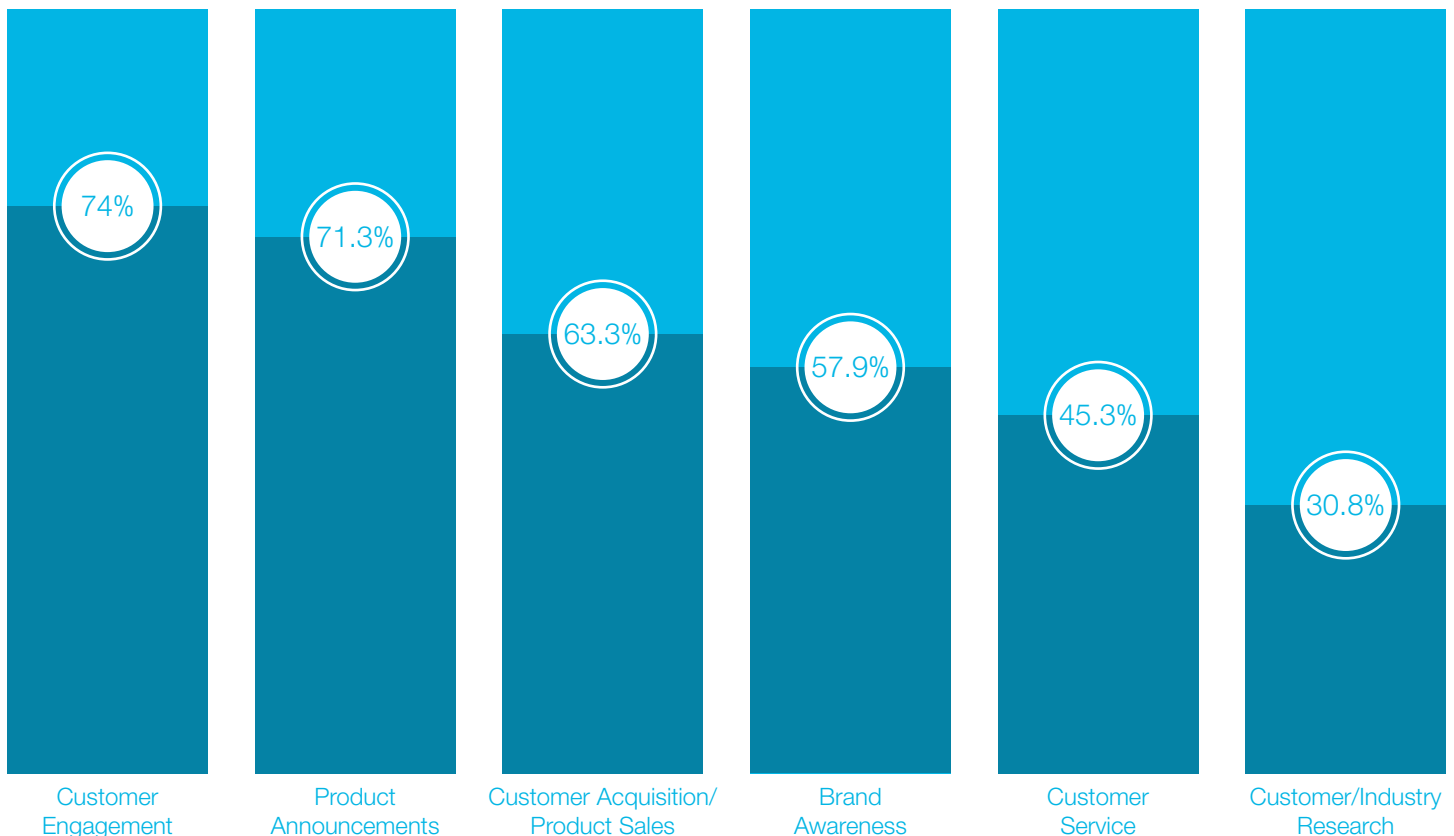
Email Communication Integration

Question 5:
Is your email marketing a stand-alone activity or part of an integrated communication plan?

