

State of Financial Services
Marketing Report

Email 2019

Executive Summary

In our 2019 State of Financial Services Marketing Report focused on email, we analyzed over 149,000 B2B professional investor communications sent from 125 investment management companies from 2010 to 2018 – looking closely at open and click rates and focusing on what you can do to improve your results. Here’s an overview of what you’ll find in the report:

- How to optimize your sender information and subject lines to boost your opens
- How send time and date and list size affects your engagement
- We will also focus on how you can improve your conversions by strategically placing your links in your emails and enhancing your calls to action

At the end of the report, we aspire to have given you ideas you can apply to your own email marketing plan, supported by real statistics we’ve pulled directly from StoneShot.

Email Marketing – dead or alive?

Although there has been some discussion in the last decade that “social is killing email”, the truth is marketers still rely heavily on reaching people through their inboxes.

According to a study by the Radicati Group*, 3.8 billion people worldwide used email in 2018. That’s 45% more people than the number of users of social media channels. According to Statistica**, there were 2.62 billion social media users in 2018.

In fact, email has guided the development of social networks by delivering authentication, digital registration and important information directly to their users’ email addresses.

It’s also not surprising to have seen many companies using their brand’s communications to advertise their social channels, bringing email and social media closer together. It’s not about taking one over the other, but the power between the two to make email even stronger.

This trend shows us that email is important and popular. In addition email is trusted by businesses as a marketing tool, to share information with clients, vendors and prospects.

Most Financial Investors use email in their daily work, as opposed to social media, as their preferred method of communication. This should be considered when creating a marketing plan to ensure communication with your audience is executed correctly.

Because of its functionality and flexibility, and perhaps because it has been around for a long time (40 years to be exact), email is not dead, it’s very much still kicking.

* [The Radicati Group](#), INC; Email Statistics Report, 2018-2022.

** [Statistica](#). The Statistics Portal; Number of social media users worldwide from 2010 to 2021 (in billions).

Trends and what to expect from 2019

In 2019, we will see further development in technology integration and personalization.

The age of sending the same communication to a general audience is over. Today, it's all about 1:1 interactions with your audience that will in turn drive meaningful conversations. And this can be done specifically through email.

This year we'll also see an increased use of Artificial Intelligence (AI) tools to automate emails at a larger scale. AI is changing the way we market to our clients by making it easier to focus on that 1:1 personalization.

Speaking of data, last year with EU General Data Protection (GDPR) laws going into effect, companies must now take extra measures when handling and processing personal information.

With data protection and privacy laws evolving at a rapid pace around the world, marketers must make sure they abide by regional legislation when sending cross region emails.

On a positive note, by making sure these rules are adhered to, companies get to take a deeper dive into their data and do some important organizing. After all, your email delivery rate and campaign success start with your data.

Data hygiene, email verification and preference centers will be highly used. In order for your personalized emails to thrive your data must be well maintained.



Key Personalization Tip:

Setting up a preference center to collect data about your audience and send more targeted campaigns is an easy way to begin on your personalization journey.

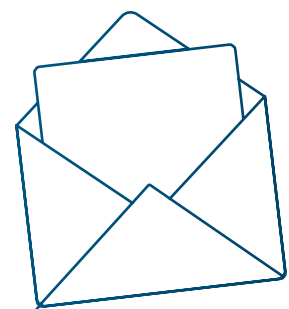
In 2019, the possibilities of data are endless.

You can use segmentation to create a clear separation amongst your data. You can store all your bounces and unsubscribed contacts away from your active lists, use contact activity to separate your lists into tiers of engagement and sift through and delete any data that doesn't matter.

By removing bounces and unsubscribed emails from your lists, you'll see your deliverability and stats improve, allowing you to focus on the contacts that really matter.

We believe the usage of dynamic content and automatic feeds will also increase, as recycling content helps with shrinking marketing teams.

With a preference center in place and by using segmentation to store your clients' activity, and interests, you'll be able to share many versions of the same email, personalized to each recipient, at once.



Improving Opens

Improvements that deliver big results

One of the most influential statistics to illustrate email effectiveness is open rate.

The more people open your email, the bigger the chance you have of putting your message in front of your audience – and the more likely it will increase your conversion rate.

The first thing your audience sees when your email lands in their inboxes is the sender name, sender email address and subject line. In some email clients, you'll also be able to see a brief preheader with a small summary of what the email is about. If you wish to improve your open rates, making changes to these details is the first thing you should consider, as they have the biggest impact.

