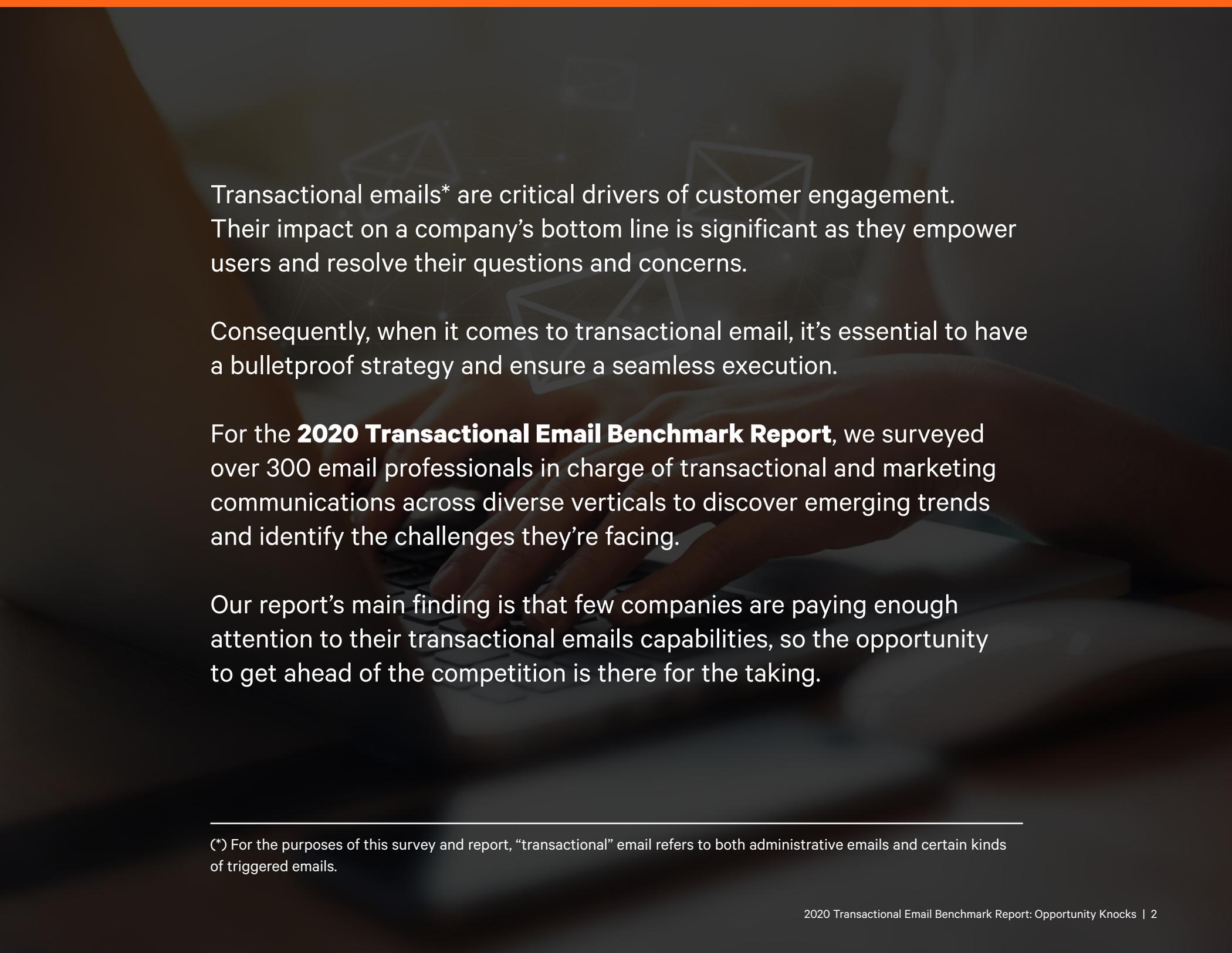

2020 Transactional Email Benchmark Report

OPPORTUNITY KNOCKS



SPARKPOST



Transactional emails* are critical drivers of customer engagement. Their impact on a company's bottom line is significant as they empower users and resolve their questions and concerns.

