2015

Deliverability Benchmark Report

Analysis of Inbox Placement Rates in 2015

Return Path

Introduction

Marketers have spent years honing their email expertise, refining their strategies, and improving their campaigns. For most marketers today, email is a given—the workhorse and often the foundation of their digital marketing program. And yet, our research shows that reaching the inbox is more difficult than ever. Worldwide inbox placement rates are dropping, with one in five commercial emails now failing to reach the inbox.

Based on this statistic, you might reasonably conclude that email marketers don't recognize the importance of deliverability, or aren't taking steps to fix it. While this may be true in some cases, many marketers do understand the challenge of deliverability and spend a great deal of time and money developing sophisticated, data-driven responses to deliverability issues.

However, as the volume of commercial email traffic skyrockets (up 7% since 2014 and 16% since 2013) and spam tactics continue to evolve, mailbox providers are forced to constantly refine their filtering technology to keep unwanted mail out of the inbox. In this ever-changing landscape, even the best senders struggle to keep up with increasingly sophisticated filtering tactics.

Regardless of the reason, declining inbox placement rates represent a serious concern for marketers. With one out of every five emails failing to land in the inbox, brands are missing out on a full 20% of their opportunities to connect with customers and earn their business.

In this report, we'll share our findings on worldwide inbox placement rates, including breakdowns by country and industry. In addition, we'll shed some light on possible areas for improvement by highlighting some key "best practices" that marketers may be missing out on.
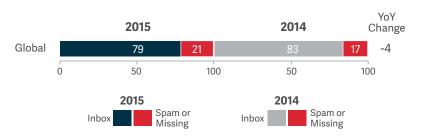
Although maintaining a high inbox placement rate isn't getting any easier, it's more important than ever before. By better understanding the challenge of inbox placement, marketers have a chance to improve this critical metric and build stronger relationships with their customers.
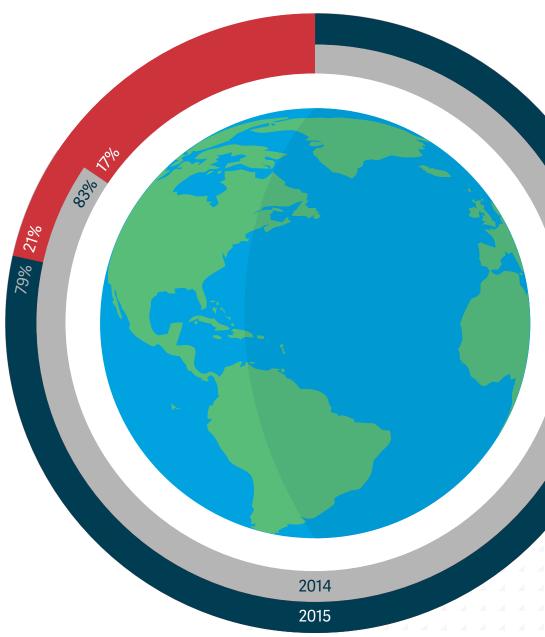
Global Inbox Placement Rates Decline

One in five messages now fails to reach the inbox

Worldwide, just 79% of commercial emails lands in the inbox. This means for every five emails sent, one never reaches the intended recipient. Instead, it's either sent to a spam folder or goes missing—most likely blocked by the mailbox provider.

The global inbox placement rate has decreased by 4% since 2014, when we reported that 83% of email worldwide was reaching the inbox.

17%
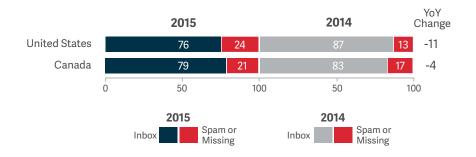
83%

21%

79%

2014

2015

	2015		2014		YoY Change
Global	79	21	83	17	-4

0   50   100   50   100

2015		2014	
Inbox	Spam or Missing	Inbox	Spam or Missing

Sharp Declines in North America

Canada surpasses US performance

Perhaps the most surprising change this year was the sharp decrease in inbox placement rates for US and Canadian businesses. American businesses saw nearly one in four emails land in the spam folder or go missing, with inbox placement dropping from 87% in 2014 to just 76% in 2015.

