

Frequency Matters

The keys to optimizing email send frequency

Frequency Matters

Email send frequency requires a delicate balance. Send too little and you miss out on sales opportunities and end up leaving money on the table. Send too much and your customers will become annoyed by your excessive demands for attention, leading to the possibility of complaints, list churn, and deliverability issues.

The elusive “magic number” is something every marketer hopes to find; the problem is there truly is no one-size-fits-all strategy when it comes to frequency. If the “right” frequency really is non-existent, should you just pick a number and hope for the best?

In this report, we’ll explore the effects of both under- and overmailing, to show how tipping the balance in either direction can undermine the effectiveness of your email program. We’ll dispel some commonly-held beliefs related to engagement and subscriber complaints. We’ll also share some findings from our study of major retailers’ sending frequency and the resulting subscriber complaints, to determine whether overmailing is really as detrimental as many experts claim.



Effects of Undermailing

Conventional wisdom points to decreasing your send frequency as the “safe” approach. Fewer emails should result less frustration from subscribers, and therefore fewer complaints, right?

As it turns out, there are plenty of problems associated with undermailing.

Missed revenue opportunities

Perhaps the most obvious pitfall of undermailing is this: potential customers can't buy from you if they don't know about your products. By limiting your email sends, you decrease the chance of catching a subscriber in a buying mood and increase the chance of leaving money on the table.

Lower lifetime value

If your email program doesn't provide timely, relevant content, subscribers may not find it worthwhile to continue their relationship with your brand. The fewer emails you send, the fewer opportunities you have to prove the value of your email program.

Increased complaint rate

While sending less email is likely decrease the actual number of complaints, it may have the opposite effect on your complaint rate. With fewer total sends, each complaint has a greater impact on your complaint rate. To illustrate, if you send 4,000 emails and receive 100 complaints, your complaint rate is 2.5%. If you decrease your sends to 2,000 and see complaints drop to just 75, your complaint rate actually increases to 3.75%.

Lack of inbox presence

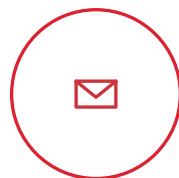
The inbox is a battlefield. The average subscriber receives more than six emails each day, 53% of which are promotional.¹ If your emails are few and far between, subscribers may not recognize your brand or remember signing up to receive content from you. Sending too little will decrease your overall impressions and hurt your overall inbox mindshare.

Poor or inconsistent sender reputation

Infrequent senders may have difficulty building and maintaining their sender reputation, because sender reputation metrics only track 30 days worth of sending history. IP addresses without a consistent sending history will likely have their emails blocked because mailbox providers won't have a clear indication of whether the email is spam.

Inability to maintain a clean list and avoid spam traps

Sending infrequently will make it difficult to identify abandoned email addresses in a timely manner. Abandoned email addresses can be recycled into spam traps in as little as 30 days, so the less often you send, the more likely you are to hit a spam trap.



1. Source: Return Path's State of the Inbox Quarterly Snapshot, Q4 2014

Effects of Overmailing

The consequences of overmailing are better understood than those of undermailing, but they're no less critical to your email program.

Decreased engagement

If subscribers become annoyed with the volume of email from your brand, they have several options for dealing with the situation. Perhaps the most likely action is no action—they will simply start ignoring your email, leading to a less engaged subscriber list.

Increased opt-outs

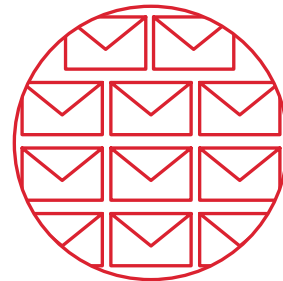
Disgruntled subscribers may go a step beyond ignoring your emails and actually unsubscribe from your email program. Once you have lost a subscriber, you have lost any potential revenue opportunities and instead left them with a bad customer experience.

More total complaints

Higher send volume may not lead to an increased complaint rate, but this doesn't necessarily mean your subscribers are happy. With more frequent sends, each individual complaint has less impact (mathematically) on your overall complaint rate. If you're only looking at complaint rate, you could miss an important indicator of decreasing customer satisfaction. For this reason, it's important to pay attention to your total number of complaints, as well.