Consequently, when it comes to transactional email, it's essential to have a bulletproof strategy and ensure a seamless execution.

For the **2020 Transactional Email Benchmark Report**, we surveyed over 300 email professionals in charge of transactional and marketing communications across diverse verticals to discover emerging trends and identify the challenges they're facing.

Our report's main finding is that few companies are paying enough attention to their transactional emails capabilities, so the opportunity to get ahead of the competition is there for the taking.

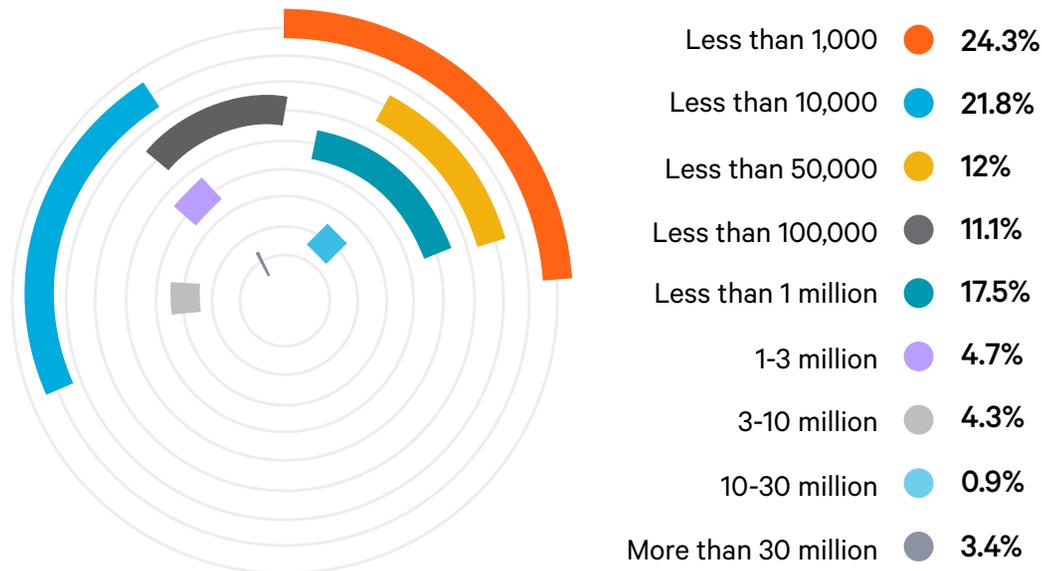
(*) For the purposes of this survey and report, "transactional" email refers to both administrative emails and certain kinds of triggered emails.



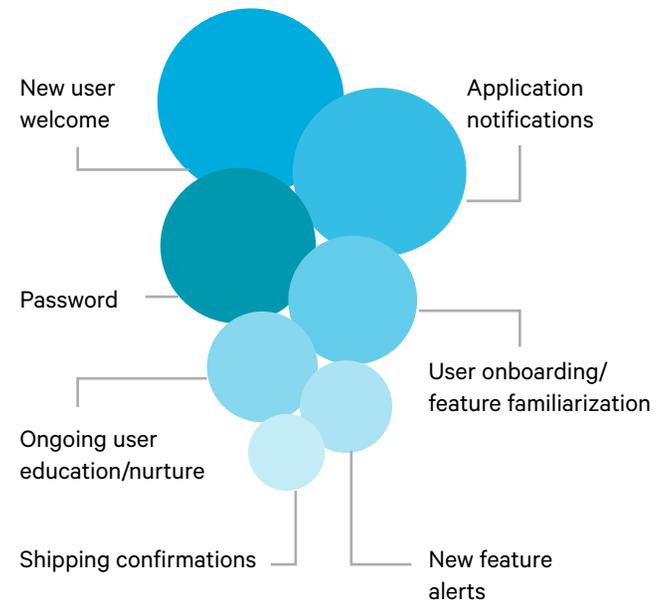
TRANSACTIONAL EMAILS HAVE A BROAD FOOTPRINT

Considering transactional email is an important driver of growth and revenue for most companies, it's vital to develop personalized communications to individual customers, the kind that are timely and relevant to their interactions and journey with your brand.