Question 6:
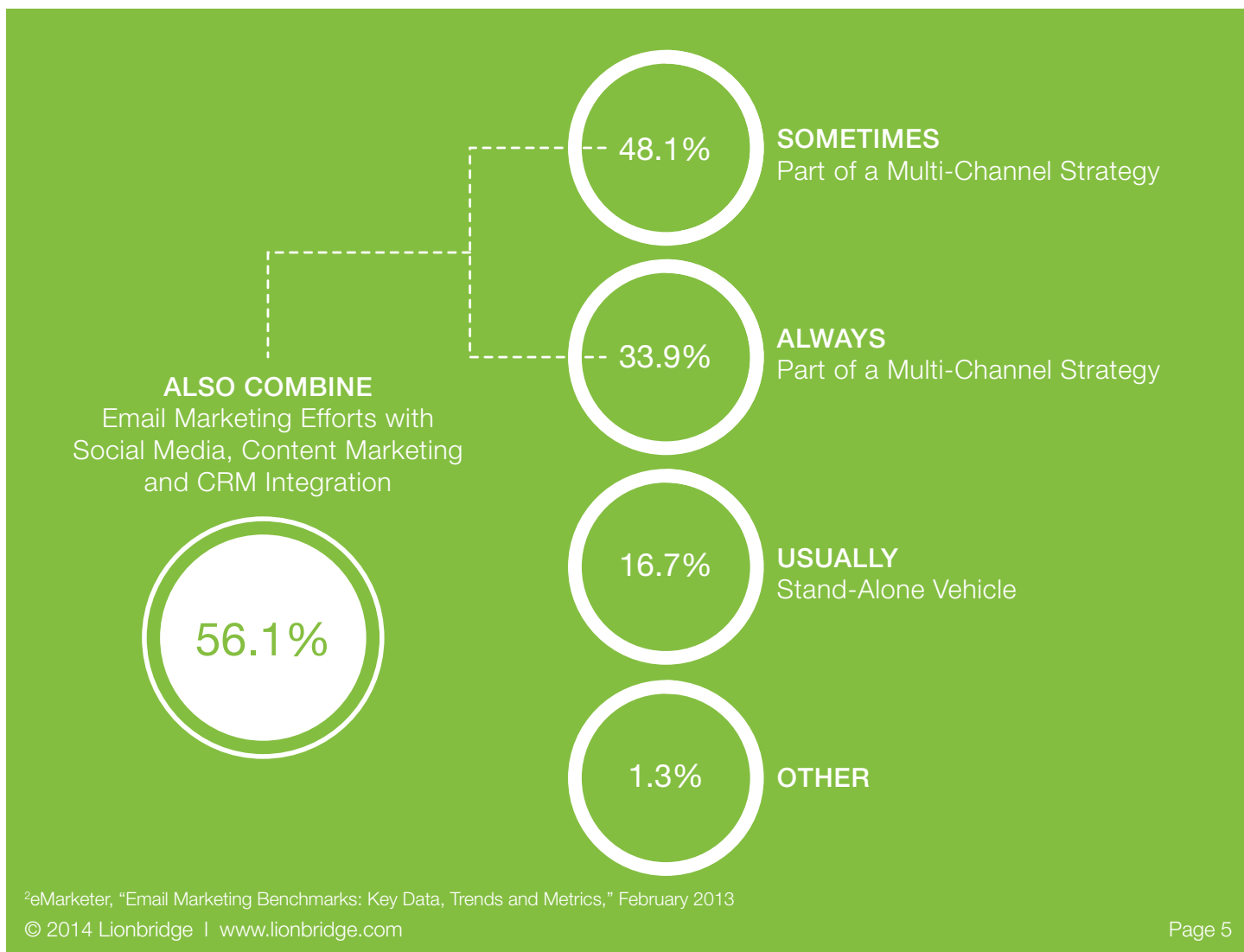Which other channels do you use for email integration?
(Note: only asked of respondent who answered "Always…" or "Sometimes part of a multi-channel strategy" to question 5)

Email communications are becoming more integrated.
Only 16.7% of respondents say that email is a standalone activity. Two-thirds (67%) of those who use an integrated strategy combine email marketing efforts with social media and content marketing, and CRM integration is at 56.1%.

