

The CMO's Guide to Email Delivery Platforms

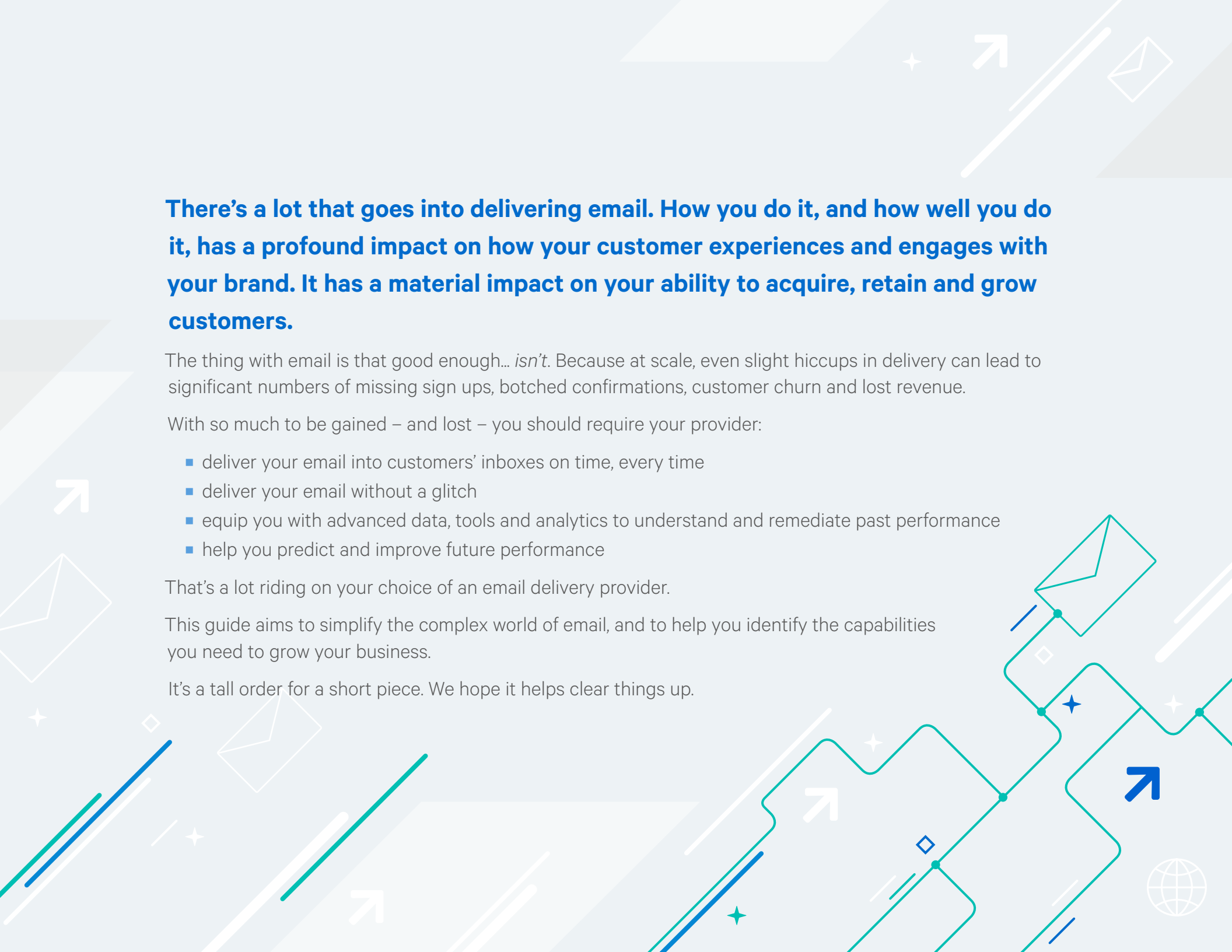
Email is the common thread that drives much of the customer experience. Select an email provider that can provide value to and deliver ROI for your business.



As a marketing leader the customer experience is key to the success of your business. This certainly weighs heavily when considering new technology vendors to add to your marketing stack. When considering the options for an email vendor, you not only want something that performs incredibly well, but also something that fits seamlessly and improves overall insight into your existing customer experience.

