

## The State of Mobile and Email Metrics

Investments in mobile marketing are today significant and growing fast; one recent study suggests marketers will spend \$2.16 Billion on mobile in 2010 while another projects this figure will balloon to \$50 Billion by 2014.

As the dollars invested in mobile escalates, marketers will be called upon to ensure these monies are spent wisely. That means a focus on metrics. Today many mobile marketers are using similar ways of measuring mobile as they do email. Consider the following chart from a recent Chief Marketer research report:

### A variety of metrics are used to track/evaluate mobile marketing activities.

	Total	Agency	Brand
Response rates to SMS/MMS campaigns	55%	58%	50%
Total opt-ins to SMS or MMS campaigns	47%	52%	44%
Web traffic from mobile devices	43%	33%	47%
Mobile Web page views	41%	49%	42%
SMS/MMS messages received	39%	36%	42%
Mobile ad click-through rates	39%	46%	33%
Mobile Web unique visitors	36%	33%	36%
Cost per customer acquisition	34%	30%	28%
SMS/MMS messages sent	33%	30%	33%
Impressions from mobile applications	28%	21%	36%
Incremental sales/revenue	26%	15%	22%
Cost per order	21%	21%	14%
Application/content downloads	20%	15%	19%
Pass-along rates	16%	18%	14%

Email is measured along similar dimensions: response rate, opt ins, click throughs, etc., leading many marketers to compare mobile to email for the purpose of allocating budget dollars and prioritizing one approach over the other. In practice the two approaches are complementary, not competitive, and should be measured differently.

### A State-Based View

The relationship between email and instant messaging on a desktop computer is similar to that between email and mobile. Workers often have both email and instant messaging applications open at the same time yet use them for entirely different, yet valuable purposes. Email tends to be an activity that falls “out of line” with work flow, whereas instant messaging is an enabler “in line” with work. It’s a question of the “state” of intended usage.

This “out of line” as opposed to “in line” distinction is key to understanding email relative to mobile as a strategy. Although virtually everyone has a text enabled phone, the most successful programs rarely target all people, everywhere. The beauty of mobile is the ability to create instant, relevant and often localized marketing programs that might include email as call to action or fulfillment step.

## Common Metrics, Different Applications

By their nature, the potential audience subject to a mobile communication may be small, but collective individual actions can have tremendous value (as in driving consumers into a store to make a purchase). Email conversely almost always targets a larger audience.

The fact only consumers opting into mobile communications receive them reinforces this focused approach. Email on the other hand has a reputation for being a spam medium. Although this has lessened in recent years, it remains a communication for contacting people “out of line.”

With “open rate” an important email metric, marketers are finding that this measure is highest when the universe of targets is small, according to a recent eMarketer.com study.

### E-Mail Marketing Open Rates Worldwide, Second half 2007-Second half 2008



Source: MailerMailer LLC, "Email Marketing Metrics Report," June 2009

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*“Messages delivered to small and medium lists had higher open and click-through rates than messages delivered to lists of 1,000 or more subscribers.”*

*“A smaller list does not directly affect open and click rates, but mailings to smaller lists may be targeted better, contain more relevant content or have more recent subscribers.”*

The most successful mobile marketing campaigns are similarly highly targeted in nature, despite the potential reach of mobile given the sheer number of mobile phone users.

The same report cites a separate study that showed open rates for its survey subjects to be much higher. The report also highlighted differences among the use of email by industry.

### US E-Mail Marketing Campaign Metrics, Q1 2007-Q1 2009

	Delivery	Open rate	Click-through rate
Q1 2007	93.7%	22.1%	7.2%
Q2 2007	95.1%	20.7%	6.2%
Q3 2007	94.3%	20.7%	6.5%
Q4 2007	93.1%	19.8%	6.1%
Q1 2008	93.4%	19.9%	6.4%
Q2 2008	93.2%	18.8%	5.9%
Q3 2008	93.6%	19.8%	5.9%
Q4 2008	94.4%	20.9%	5.8%
Q1 2009	94.1%	22.1%	6.1%

Source: Epsilon, "Epsilon Q1 2009 Email Trends and Benchmarks," July 2009

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*“General financial services e-mails were opened most frequently followed by general business products and services, and credit cards and banks.”*

*“The least popular categories were apparel, publishing and media, consumer packaged goods and electronics.”*

It’s interesting that open rates for firms today enjoying mobile marketing success (apparel, etc.) lag those of industries less associated with mobile (financial services). It may suggest

that some products and services, more than others, are best communicated and/or consumed “in line” with a consumer on the go, not one tethered to an email client. Email, on the other hand, is better suited to consumers’ “out of line” mindset, such as balancing their checkbooks or undertaking other personal finance activities best done at home.

## Bottom Line

Based on the survey data, marketers might conclude that open rate be used to justify and prioritize marketing investments across mobile and email. Mobile may be better suited to certain industries such as publishing, consumer packaged goods and retailers.

In practice, mobile marketing has its role alongside email as an effective marketing medium. The two are highly complementary and are often used together. By targeting customers with the right message when they are in the right “state” to receive and respond to them, mobile and email together help marketers better meet their business objectives.