How many transactional emails do you send per month?



Which types of transactional emails do you send?



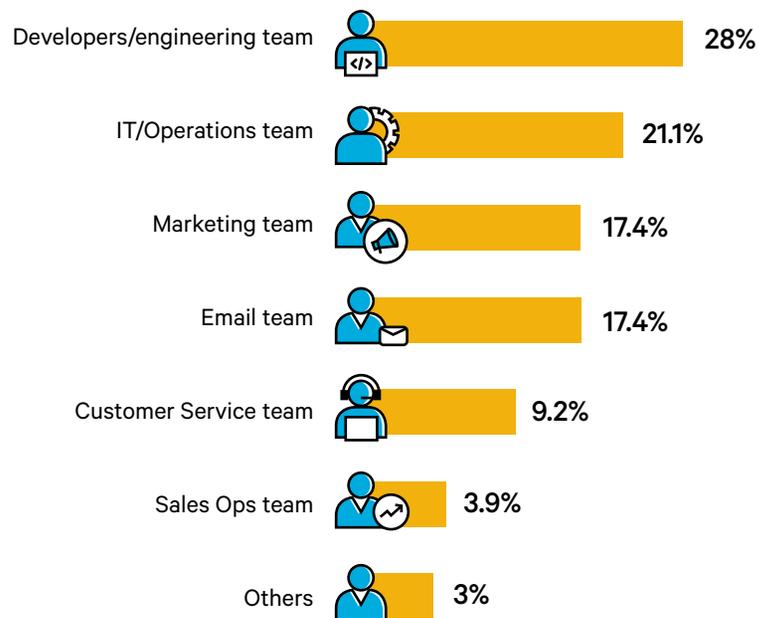


FRAGMENTED RESPONSIBILITY

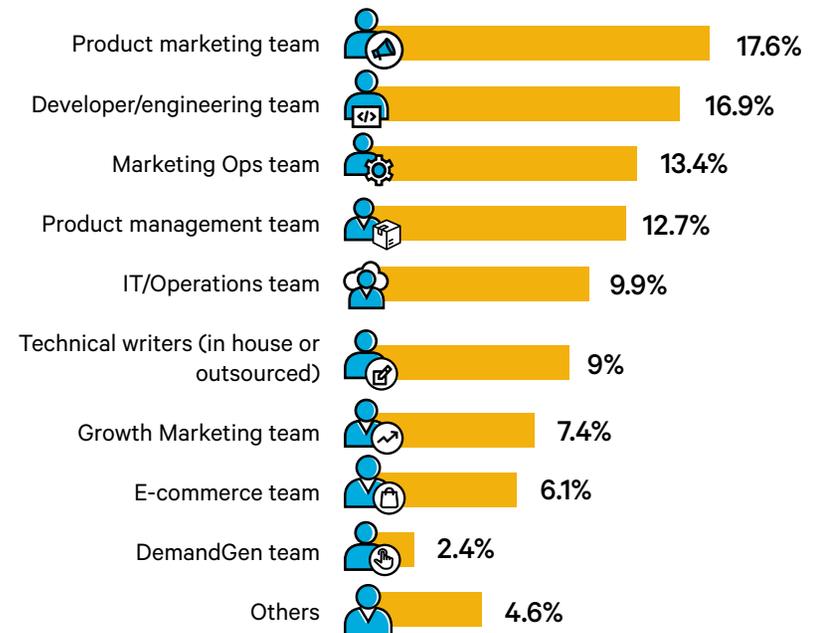
The impact of transactional emails in the development of customer relationships cannot be overstated. For the same reason, it's surprising that the responsibility of **sending** these emails largely falls on the engineering and operations teams, as opposed to departments more directly involved with planning and strategy, like marketing and customer support.

Marketing departments are most commonly in charge of **writing** transactional emails, although developers and engineers come in a close second. Specialization in this area of the business is still a work in progress.

Who is responsible for sending your transactional emails?



Who is responsible for writing your transactional emails?