Reduced visibility for all subscribers

As complaints and unsubscribes increase, your sender reputation and inbox placement are likely to suffer. Mailbox providers will begin to take a second look at your incoming mail, and may decide to filter or block your incoming messages. With less email landing in the inbox, your brand will experience limited brand exposure, missed revenue opportunities, and lower lifetime value—not just for subscribers who have disengaged, but for your entire list.



Frequency Optimization Depends on Engagement

As an email marketer, you spend a lot of time figuring out how your subscribers interact with your brand. However, this tells only part of the story. Unless you can see how your subscribers interact as a whole—with other brands as well as your own—you can't make an accurate assessment of a subscriber's engagement level.

By segregating your subscribers based on how they interact with email as a whole, you will be better equipped to judge their overall email frequency tolerance.

Three major types of accounts

For this study, we grouped subscribers into three categories based on Return Path's panel:

- **Primary:** These accounts are actively engaged, meaning subscribers regularly show inbox activity like reading, deleting, and moving messages.
- **Secondary:** These accounts receive a high number of promotional and transactional messages, but few personal messages; subscribers are less engaged than Primary accounts.
- **Dead:** This group shows very little engagement with their inbox.

Why are these categories important?

Most marketers use engagement level as a basis for making decisions around send frequency. Best practices typically recommend sending more to engaged subscribers, as they're less likely to complain, and sending less to disengaged subscribers because they tend to complain more, causing deliverability issues. In fact, our research found the exact opposite to be true.



Primary

Primary accounts are the most active as well as the most sensitive. These accounts belong to the "zero inbox" and power users. Email sent to these accounts are read and interacted with, accounting for 83% of all reads, but it also draws a surprising number of complaints. Primary inboxes account for roughly 24% of users among our panel, but generated 50% of all complaints.



Secondary

Secondary accounts are moderately active, reading only a small percentage of email they receive. They may be "side" email accounts used for subscribing to promotions and checked only occasionally. These accounts make up 67% of all users in our panel, accounting for just 16% of total reads and approximately half of complaints.

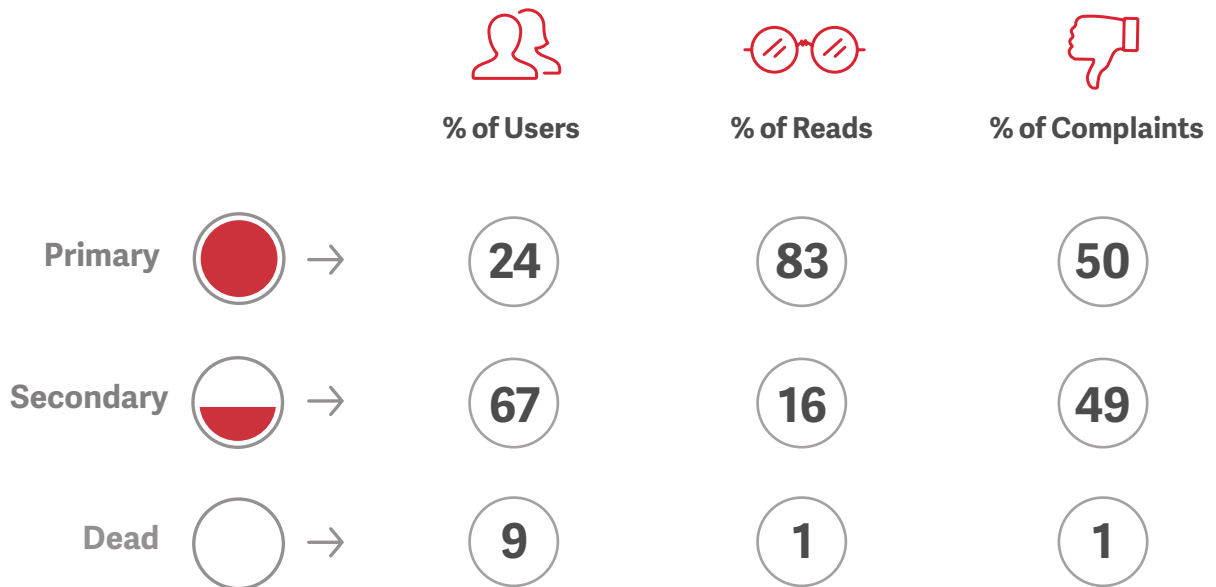


Dead

Dead accounts were likely created and abandoned—not quite unknown users or spam traps yet, but well on their way. These accounts are rarely checked, let alone actively engaged. Dead accounts make up 9% of users in our panel and generate less than 1% of reads and complaints.