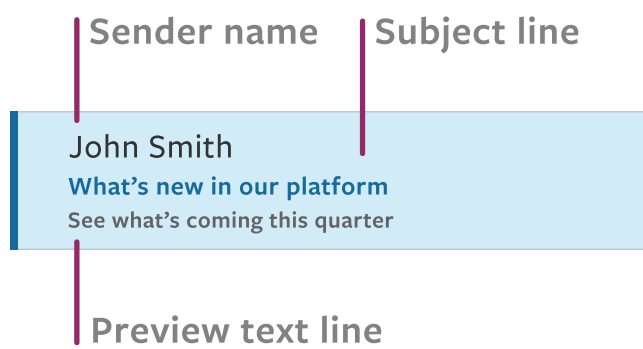
Timing and frequency are also very important in getting your emails opened and clicked, and in influencing how your audience perceives your brand.

These are crucial to review if you'd like your open and click-through rates to improve. So what do you need to look for?

Optimizing your opens with sender name

The sender name is how the readers will identify who's sending the email and, in many cases, the deciding factor of whether the email is worthy of being opened.

In Outlook, readers will see sender name, followed by the subject line (which we will analyze next) and, in some cases, a short preview text.



Our analysis showed that personal sender names brought a higher open rate to our clients, which is an 85.7% higher benchmark open rate than the worst performer (using a branded sender name). If you have a strong relationship with your readers, using a name your readers will recognize, like an account representative, will help improve your performance.

Of course keep in mind that the sender name should be a fair representation of who the actual email is coming from.

Examples of Sender Names



Personal / Dynamic: John Smith



Generic: ABC Company Info



Team: ABC Company Investment Communications



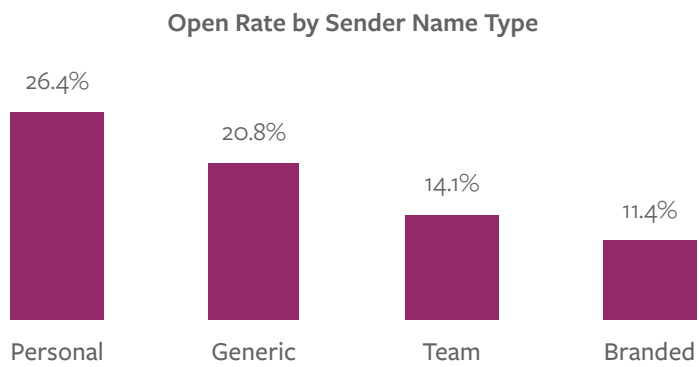
Branded: ABC Company

Depending on the nature of the communications you're sending, you should use a personal name when possible.

For instance, let's say you have a fund update to send with a client you regularly communicate with – use your name as the sender. Personalized names showed an open rate of 26.4%.

If using a personal name isn't something that suits the type of communication you're launching, we would recommend using a generic sender name.

We also found that team and branded sender names have a low open rate, much lower than our benchmarks (14.1% and 11.4%, respectively) hence why we would recommend using a Sales Manager's name instead, whenever possible.



Optimizing your opens with sender email

The sender name of your email is the first thing readers will see however, your email address is the gateway to get that email delivered.

There are many things to consider when choosing an email address for your sender. Firstly, you should avoid using a free email provider. Emails using a free webmail address are usually spotted as suspicious and your email likely will be held up by a firewall (if ever delivered), until proven to be safe.

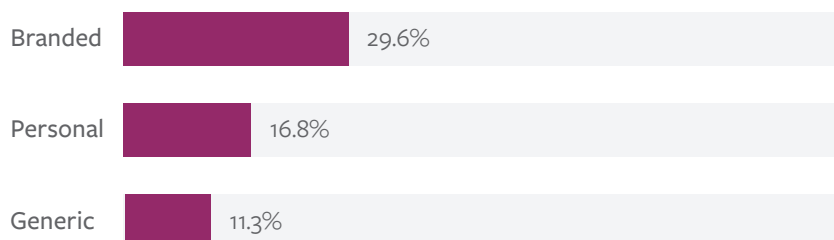
We recommend always using your company's domain to create an email address associated with your business. Your IT team can help you setup new, valid email addresses to use as the sender.

Using a personal name works very well for the sender email as well. We found that companies that use a personal name in their email address have an open rate of 29.6% compared to a branded or generic email address, which had an open rate of 16.8% and 11.3%, respectively.