The email and digital marketing landscapes are changing rapidly. Personalization and interactive email capabilities are just a few of the features that users EXPECT when interacting with legitimate brands. On top of that, you need a solution that's going to perform without question and support email specific concepts like deliverability. It's not only that you need to confirm emails have been physically sent and received, but also that your business relies on emails *hitting the inbox in a timely manner* for customer satisfaction, retention, and acquisition.

As you read this guide (and the RFP checklist), keep in mind the increasingly important connection between *data and customer experience*. Engagement data can help solve for some truly trying customer pain points. With that kind of information at your fingertips (optimal send times, mailing frequency preferences, etc.) you're on your way to making serious positive changes in your email programs and boosting ROI beyond belief.

The background features a light blue and white color palette with various geometric elements. There are several white arrows pointing in different directions, some solid and some outlined. There are also white icons of envelopes and stars. A prominent feature is a teal-colored line that starts from the bottom left and zig-zags across the page towards the top right, ending near a globe icon. This line has several small teal dots and a white diamond shape at its various turns. The overall aesthetic is clean, modern, and tech-oriented.

There's a lot that goes into delivering email. How you do it, and how well you do it, has a profound impact on how your customer experiences and engages with your brand. It has a material impact on your ability to acquire, retain and grow customers.

The thing with email is that good enough... *isn't*. Because at scale, even slight hiccups in delivery can lead to significant numbers of missing sign ups, botched confirmations, customer churn and lost revenue.

With so much to be gained – and lost – you should require your provider:

- deliver your email into customers' inboxes on time, every time
- deliver your email without a glitch
- equip you with advanced data, tools and analytics to understand and remediate past performance
- help you predict and improve future performance

That's a lot riding on your choice of an email delivery provider.

This guide aims to simplify the complex world of email, and to help you identify the capabilities you need to grow your business.

It's a tall order for a short piece. We hope it helps clear things up.

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The email landscape: **So many options.** Fewer real choices.

There are by some counts, **more than 400 providers of email solutions.** That's a daunting number to sort through.

But the truth is there are a relative handful of providers capable of supporting customers for whom transactional email is absolutely integral to their business. Where it is the primary driver of customer acquisition, retention and growth. Where the cost of a service interruption is measured in hundreds of thousands of dollars. Where a data breach, privacy glitch or regulatory violation results in costly damage to brand and reputation.

And where providers deliver transactional email – and engagement – at massive scale.

Why you should invest in new email technology

Start with a question: **how would increasing your open rate by 2x impact growth?**

Too obvious? How about, are you ok with industry average open rates? Even if they are just that, average? Especially when the advantages of being exceptional are so pronounced?

Does your team know how your open rates compare to others in your industry? Do your open rates measure up with your competitors, or is there room for improvement?

Email has changed. *A lot.* New email delivery solutions are simply better than legacy systems. They get more mail into customers' email inboxes, more often and more consistently, with fewer problems. They protect data and privacy. They're cloud-based, so they scale quickly and massively.

And the best ones predict and fix problems before they're actually problems, to drive even higher levels of engagement.

Return on investment is a big driver too. You've probably invested a lot of time, energy and marketing budget to build your list. And a lot of money to move people through your funnel, to get them to subscribe, sign up or purchase.

It's a lost opportunity when the confirmation email *the customer* is expecting is blocked by an ISP, ends up in the customer's spam folder or never shows up at all.

It's costly when your emails to customers bounce or generate complaints.

It's expensive when the people on your list churn. It's expensive when they haven't opened, let alone clicked through, one of your emails in ages.

Any way you look at it, email failure is a massive black hole that sucks energy, budget and hope into its gaping maw.

The new email agenda: engagement, revenue, growth

Your competitor and for that matter almost everyone else on the planet is vying for the attention of your customer. The customer who has one inbox, a limited appetite for interruption and even less attention.

*When is the best day of the week to reach that customer with email? The best time of day?
When did they last open an email from you? What did they respond to or not respond to over time?*

*How and why are they different than another customer down the block or across the country?
Are they fatigued? Have their habits changed?*

*What about the status of your campaign relative to the global email footprint?
What is happening that may be increasing bounce rates, complaints or issues with ISPs?*

Your email delivery provider should be able to answer these questions. Because the answers help you adapt, adjust and tune your campaigns. And are how you build the engagement that fuels revenue and powers growth.

Predicting and fixing problems before they happen

There are trillions of emails sent each year. They generate a massive amount of data that can inform strategy and execution. The email delivery solutions in our guide Hoover up that data and extract meaning from it. Each offers some forensic analysis of your data to help you understand historical trends, what has worked, and why.