Canada, which typically lags the US in inbox placement, was slightly better with 1 in 5 emails missing the inbox. However, Canada also experienced a year-over-year drop in inbox placement —down from 83% in 2014 to 79% in 2015.

	2015		**2014**		**YoY Change**
United States	76	24	87	13	-11
Canada	79	21	83	17	-4

0   50   100   50   100

2015
Inbox   Spam or Missing
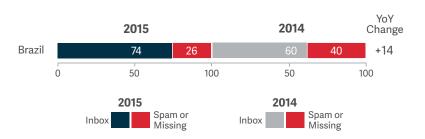
2014
Inbox   Spam or Missing

4

Good News in Brazil

A significant improvement provides this study's lone bright spot

After struggling every year since Return Path began compiling global inbox placement rates, the greatest increase in placement belongs to Brazil. Last year, Brazilian businesses greatly underperformed the rest of the world with an inbox placement rate of just 60%. While their year-over-year improvement to 74% represents a major improvement, it still falls below the global average.

	2015		2014		YoY Change
Brazil	74	26	60	40	+14

0   50   100   50   100

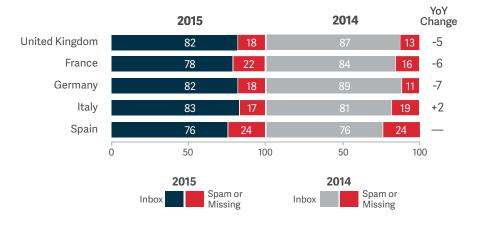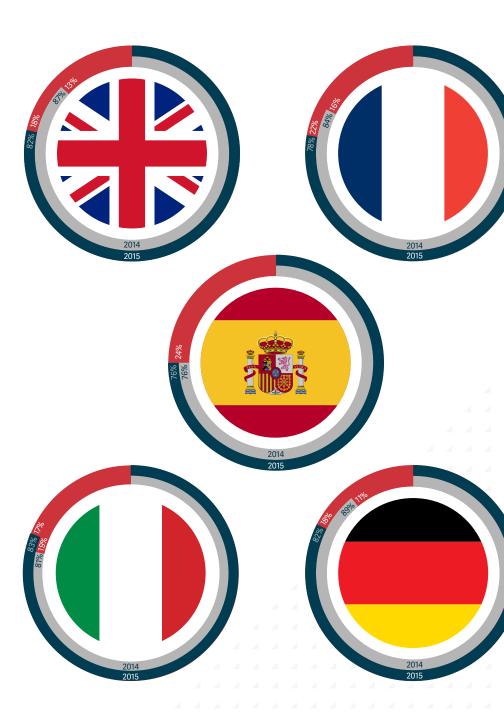| 2015			2014		
Inbox		Spam or Missing	Inbox		Spam or Missing

26%
74%
40% 60%
2014
2015

Mixed Results in Europe

Most countries show flat to negative change in placement

For the second straight year, no major European country was able to break the 90% inbox placement mark. In fact, nearly all countries were either flat or saw a decline in the number of emails reaching the inbox. The lone exception came in Italy, where a 2% year-over-year gain placed it at the top of the European rankings.

Significant declines were seen in Germany, France, and the UK. In Spain, inbox placement rate remained unchanged—although below both the global and European averages.

	2015		2014		YoY Change
United Kingdom	82	18	87	13	-5
France	78	22	84	16	-6
Germany	82	18	89	11	-7
Italy	83	17	81	19	+2
Spain	76	24	76	24	—