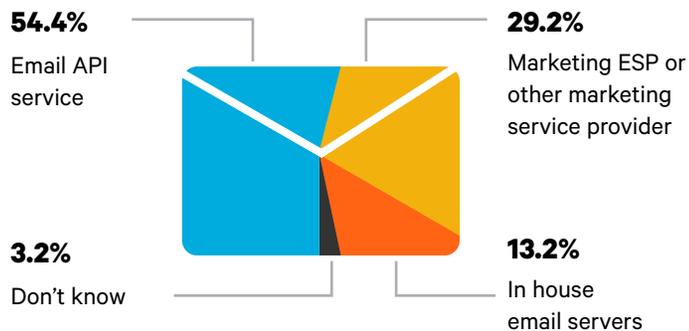




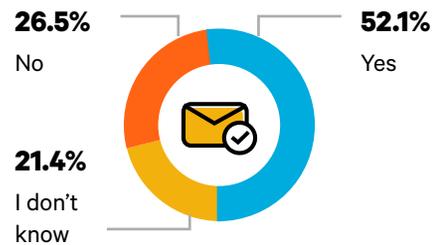
AUTHENTICATION IS AN EASY WIN

Despite the challenge of sending massive volumes of transactional emails and facing deliverability issues, a large number of companies have only partially addressed inbox placement problems. While most have a distribution system in place, **only half use authentication** for transactional email correspondence, such as SPF, DKIM, DMARC, or BIMI.

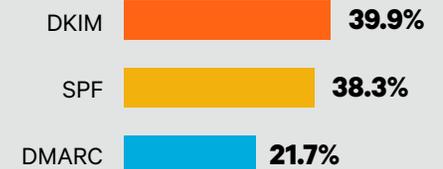
How do you send your transactional email?



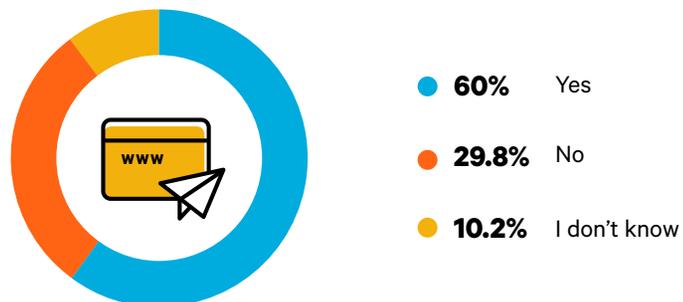
Do you use email authentication for your transactional email?



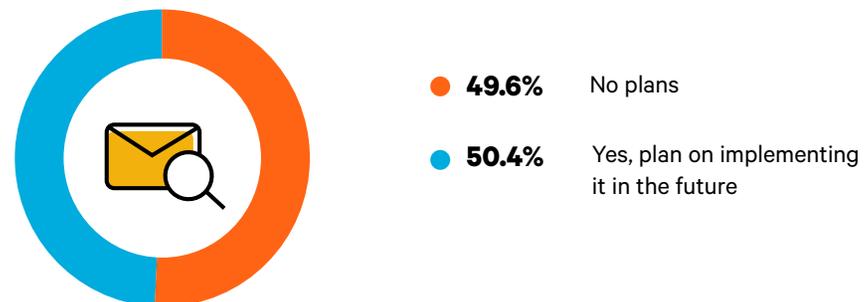
If the answer to the previous question was "Yes", do you use:



Do you send your transactional emails from an IP address dedicated to your sending domain?



Are you thinking of adopting BIMI (Brand Indicator for Message Identification) in the future?



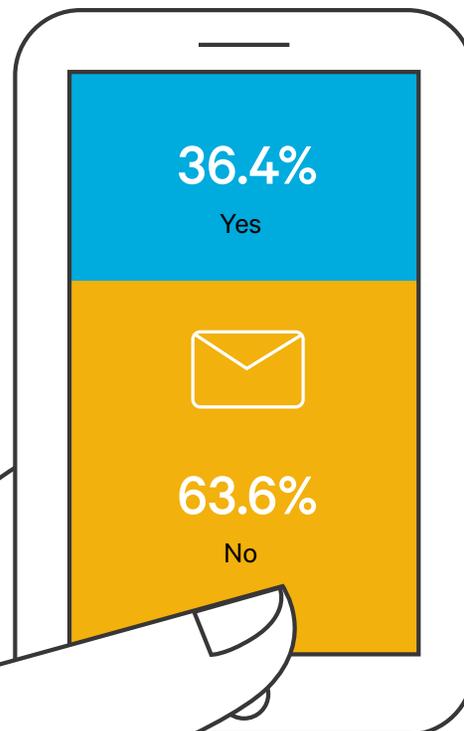


A/B TESTING: A MISSED OPPORTUNITY

A/B testing allows a company to determine which version of a transactional email performs better. It's a valuable tool that enables you to refine your message and achieve maximum impact.