A good personalized sender email example to use is:
"FirstName.LastName@CompanyName.com"

Open Rate by Sender Email Type



Optimizing your opens with your subject line

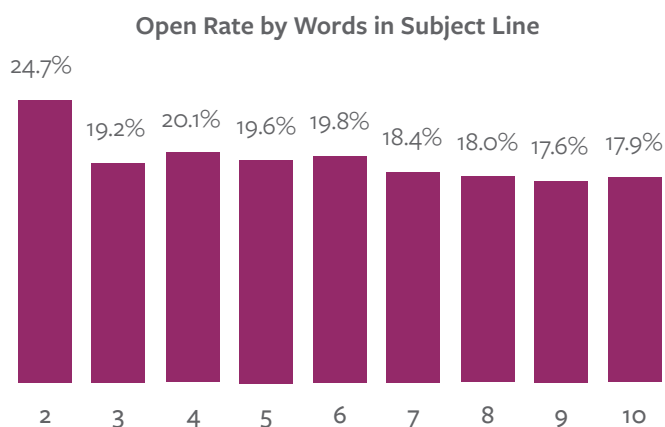
Mastering the subject line has equal importance to the sender name and email.

A good subject line should be descriptive and give the readers a preview of what they'll find in the email.

By using a personalized subject line, your email could have a 43% higher open rate. Including the name of the readers or personalized content they're interested in receiving in the subject line has proven to be successful.

The number of words in the subject line also impacts open rates. The use of 2 to 6 words show the highest open rates.

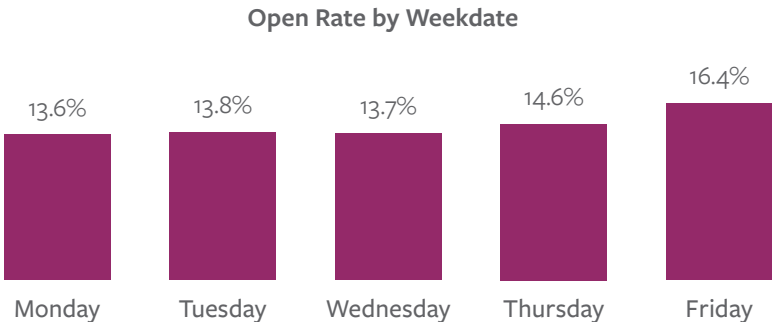
We highly recommend using A/B testing when possible to test these findings in your own campaigns and find what works best for you. Create one version of your email that doesn't differ but choose two subject lines.



Improving engagement by send time

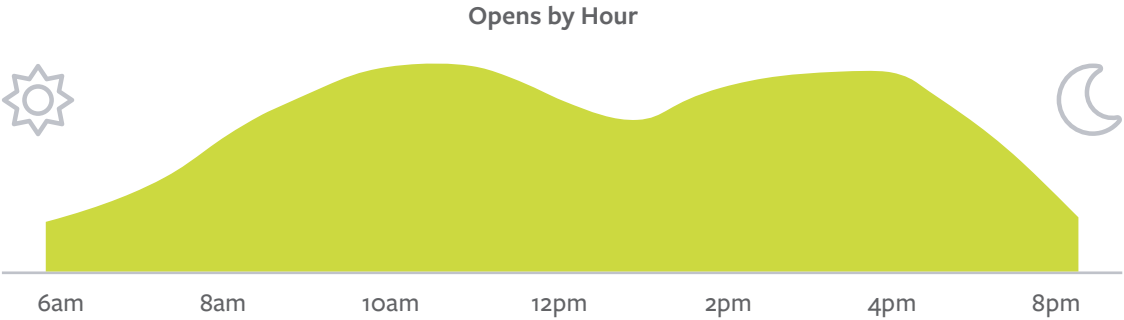
Timing is everything.

As a rule of thumb, try to avoid sending emails on a weekend as the highest opens occur during the week. The day of the week that sees the highest open rate is actually Friday, with an average open rate of 16.4%, followed by Thursday.



For Professional Investors, the middle of the week is not the ideal time to receive a marketing email. Emails sent to Professional Investors on a Tuesday do not receive a high open rate.

We have also found that 97% of all emails are sent and opened during typical working hours: 8am to 6pm. We can see two high points at 10am and 11am as the recommended times to send emails. However, we would highly advise our clients to avoid sending emails around 1pm and the end of the typical working day.