☀ Key insights:

Your prospects are engaging in social networks, and 37.3% of them are even willing to share your emails with their social networks[2]—but only if you send them something share-worthy. You need to put some thought into crafting messages that are appropriate for each social media outlet you participate in as well. Simply copying the email text into every outlet does nothing to extend the conversation you start in your email and could turn off prospects just as the conversation is getting started.
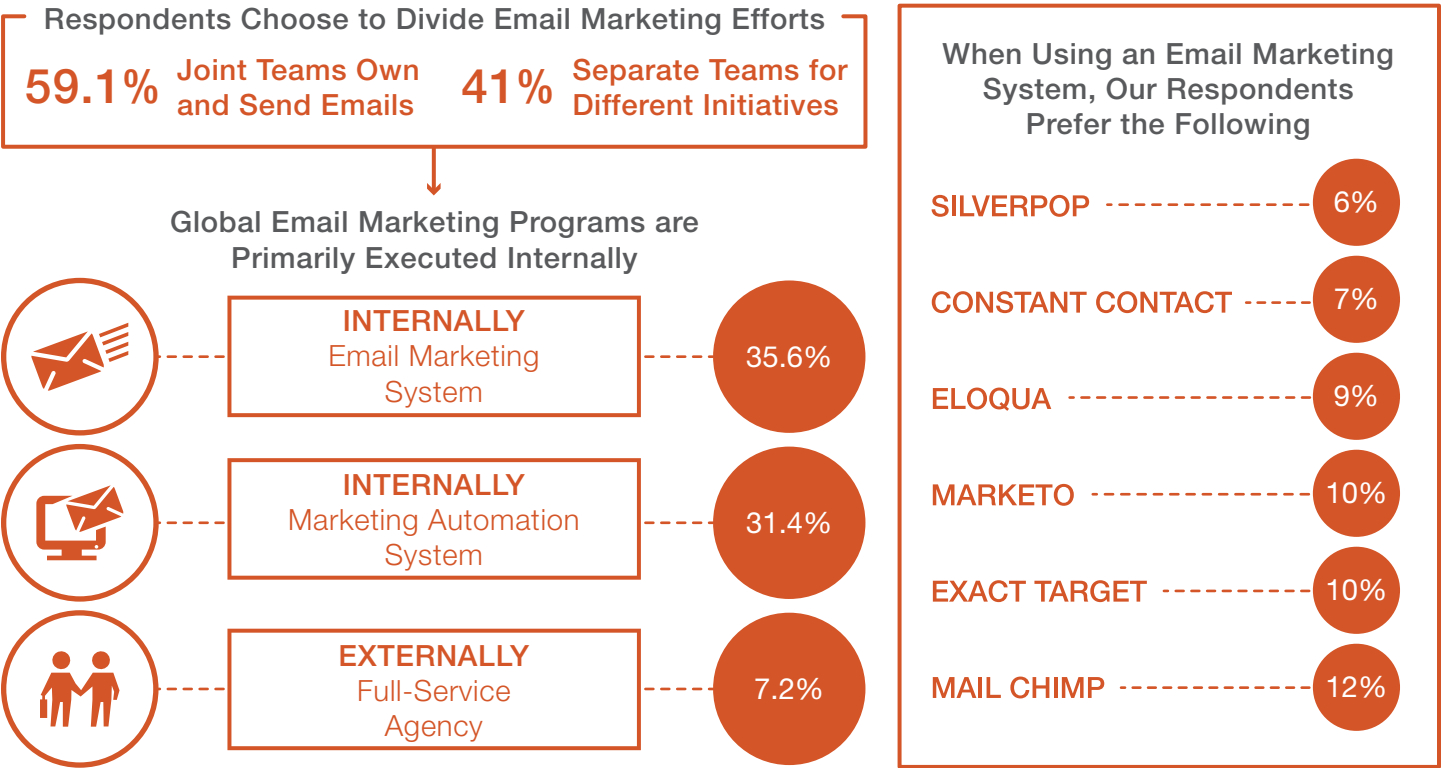
ALSO COMBINE
Email Marketing Efforts with Social Media, Content Marketing and CRM Integration