Yet, based on these results, **only a third** of participants make use of A/B testing. There's a massive opportunity to invest even a small amount of resources into this sector of the email development process. Not only will A/B testing help you better understand what makes your customers tick, you may find that revenues increase as a result of better engagement.

Do you A/B test your transactional email?





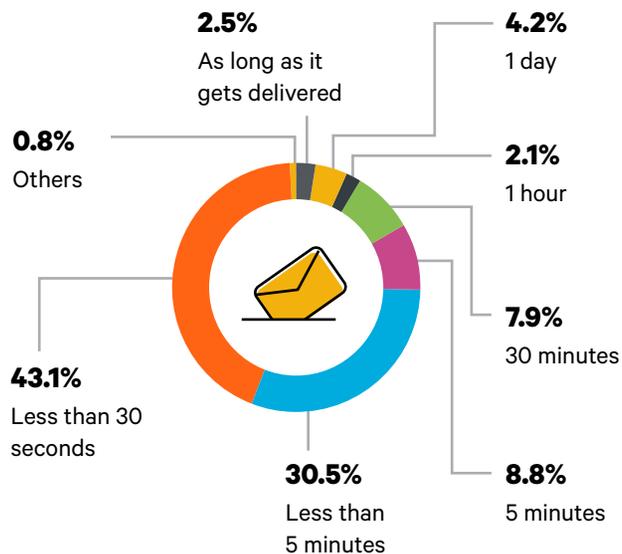
MEASURES OF SUCCESS

Transactional emails bolster a variety of business goals: Onboarding, customer education, and product updates, to name a few. All of these communications deepen the relationship between customers and businesses and can boost ROI.

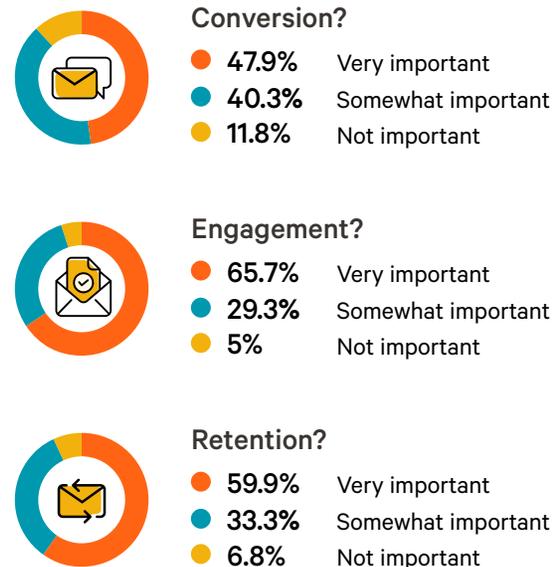
All of this effort is lost if transactional emails don't make it to their intended destination, or take so long to reach a customer that they're no longer effective.

It all depends on having a reliable email service. A good email provider uses analytics, behavior recognition, and customer data to ensure all correspondence will make it to the inbox (as opposed to the spam folder). But, how much attention are companies paying to the effectiveness of their provider?

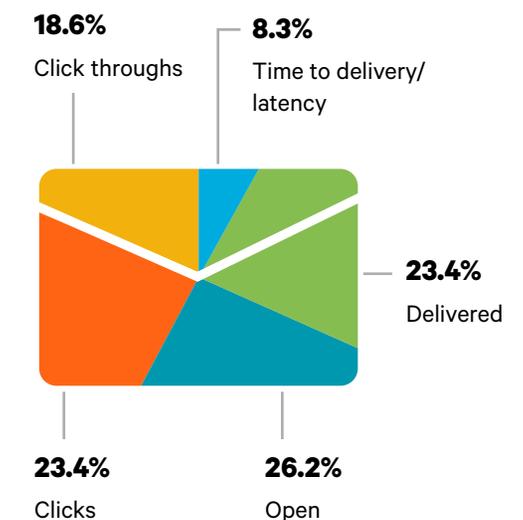
How quickly do you expect the transactional/triggered emails you send to arrive in the inbox?