Frequency Optimization Depends on Engagement [continued]



This breakdown provides three important takeaways related to email send frequency:

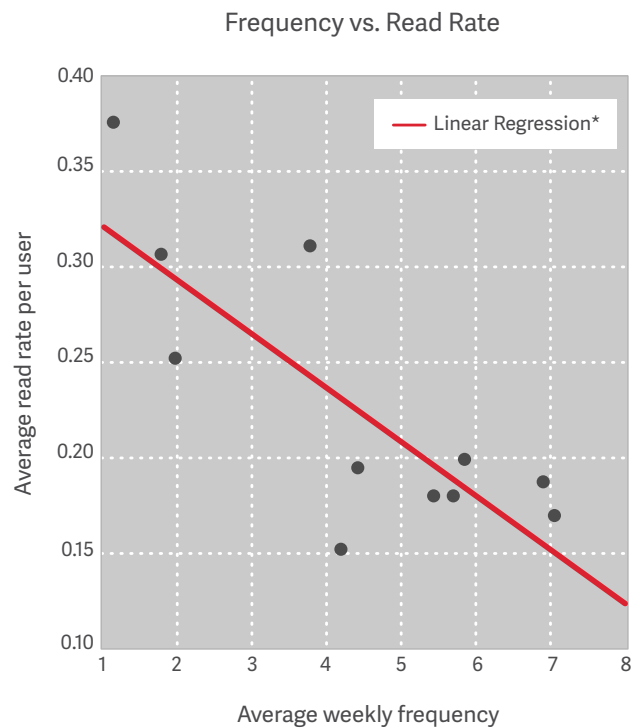
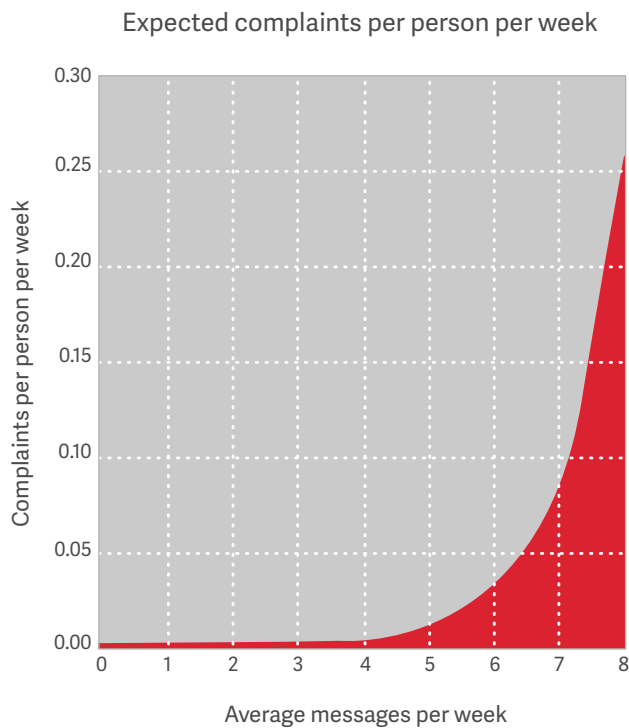
1. Your most active and engaged subscribers are the most valuable, but they're also the most sensitive—and the most likely to complain. Making changes to this group should be done cautiously, with the correct data and lots of testing.
2. Secondary accounts, while technically an active inbox, are likely to be classified as inactive by some marketers. It's difficult to make accurate decisions about send frequency and removal of inactives based on a typical dataset.
3. Complaints don't come from where you'd expect. "Inactives" aren't the biggest driver of complaints, and varying send frequency to this group—either more or less—isn't likely to make a difference in complaints or opt-outs.

Every Subscriber Has an Optimal Frequency

It's clear that increased frequency can lead to an increase in total reads, but what affect does frequency have on subscriber complaints? To observe the relationship between a high mailing frequency and subscriber complaints, we took a closer look at Primary accounts—described above as the most engaged, economically valuable, and sensitive subscriber group.