Improving engagement through list size

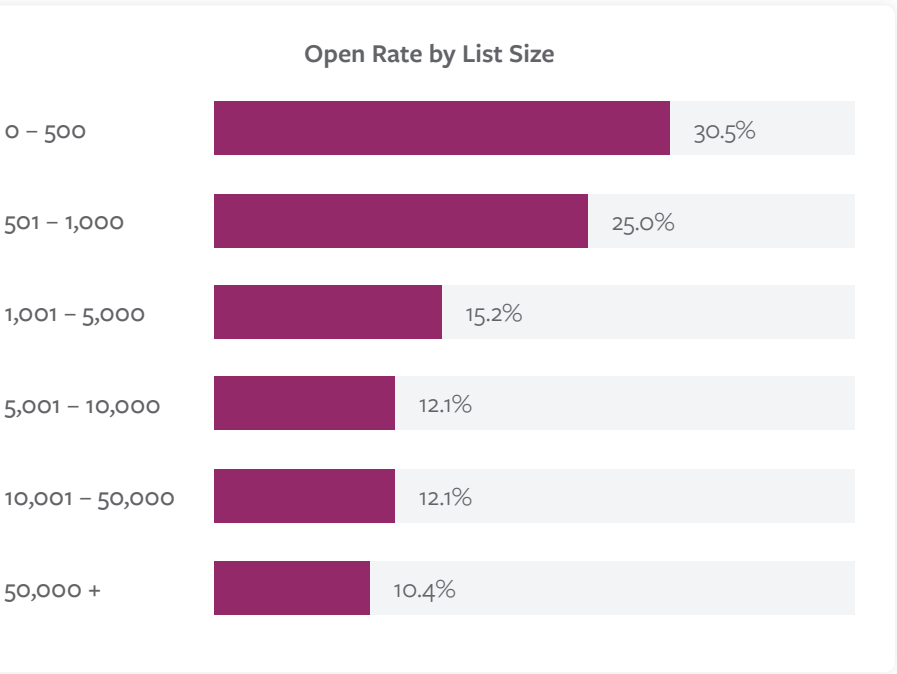
There are other factors that will drive email engagement, one of which being segmentation.

By segmenting your data and separating topics, interests and even engagement levels, you'll be able to email contacts with the type of email that is most appropriate to their actions.

You could create a few segments for the different topics you tend to email every month and use a preference centre to help your contacts select the topics they are interested in.

The size of your list should be small and targeted, driving more personal content. We have found that lists with less than 500 contacts perform best. We found that the more contacts a list has, the worse it will perform.

Large lists lack personalization. The more contacts you email, the less likely it will be that all will appreciate the content.



Improving Conversions

Improving conversions through link placement

The way your content is distributed across your email layout has a big impact on engagement and conversions as well.

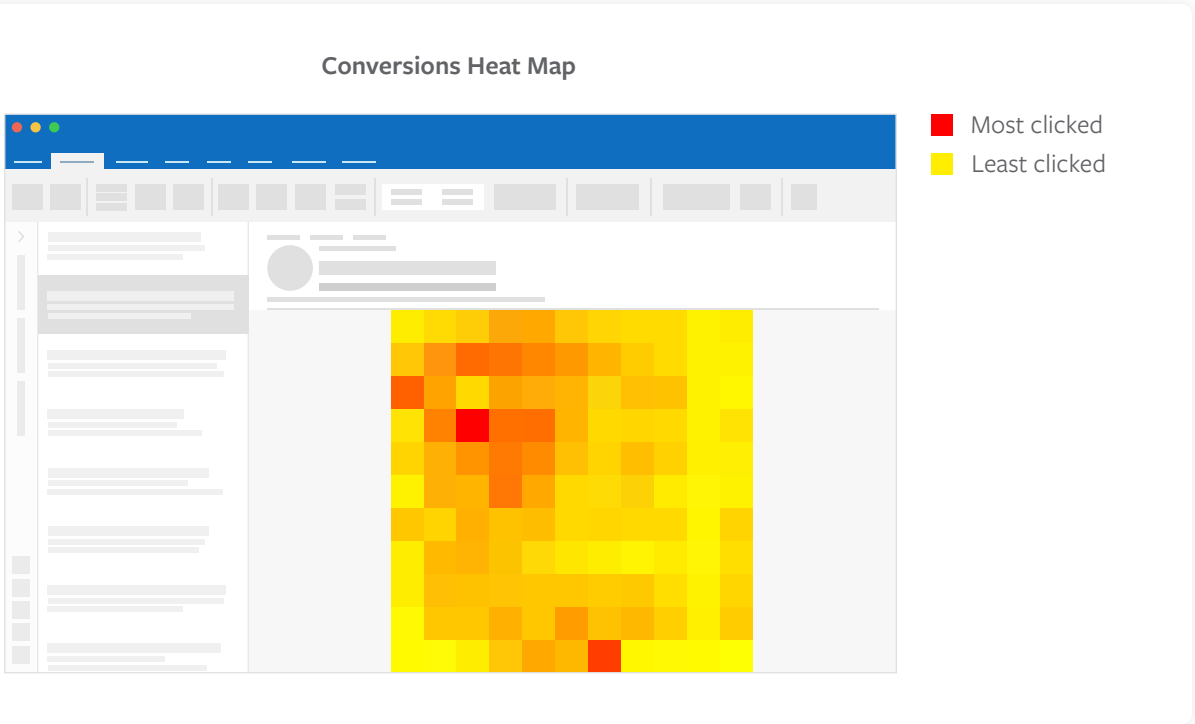
The well-known F-shaped reading pattern is backed by our research and a key finding to help improve engagement and drive conversions.