56.1%

48.1% **SOMETIMES**
Part of a Multi-Channel Strategy

33.9% **ALWAYS**
Part of a Multi-Channel Strategy

16.7% **USUALLY**
Stand-Alone Vehicle

1.3% **OTHER**

[2]eMarketer, "Email Marketing Benchmarks: Key Data, Trends and Metrics," February 2013

Email Deliverability

Question 8:
How do you divide email marketing efforts?

Question 9:
How do you currently execute global email programs?

Question 10:
If you are currently using an email marketing system, which system are you using?

Marketers handle their own email marketing using online systems, selecting from a wide variety of vendors. The vast majority of our respondents execute email strategies internally using either an email marketing system (35.6%) or a marketing automation system (31.4%). Only 7.2% of respondents use a full-service agency partner for email.

Key insights:

Our respondents report that they use a variety of systems to send emails. While Mail Chimp (12%) leads the pack by a nose, the market is highly fragmented, with six major providers in close contention and no clear market leader. This is probably because the companies they serve have diverse needs. Since email marketers usually leverage multiple touch points across multiple channels and markets, some companies find that the best solution is to use separate tools that cater to each facet of their marketing objectives, integrating them into a synchronized marketing effort.

Respondents Choose to Divide Email Marketing Efforts

59.1% Joint Teams Own and Send Emails

41% Separate Teams for Different Initiatives

Global Email Marketing Programs are Primarily Executed Internally

INTERNALLY Email Marketing System	35.6%
INTERNALLY Marketing Automation System	31.4%
EXTERNALLY Full-Service Agency	7.2%

When Using an Email Marketing System, Our Respondents Prefer the Following

SILVERPOP	6%
CONSTANT CONTACT	7%
ELOQUA	9%
MARKETO	10%
EXACT TARGET	10%
MAIL CHIMP	12%

Customer Experience, Preferences and Privacy

Question 7:
How do you determine targeting and segmentation?

Question 11:
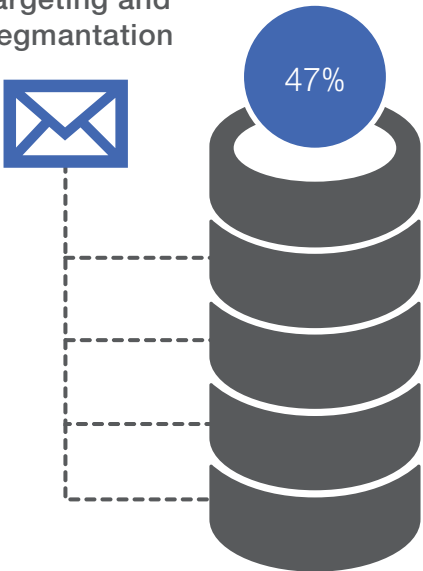How do you manage the frequency of your global email campaigns?

Question 12:
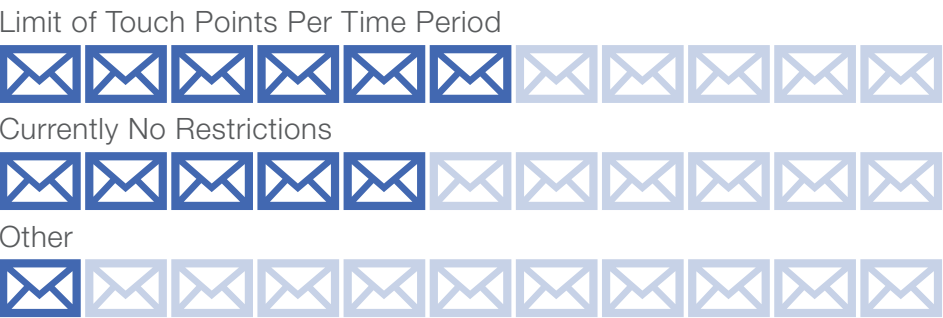How do you ensure global privacy and legal compliance for your email programs?