We analyzed the sending frequency and engagement shifts from nine apparel companies where there was subscriber overlap. Finally, we isolated senders that showed enough frequency variance to make our analysis valid. After normalizing the data based on this criteria, we were left with eight major retailers, and discovered a non-linear relationship between increased send frequency and increased complaints.

In simple terms, we found that engaged, Primary accounts will tolerate up to about five emails per week from a given sender. Beyond that, the ensuing complaints increase dramatically, and read rates drop significantly.



* Linear regression models the relationship between a set variable (send frequency) and an independent variable (read rate). The line represents the expected read rate for each increase in frequency, based on the available data.

The ROI Potential of Frequency Optimization

As we've demonstrated, there is no one-size-fits-all solution when it comes to send frequency. Different types of accounts have different tolerance for email volume. By testing different frequencies for each account type, you can find that "sweet spot" of ROI—the balance between missed opportunity and disgruntled customers.

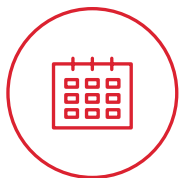
In the illustration below, we calculated the hypothetical ROI increase that would result from altering the sending frequency for each account type. For Primary accounts, we calculated the effects of sending one additional email each week (increasing from two to three). For Secondary accounts, we calculated the effects of one additional email every other week. (No calculations were performed on Dead accounts.) For each hypothetical scenario, we assume a constant number of subscribers, complaints, and read rate.

Current									
Mailbox Type	Percent of List	Estimated User Counts	Read Rate	Monthly Read Messages	Monthly Conversions			Average Daily Volume	Average Weekly Volume
Primary Account	24%	36,000	53%	160,272	\$16,027			0.3	2.1
Secondary Account	67%	100,500	18%	75,978	\$7,598			0.15	1.05
Dead Account	9%	13,500	0%	-	\$ -			0.05	0.35
Total	100%	150,000	25%	236,250	\$23,625			0.18	1.239
Adjusted									
Mailbox Type	Percent of List	Estimated User Counts	Read Rate	Monthly Read Messages	Monthly Conversions	Conversion Difference	Incremental Revenue Lift	Adjusted Daily Volume	Average Weekly Volume
Primary Account	24%	36,000	53%	229,723	\$22,972	\$6,945	43.3%	0.43	3.01
Secondary Account	67%	100,500	18%	101,304	\$10,130	\$2,533	33.3%	0.2	1.4
Dead Account	9%	13,500	0%	-	\$ -	\$ -	0.0%	0.05	0.35
Total	100%	150,000	25%	331,027	\$33,103	\$9,478	40.1%	0.24	1.69

Increasing the send frequency for Primary and Secondary accounts resulted in a significant increase in ROI. Keep in mind, however, that this calculation shows only the hypothetical impact on ROI—no other potential effects are considered. To perform a similar test on your own email program, you'll also need to watch for decrease in total list size and average conversion rate, as well as potential shifts in both in size and in engagement for each account type.

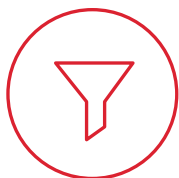
Conclusion

Optimizing for send frequency can ensure that the right subscribers receive the right message at the right time. But it also requires an ongoing discipline of testing new send frequencies, collecting the right data, drawing the correct conclusions, and creating frequency recommendations for future campaigns.



Test for frequency

Use the correct analytical models to identify optimal frequency for your subscribers. Your Primary subscribers are your most valuable and most sensitive group—they will be the most likely to notice (and react to) changes in send frequency. Be sure to test thoroughly before making any drastic changes that may not sit well with subscribers.



Collect the right data

Make sure you are tracking the right data. If you are tracking only complaint rate when increasing your frequency, or total complaints when decreasing your frequency, you may be missing out on valuable insights. Use all the tools at your disposal to measure success or catch the early warning signs of a failed campaign.



Draw the correct conclusions

Based on your tests and the resulting data, develop a send frequency strategy that will maximize email frequency according to subscriber tolerance, while avoiding the hazards of overmailing.

Methodology

To study consumer response to email marketing frequency, Return Path analyzed subscriber engagement with more than 199 million messages delivered to the inboxes of more than 600,000 account holders between December 2014 and February 2015. Comparisons of frequency's influence on engagement were limited to account holders that received commercial messages from at least five senders. Primary, Secondary, and Dead account classifications were determined by account holders' total activity within mailboxes.

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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