Looking at past performance is important. However, as the saying goes, past performance is not necessarily indicative of future results. For that, you need more.

The new frontier in email looks ahead to predict problems before they arise, and to suggest fixes to continuously improve engagement and the customer experience.



Core elements of **delivery**

Getting your email into customers' inboxes is job one. And yet, about 28 percent of business email ends up in spam filters or fails to get delivered. And **more than 70 percent of businesses report problems with getting email delivered.**

You can avoid this fate. And you can harness the power of predictive analytics to look ahead. Start with this checklist and you can reap the benefits of email to grow your business.

SPAM

28%
OF BUSINESS EMAIL



DELIVERABILITY

The email delivery solutions featured in this guide tend to perform better than the industry as a whole, in large part because they focus on critical factors including:

- Creating and maintaining a **strong reputation with ISPs and regulators** – which offers the added benefit of helping you stay clear of spam traps
- Continuous monitoring of delivery rates and latency issues with major inbox providers including **Gmail, Outlook, Yahoo, AOL and Apple**
- Closely **monitoring and fixing latency** issues within their apps or online user experiences
- Preparation for, and the ability to manage sharp **spikes in volume**
- Advise on **best practices for compliance** with regulations such as CAN-SPAM and GDPR
- **Monitoring of IP** addresses against known blacklists

High performing email delivery platforms understand the characteristics of email in transit and the signals ISPs track to identify spam. They have architected their systems to be compliant with industry best practices. And they achieve high levels of deliverability as a result.



GETTING TO THE INBOX

Consistent, reliable and predictable delivery is a high bar for email delivery providers. Yet in a sign of just how much email has changed and how the bar is being set higher and higher, the driver of ROI is increasingly delivery. Or in other words, are you actually getting to your customer's inbox?

There are a lot of factors that can impact delivery, including your ability to identify and correct list quality problems before they impact email performance. **The best email providers are using data and predictive analytics to avoid spam traps, validate recipients and emails.** They're using data to understand how and when customers engage with email, lending insights that can improve engagement and reduce fatigue. And they are using predictive analytics to improve engagement, including inbox provider, campaign and sending IP address-specific detail.



RELIABILITY

The best email delivery platforms promise **99+ percent uptime**, and back it up with SLAs you can trust. Achieving that goal requires more than good intentions though. The vendor should be a known entity among regulators, ISPs and others in the email ecosystem, recognized for consistent volume and quality.



INFRASTRUCTURE AND THROUGHPUT

You may not send billions of emails a month. At least not yet. But you should have a vendor that routinely manages that much and more without a hiccup. And that can scale as your business grows.

You'll want to check for a **cloud-based solution** that can effectively route your traffic around network obstacles, utilizes **multiple IP addresses** to improve the efficiency of delivery, and real time monitoring of data and deliverability.



REGULATORY COMPLIANCE

You don't need to be an expert on navigating **CAN-SPAM, GDPR** and the rest of the regulatory thicket. But you better have a vendor who is. The dollar cost of a regulatory miscue can be significant. The cost to your company's reputation could be even greater.



SECURITY AND PRIVACY

These are two issues that are inextricably related. How your vendor manages data compliance and security has a clear impact on the privacy of your customer's data, and your data.

Look for **SOC 2 compliance**, a robust security protocol and privacy policy, and a team with deep expertise led by a senior executive with clout.



SERVICE AND SUPPORT

There are meaningful differences in technology among vendors. Yet the **quality of the team** you work with may have an equal or even bigger impact on your results. Are there experts helping you interpret your data, and analyzing it in the context of a global data footprint? Are they using predictive analytics to help you avoid future problems and spark engagement?



ADVANCED DATA SCIENCE AND A CRITICAL MASS OF DATA

Trillions of emails generate a **massive volume of data** and an extraordinary opportunity to understand email delivery events, bounces, clicks, opens, unsubscribes and much more.

In email delivery, size, or more accurately, volume, matters. It's simply true that smaller data footprints offer less fine-grained insight, and less ability to understand current problems in the context of real-world historical performance and outages.

Your vendor needs to assure you that they have **access to a critical mass of data, and the advanced science to analyze it**, learn from it, and use it to predict superior outcomes.