There is some work to be done on coordinating email frequency. The majority of respondents follow customer-identified communication preferences, with 47% applying buyer profiles to databases for targeting and segmentation. When it comes to complying with privacy and other email regulations, 60.4% of our respondents report that an internal team handles compliance and 26.1% report that the email system manages it. Alarmingly, when it comes to practices that fall outside the realm of regulations, only 45.2% of respondents place no restrictions on the frequency of global email campaigns.

💡 Key insights:

Complying with privacy standards is the base-level expectation for global email programs. The primary purpose of all marketing efforts should be to create a positive customer experience along the buyer's journey. This starts at the segmentation stage. A few respondents use predictive segmentation techniques, such as applying buyer profiles to databases (47%) and applying previous buying patterns (21.6%), which is effective when it works, but can be problematic if it doesn't match customer expectations. The opt-in and trigger-based approach is a safer way to protect your customer's experience.

Apply Buyer Profiles to Databases for Targeting and Segmantation

47%

Frequency of Global Campaigns

Limit of Touch Points Per Time Period

Currently No Restrictions

Other

PRIVACY IS:

60.4% Managed by an Internal Team

26.1% Managed by an Email System

Localization Best Practices

Question 13:
Which elements of email marketing are customized in the localization process?
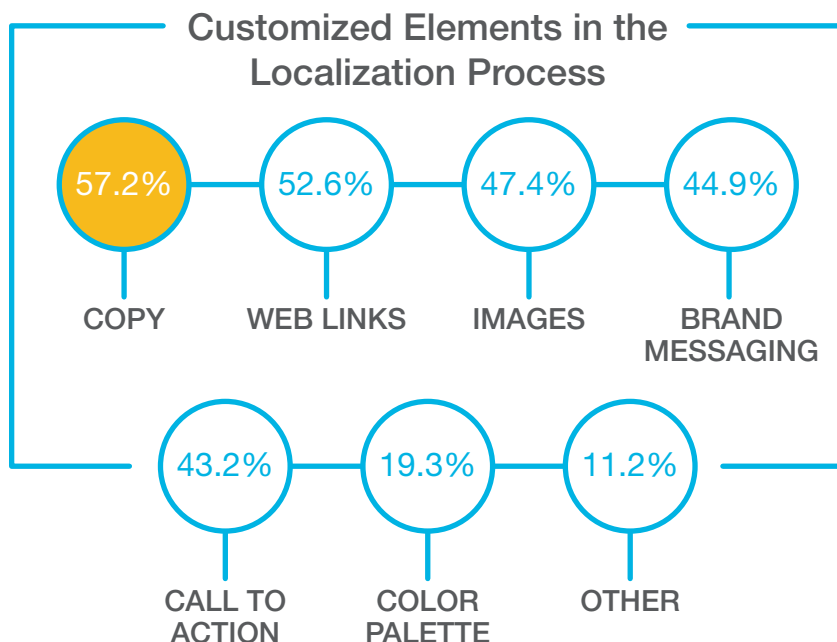
Question 14:
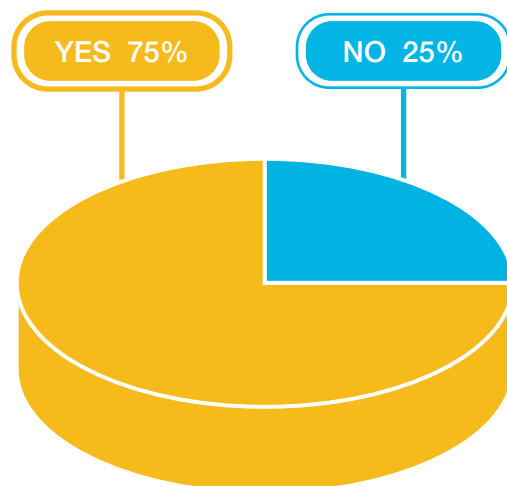Do you maintain a list of regional preferences to be applied in the content/email creation process?