0   50   100   50   100

2015
Inbox Spam or Missing

2014
Inbox Spam or Missing

82% 18%   87% 13%
2014
2015

78% 22%   84% 16%
2014
2015

76% 24%   76%
2014
2015

81% 19%   83% 17%
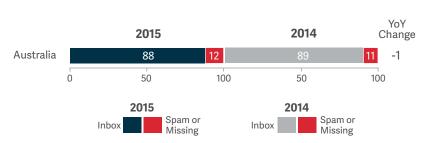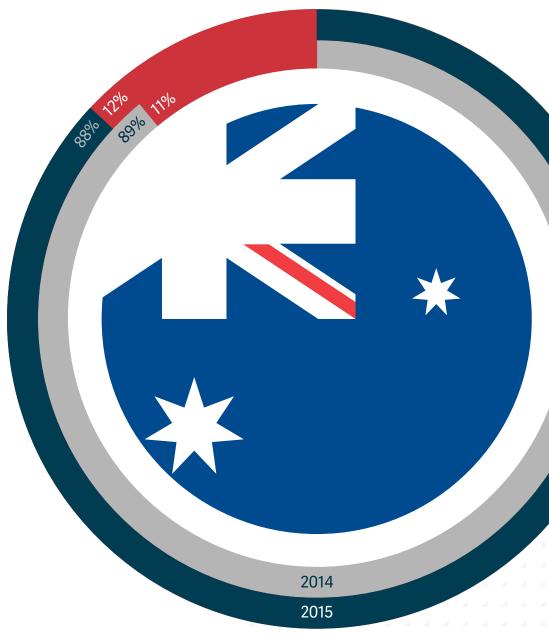2014
2015

82% 18%   89% 11%
2014
2015

Inbox Placement Down Slightly "Down Under"

Australia maintains high inbox placement

Australian marketers have historically fared better at reaching the inbox than most countries. This time around was no different, although inbox placement rates declined slightly between 2014 (89%) and 2015 (88%).

88% 12% 89% 11%

2014

2015

	2015		**2014**		YoY Change
Australia	88	12	89	11	-1

0   50   100   50   100

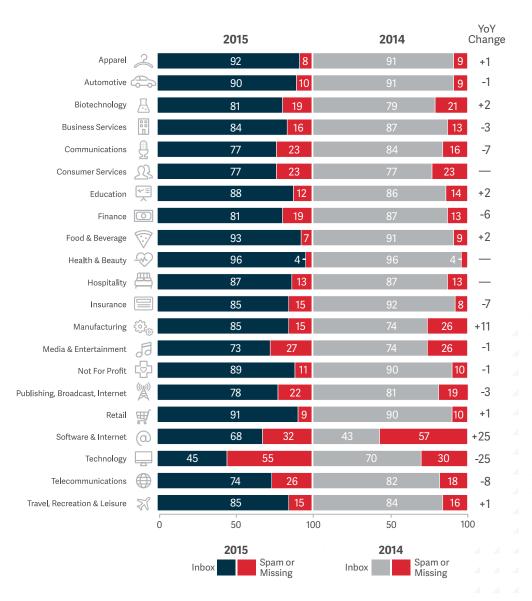| **2015**		**2014**	
Inbox	Spam or Missing	Inbox	Spam or Missing

Inbox Placement Rate by Industry

Relationship-based industries remain at the top of the list

Most industries saw either a year-over-year decline or flat inbox placement rates, and gains were generally small for those that did improve. There were a few exceptions, however. Our research shows double-digit increases for Manufacturing and Software & Internet, although these dramatic increases were only possible due to low inbox placement rates in our last study. We also saw one double-digit decrease in inbox placement, in the Technology industry—down from an already low 70% in 2014 to just 45% in 2015.

As in 2014, industries that rely most heavily on customer relationships (such as Apparel, Health & Beauty, and Retail) maintained the strongest inbox placement rates. Each of these reached or exceeded the 90% placement threshold, with no year-over-year dropoff.

Industry	2015 Inbox	2015 Spam or Missing	2014 Inbox	2014 Spam or Missing	YoY Change
Apparel	92	8	91	9	+1
Automotive	90	10	91	9	-1
Biotechnology	81	19	79	21	+2
Business Services	84	16	87	13	-3
Communications	77	23	84	16	-7
Consumer Services	77	23	77	23	—
Education	88	12	86	14	+2
Finance	81	19	87	13	-6
Food & Beverage	93	7	91	9	+2
Health & Beauty	96	4	96	4	—
Hospitality	87	13	87	13	—
Insurance	85	15	92	8	-7
Manufacturing	85	15	74	26	+11
Media & Entertainment	73	27	74	26	-1
Not For Profit	89	11	90	10	-1
Publishing, Broadcast, Internet	78	22	81	19	-3
Retail	91	9	90	10	+1
Software & Internet	68	32	43	57	+25
Technology	45	55	70	30	-25
Telecommunications	74	26	82	18	-8
Travel, Recreation & Leisure	85	15	84	16	+1