The best way to get those clicks and conversions is to make your calls to action (CTAs) as close to the first scroll as possible. It's important to note that CTAs aligned to the left have better engagement than others aligned to center or right.

As you can see from the heatmap below, the closer to the right links are, the least engagement they have.

Interestingly, there is one location near the end of emails where contacts tend to click heavily. This is where unsubscribe and preference center links are located and where they are expected to be.

Most readers are aware these links are usually located in the end of the email so ensure your links are clearly marked so readers can easily unsubscribe if they so choose to, or update their interests accordingly.



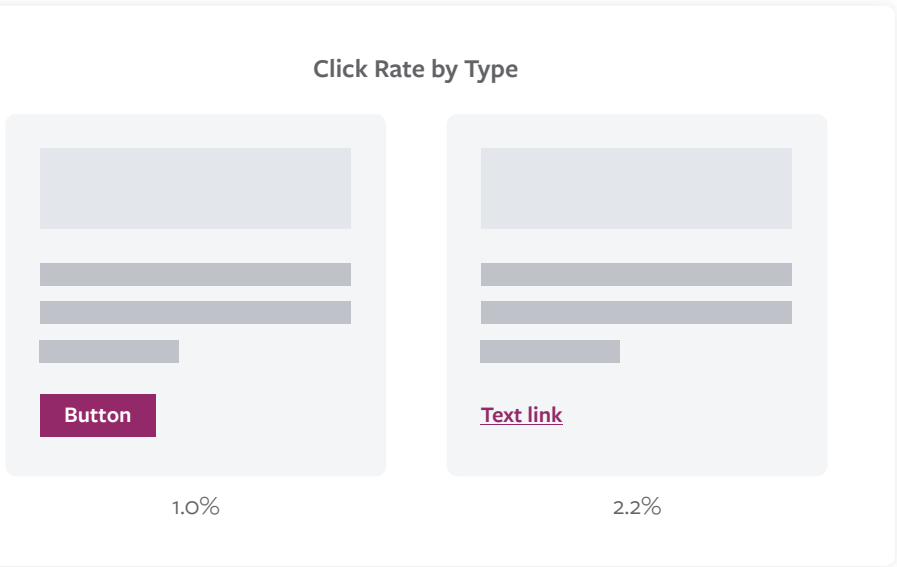
Improving conversions through link type

We looked at all campaigns again and analyzed link types to find if there is a difference between using text or a button for your call to action links.

Our benchmarks show text links have a better click rate than buttons.

If you find that buttons work better for your particular audience, it's important to keep your design on brand and consistent.

However, if you're struggling with conversions, testing a text call to action will help you understand if this will improve both clicks and conversions going forward.



Conclusion

The email marketing landscape keeps changing, but we're able to analyze more data than ever before in order to make sure we're resonating with clients. There are many different ways to stand out in a sea of sameness – and data can become your best friend in helping you do so.

We hope this report provides you with the information you need to plan a successful email marketing campaign.

About us

StoneShot is an email marketing, marketing automation, and event management platform provider for financial services marketers. Founded in 2001, we offer technology, insights, and agency services financial marketers need to succeed.

Our intuitive platform and in-house team of strategists, designers, developers, and account specialists offer the flexibility to get each client where they need to be in their digital transformation journey and achieve their business goals.

When it comes to digital marketing, we understand one size does not fit all, and reaching the right audience, at the right time, with the right message, is crucial.

We work with leading brands including Barings, HSBC, Invesco, and UBS, and have offices in London, New York, Milan and Paris.

To learn more about us, visit www.stoneshot.com.