There is room for improvement when it comes to localization. Looking at the earlier responses, it is apparent that companies are centralizing email operations and technology to drive organizational efficiency. However, this can actually create inefficiencies in the email localization process. While around half of our participants report localizing or translating email copy, brand messaging, images, calls to action and web links, that still leaves around half who do not. Nearly 75% of respondents say that they do not maintain a list of regional preferences, instead managing localization on an ongoing basis. This highlights a huge opportunity for these organizations to centralize localization efforts and streamline the email process.

💡 Key insights:

While email makes reaching a global audience easier than ever, engaging with customers in new markets requires consideration of culture, context, and channel—along with nuanced translation of your brand messaging. Ensuring consistent, relevant email messaging in global markets requires both local savvy and international scalability to maximize the impact of global email marketing efforts while maintaining control of your brand.

Customized Elements in the Localization Process

57.2% — COPY
52.6% — WEB LINKS
47.4% — IMAGES
44.9% — BRAND MESSAGING

43.2% — CALL TO ACTION
19.3% — COLOR PALETTE
11.2% — OTHER

Regional Preference List Maintenance Applied During Content/Email Creation
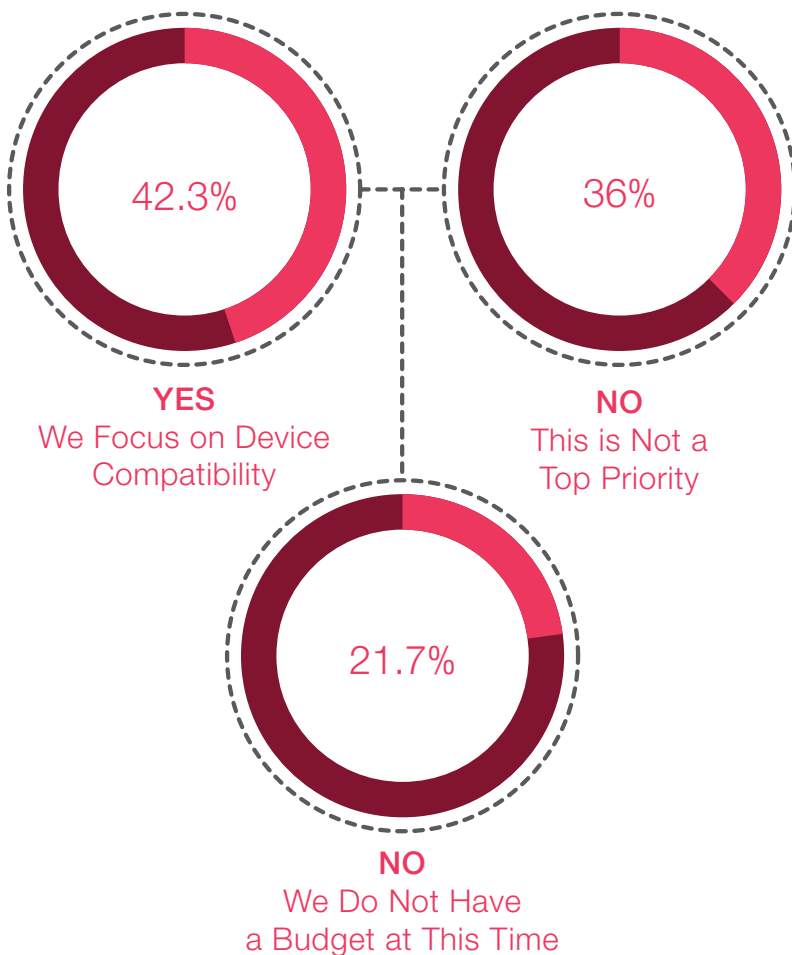
YES 75%   NO 25%

Responsive Design

Question 15: Are you using RD (Responsive Design) in your email design?

The move to mobile-friendly email formatting lags behind consumer behavior. Despite the fact that more people use their smartphones to read emails than to make phone calls,[3] only 42.3% of participants use responsive design (RD) to ensure that recipients can access email communications across mobile and non-mobile devices, leaving over half (57.7%) without RD and no immediate plans to incorporate it.

