

Deciphering Email Marketing Metrics: Delivery vs Open Rate

This article applies to:

Many articles on Email Marketing, and marketing resources from companies in the Email Marketing industry use statistics such as '99% Delivery Rate' and 'Highest Open Rates in the Industry' but what do these really mean? This article discusses what these numbers are, how they should be used, and how different organizations calculate these numbers.

Email Delivery Rate and Open Rates are not the same. In fact, depending on who is asked, the definition of Delivery Rate will vary. Strictly speaking the Delivery Rate is the percentage of Email sent from a source that successfully made it onto the destination's network; e.g. gmail. When marketing departments use '99% Delivery Rate' this is what they are describing. However, this does not discern whether the email sent actually made it to the Inbox, or into a Spam/Junk or some Promotional Folder. These are the indicators that most users of Email Marketing solutions believe is the Delivery Rate: Email sent that made it to the recipients Inbox. This is the common understanding of this statistic by users.

It is easy for us to report on the Delivery Rate in its strictest form, as defined above, for individual apps. We know if a network accepts or rejects the email. While this is important, users really want to know if email is reaching the Inbox. This metric is VERY difficult to obtain - we simply cannot access individual's inboxes. There are companies that use 'Seed Networks' and incentivize individuals to provide access to anonymized data from their email accounts. These companies then provide us the aggregated data for analysis. The metrics we receive are statistically significant for our customer base as a whole, so we can report confidently that Inbox Rates (commonly referred to as Delivery Rates) are, for example, "90% across the customer base" on a given date. Due to the nature of these metrics, they are NOT statistically significant for individual customers /apps, with the exception of our customers on our Dedicated IP Program.

Most, if not all of our competitors use the same third party tools we use. So, comparing Inbox rates for individual customers between competitors cannot really be done.

Users tend to base the whole Delivery off of a few test emails that they send to their own (or friends) accounts. There are a few things that will impact our Inbox Rates, and these can be higher or lower than our competitors. These usually have to do with our sending reputation across our shared IP Address range. So if a bad actor (Spammer) does get through, their negative actions may get IP Addresses blacklisted. Other email sent via these IP Addresses from a 'good' customer, may get tarnished with the same reputation (based on sending from that IP address). Then, none of the email gets delivered. (This actually happened at Microsoft a few weeks ago).

So how does Keap help our customers?

- We have improved filtering to block spammers/users to prevent them from negatively affecting our reputation through blacklisted IP Addresses. We are continuing to automate and improve these systems through 2020.
- We consistently work with Email providers and Blacklist owners to remediate issues quickly so any issues of these types that do occur have minimal impact.

Once the email is in the Inbox, how do we measure Open Rates?

Methods to measure Open Rates varies across our industry. Because there isn't a standard of measure, Open Rates from different companies cannot be compared against each other. The two main measurement factors are:

1. Was an email 'opened'? The general practice is to have a hidden pixel (image) in the email that, when downloaded, triggers an event back to the sending system to state 'this email has been opened'. Keap adds this pixel at the bottom of the email so a user must download the entire email (or scroll to the bottom on a mobile device) for the pixel to be downloaded and registered. Note that if a user previews an email, it is not considered opened, except if a web link is clicked in the email. However if a link is clicked, the email is registered as 'opened' regardless.

A common way for some competitors to measure this is to place this pixel at the top of the email. This means that if the user mistakenly opens the email then closes (or downloads images in preview) then the email will be counted as opened. We believe our measure is a more accurate way to determine who is really opening your email.

2. There are email security and filtering systems that scan email and will open and click links to determine if the email is 'safe'. At Keap, we attempt to recognize these 'system' opens/clicks and we do not report them, (or allow them to trigger automations, which would be really bad!). Many of our competitors do not use this method, and thus click rates at Keap may appear lower (while actually they are more accurate).

We implemented this method at the start of 2020 and did see roughly a 2% decrease in click rates across the customer base.

Regardless of the Email CRM a customer uses, they should use Open/Click Rates as trending info to determine the success of email automations/Broadcasts against their other automations/Broadcasts using the same system. This will provide insights into the relative success of content and engagement level of contacts.