How important is transactional email to your business for...



How do you measure the success of your transactional emails?





ENGAGEMENT: THE FINAL FRONTIER

Authoring and distributing transactional emails proficiently is only half of the challenge. Companies must also track delivery and engagement in order to determine the strength of the relationship with their customers.

While building rapport with a user requires patience and consistency, something as simple as an email mistaken for spam could damage the relationship. The report reveals that **at least half** of the surveyed companies have dealt with complaints from customers not receiving their transactional correspondence.

What average engagement rate are you receiving on your transactional email?



| | |
|-------|---------------|
| 7.7% | Less than 10% |
| 11.1% | 10-20% |
| 32.9% | 20-50% |
| 30.3% | More than 50% |
| 17.9% | Don't know |

What average deliverability rate are you getting on your transactional email?



| | |
|-------|---------------|
| 5.1% | Less than 80% |
| 7.2% | 80-90% |
| 11.9% | 90-95% |
| 33.2% | 95-99% |
| 29.4% | More than 99% |
| 13.2% | Don't know |

What percentage of your engagement happens on mobile devices?



| | |
|-------|---------------|
| 3.8% | Less than 25% |
| 9.8% | 25-50% |
| 34.9% | 50-75% |
| 14.5% | More than 75% |
| 37% | Don't know |

Have you gotten complaints from users that they have not received your transactional email messages?



If you have gotten complaints, were the messages:



SparkPost is the world's first and only predictive email intelligence platform. As the #1 email delivery provider, we've unified email delivery with email deliverability analytics over the world's largest data footprint.

The power of better customer engagement is now within reach.
To learn more about SparkPost or to speak with one of our experts,
visit www.sparkpost.com.

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APPENDIX

ABOUT THE DATA

The survey on which the 2020 Transactional Email Benchmark Report is based on was conducted in 2019.

329 professionals involved in sending communications for transactional or marketing purposes participated.

Responses by industry:

| | | |
|---|-------|-------|
| Business Services and Consulting | 27 | 8.2% |
| Charities, Foundations, and Non-Profits | 12 | 3.6% |
| Education and Schools | 15 | 4.6% |
| Financial Services and Insurance | 25 | 7.6% |
| Government | 3 | 0.9% |
| Healthcare | 13 | 4.0% |
| Hospitality and Travel | 12 | 3.6% |
| Leisure, Sports and Recreation | 6 | 1.8% |
| Manufacturing | 3 | 0.9% |
| Media and Publishing | 18 | 5.5% |
| Personal Services | 1 | 0.3% |
| Real Estate Services | 4 | 1.2% |
| Retail and E-commerce | 22 | 6.7% |
| Technology - Consumer Software and Services | 53 | 16.1% |
| Technology - Enterprise Software and Services | 69 | 21.0% |
| Technology - Hardware and Internet of Things | 4 | 1.2% |
| Technology - Other | 15 | 4.6% |
| Telecommunications and Utilities | 6 | 1.8% |
| Transportation | 3 | 0.9% |
| Other | 18 | 5.5% |
| | (329) | |

Responses by company size:

| | | |
|--------------------------|-------|-------|
| 0 - 1 employee | 25 | 7.6% |
| 2 - 10 employees | 77 | 23.4% |
| 11 - 50 employees | 58 | 17.6% |
| 51 - 200 employees | 61 | 18.5% |
| 201 - 500 employees | 35 | 10.6% |
| 501 - 1,000 employees | 13 | 4.0% |
| 1,001 - 5,000 employees | 21 | 6.4% |
| 5,001 - 10,000 employees | 20 | 6.1% |
| 10,000+ employees | 19 | 5.8% |
| | (329) | |