2015: Inbox / Spam or Missing

2014: Inbox / Spam or Missing

Exploring the Reasons Behind Inbox Placement Failure

Best practices email marketers miss

Often, a thorough review of email marketing metrics can provide insight into the root cause of inbox placement issues. Using data from Inbox Optimizer—the feature in Return Path's Inbox Monitor tool that provides specific suggestions for improving inbox placement rates—we can see that spam filtering became more difficult at one of the top webmail providers, and various aspects of subscriber engagement played a major role in the decline in inbox placement rates this year.

A quick look at mailbox providers and inbox placement rates showed marketers had a harder time reaching subscribers at Yahoo! Mail in 2015. Inbox placement rates at the world's second largest email provider dropped 13% year-over-year. At Gmail, marketers reached the inbox at the same rate in 2015 as 2014, thanks in part to Gmail's classification system for promotional emails. Inbox placement at Outlook.com improved slightly, with a 3% year-over-year increase.

More than one in four campaigns (26%) saw a low read rate, which is typically factored into mailbox providers' engagement-based filtering today. The top webmail providers have indicated they look at how many emails are opened and how many are deleted without being opened as a factor in their spam filtering decisions.

Spam complaints were the second most common reason for inbox placement issues (21%). Every time a subscriber reports an email as spam, a complaint is recorded by the mailbox provider spam filters. If complaints exceed a certain percentage, all future campaigns bypass the inbox and are sent directly to spam.

Low mailbox usage rounds out the top three causes of low inbox placement (19%). Engagement filters look at the ratio of active vs. inactive email accounts that receive promotional emails. In this case, engagement is defined as how frequently a user logs into their account, as well as how active they are when they log in. Mailing to a large number of addresses that appear to be nearing abandonment is a negative signal to mailbox providers and factors into their spam filtering algorithms.

To learn more about Return Path's deliverability tools, visit our website or request a demo.

Methodology

Return Path conducted this study using a representative sample of more than 357 million commercial email messages sent with permission to consumers around the world between May 2014 and April 2015. Global and regional statistics are based on performance across more than 150 mailbox providers in North America, South America, Europe, and Asia-Pacific regions. Country- and industry-specific statistics are based on a subset of senders whose locations and industry classifications are identifiable.

Data in this study includes both seed accounts and live consumer inboxes. While the addition of behavioral data from real subscribers has added a critical dimension to inbox placement analysis, scalability and nonstandardized preferences make it impossible to derive accurate results from consumer data alone.

Defining seed data:
Information captured from high volumes of monitored email accounts (seeds) controlled by senders to sample mailbox providers' placement decisions irrespective of user-initiated or engagement-based filtering. For new programs with little or no history of subscriber interaction, seeds can provide an accurate assessment of inbox placement.

Defining consumer data:
Information captured from monitored email accounts controlled by real subscribers to sample user-initiated and engagement-based filtering decisions by mailbox providers. Consumer data can uncover behavior-based factors and thresholds that influence inbox placement at large mailbox providers, and can't be identified by non-interactive seeds.

A Better Way to Use Data

We help the world's leading companies promote and protect their brands.

Email Optimization

The right message, at the right time, to the right inbox means better relationships, greater reach and increased revenue. Email Optimization enables enhanced insights for better deliverability and more meaningful engagements.

Email Fraud Protection

The cost of a cyber attack goes beyond dollars and cents, it damages the integrity of a brand. Email Fraud Protection uses advanced fraud profiling data to respond to, and prevent, cyber attacks with greater speed.

Consumer Insight

The inbox provides a unique real-time view of consumer behavior - from brand affinity to detailed purchase records. Consumer Insight provides in-depth data across millions of global consumers enabling smarter decisions and better business results.

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