Responsive Design in Practice?

42.3%

YES
We Focus on Device
Compatibility

36%

NO
This is Not a
Top Priority

21.7%

NO
We Do Not Have
a Budget at This Time

⚡ Key insights:

According to a recent consumer survey, 41% of consumers open a campaign for the first time on a mobile device. Of the mobile readers who open that email a second time, 70% open it on the same device but 30% opt for a different device. This highlights the value of using RD to optimize both mobile and desktop interactions.[4] With IDC predicting that the number of mobile e-mail users will grow 28% in 2014 and 23% in 2015, the time to start investigating RD is now.[5]

[3]Adobe, "2013 Digital Publishing Report: Retail Apps & Buying Habits," 2013.
[4]Marketing Profs, "How Mobile Readers Interact with Marketing Emails," May 2014.
[5]IDC and Facebook – "Always Connected," 2013.

Measuring Performance

Performance measurement is still a soft science. Despite the sophisticated tracking capabilities of today's email marketing systems, most marketers still strongly rely on open rates to measure success (74.4%). With only 49.1% of respondents tying email campaigns to their impact on sales revenue and 52.9% using a standard global measurement process, it's small wonder that only 13.2% use performance metrics to secure budgets for future programs.
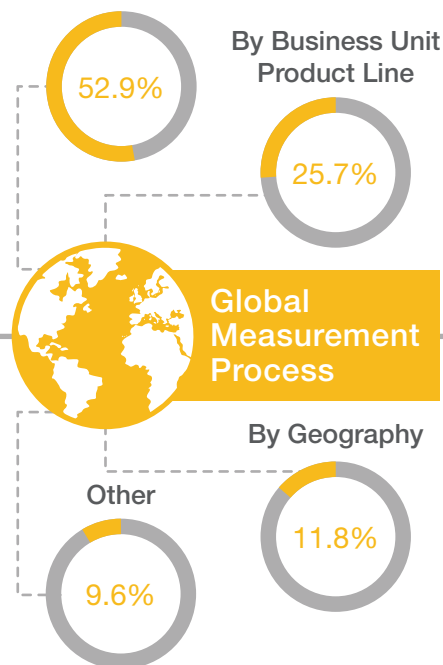
Key insights:

Nearly 80% of digital marketers can't directly track ROI from digital channels. This parallels the recent findings of an Adobe survey which reports that while 72% of marketers tie long-terms success to proving marketing return on investment, 49% say they "trust their gut" on where to invest marketing expenditures and only 16% say that the ability to measure and learn from campaign effectiveness is an important success factor.[6] This relative ambivalence toward hard measurement could lead to an advantage for marketers who take the initiative to leverage the tracking tools at their disposal and use ROI as a measuring stick to improve the effectiveness of their email marketing campaigns.
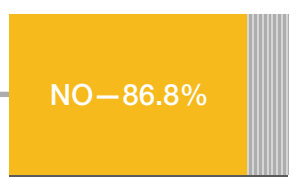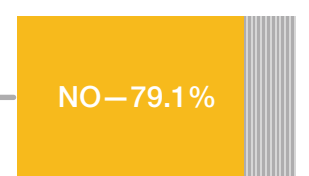
Global Performance Measurement

Email Specific Metrics
74.4%

Impact on Sales/Revenue
49.1%

Impact on Customer Engagement
29.3%

Impact on Brand Awareness
17.6%

Other
4%

Standard Process
52.9%

By Business Unit Product Line
25.7%

By Geography
11.8%

Other
9.6%
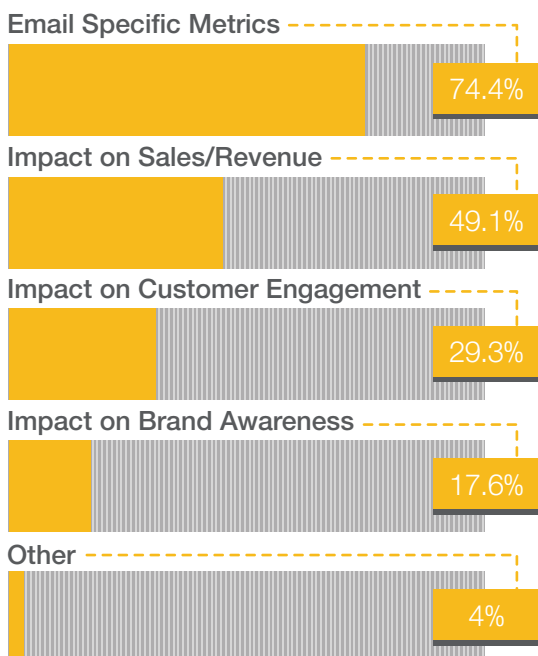
Global Measurement Process
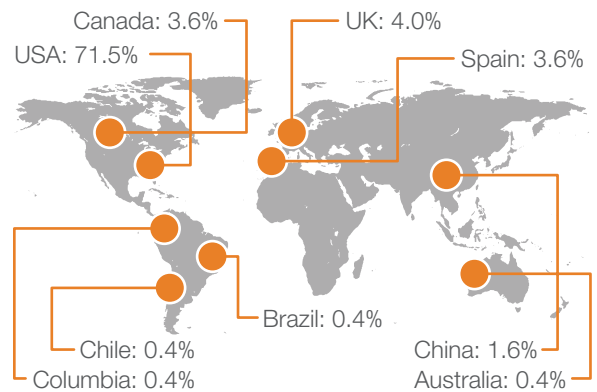
Future Programs Driven by Metrics?
NO—86.8%

Do You Track ROI From Email Stream?
NO—79.1%

[6]Adobe, "Digital Roadblock: Marketers Struggle to Reinvent Themselves," March 2014.

Respondent Demographics

Countries of Origin:

Canada: 3.6%
USA: 71.5%
UK: 4.0%
Spain: 3.6%
Chile: 0.4%
Columbia: 0.4%
Brazil: 0.4%
China: 1.6%
Australia: 0.4%

Primary Industry:

Advertising: 3.6%

Aerospace/Aviation/Automotive: 1.2%

Agriculture/Forestry/Fishing: 0.4%

Biotechnology: 0.4%

Business/Professional Services: 5.2%

Business Services (Hotels, Lodging Places): 0.4%

Computers (Hardware, Desktop Software): 8.8%

All Others: 80.3%

of Employees in Respondent Organization:

Less Than 2,000: 50.6%

2,000–5,000: 16.1%

5,000–10,000: 9.6%

Over 10,000: 23.7%
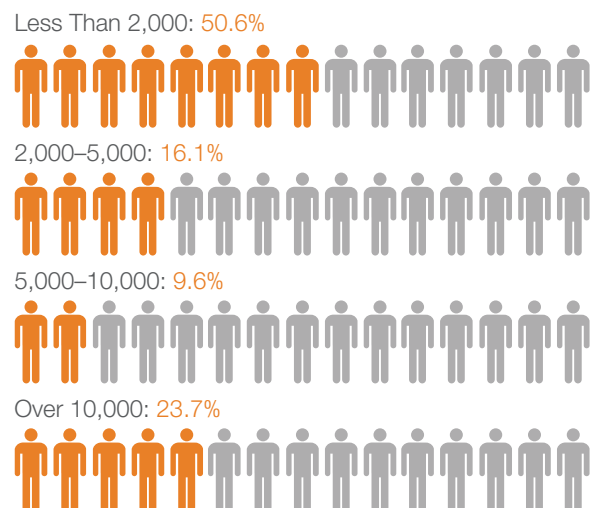
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To learn more about Lionbridge's email marketing capabilities:
www.lionbridge.com/solutions/global-email/

About Lionbridge

Lionbridge enables more than 800 world-leading brands to increase international market share, speed adoption of products and effectively engage their customers in local markets worldwide. Using our innovative cloud technology platforms and our global crowd of more than 100,000 professional cloud workers, we provide translation, online marketing, global content management and application testing solutions that ensure global brand consistency, local relevancy and technical usability across all touch points of the customer lifecycle.

To learn more, visit www.lionbridge.com