VALUE AND ROI

The numbers are remarkable. According to the Direct Marketing Association, **email marketing drives an average of 18 percent of total business revenue.**

In some business categories, such as for large internet retailers, improving email delivery just one percent can represent millions of dollars of incremental revenue. It reverberates across top line revenue gains and bottom-line operational savings.

The costs of poor delivery performance are equally profound, measured in lost revenue, customer engagement and growth.

Let's look at the math:

$$\text{DELIVERABILITY OPPORTUNITY} \times \frac{\text{TOTAL COMPANY REVENUE} \times 0.18^*}{100}$$

per percent inbox improvement

**Total company revenue attributed to email*

Using this formula, you can see the impact of improving deliverability by even fractions. Your mileage may vary, but it is clear that even at an industry average 18 percent revenue attributed to email, there are material gains to be realized.

There are also important value drivers that separate vendors. At the top of the list is a **critical mass of customer data and the analytics to extract meaningful insights from it.** Leading email providers leverage data to diagnose and remediate current problems, and predictive analytics to improve future performance. Data science is baked into their solutions, their culture, their SLAs, and their way of doing business.

Vendors to consider

COMPETITIVE LANDSCAPE: EMAIL DELIVERY PLATFORMS TO FUEL GROWTH



		SparkPost	SES	Mailgun	SendGrid	ExactTarget (SF Email Studio)	MailJet
Sending	API	✓	✓	✓	✓	✓	✓
	SMTP	✓	✓	✓	✓		✓
Basic Reporting	# of metrics	38	8	9	17	18	18
	Webhooks	✓		✓	✓	✓	✓
Advanced Analytics	Events Search	✓		✓	✓	✓	✓
	Predictive Health Score	✓					
	Cohort Analysis	✓				✓*	
Marketing Features	Templates	✓	✓	✓	✓	✓	✓
	WYSIWYG Editor				✓*	✓	✓
	List and Campaign Management			✓	✓*	✓	✓

* additional cost



SparkPost is responsible for more than 37 percent of all business email. It uses this large data footprint to equip developers and marketers with both forensic and predictive analysis to improve the performance of campaigns. It is less well known than some of the other companies on this list, but is a solid choice for reliability and deliverability at scale. SparkPost powers many other providers, and is the back end for many services, including Adobe.



Amazon SES is optimized for developers focused on cost, scalability and reliability. It integrates with other Amazon products yet offers limited campaign management tools and fewer marketer-oriented features. To get the most out of SES, customers need to dedicate resources to continually ensure email addresses and sender domains are on regularly verified whitelists.



ExactTarget is part of the Salesforce ecosystem, where the sum of the parts is greater than the individual components. This is the case with ExactTarget; it offers marketers a lot when teamed with other elements of the Salesforce Marketing Cloud. As a stand-alone email solution, it offers limited analytics and campaign tools, while being somewhat complex and costly to integrate.



Mailgun is a solution designed with developers in mind. Its API-centric approach offers reliability and power at scale for both transactional and marketing emails. Users report less emphasis on security, deliverability and professional services.



Mailjet enjoys a strong presence in Europe, in part because of its expertise with GDPR.

Marketers like its robust mail editor and campaign management tools. It is not known for analytics, and some users report challenges understanding why domains and addresses are hung up.



SendGrid is a cloud-based platform that delivers more than 40 billion emails each month.

Targeted at both developers and marketers, it offers solid campaign management tools. Some customers report concerns about reliability.

LEAD WITH ANALYTICS

Not every email provider offers the same level of advanced analytics, so it's important to take stock of what each provider or analytics partner offers and compare with your business needs.



In full transparency, SparkPost's acquisition of eDataSource opens up a number of doors for senders looking to drive even more results from their email campaigns. The new analytics offerings provide a superior advantage by offering insights into the competitive landscape and customer inboxes. Combined with the power and vast data footprint of the SparkPost Platform, these tools offer boundless potential for email marketers.

What to look for in your email delivery provider

We'll admit to a bias in preparing this buyer's guide: that **email delivery is more than a collection of technologies, services and expertise**. Rather it is a core strategy for driving customer engagement, revenue and growth. And that it is often a primary way customers experience your brand.

We'll also admit to a bias about data and how it is used to improve that same engagement, revenue and growth. When every step of the customer's journey and progress through the funnel is analyzed, it's **imperative advanced data science be used to improve email delivery and performance**.

These biases are baked into our DNA. **They are also informed by our close partnerships with some of the most innovative brands on the planet.**





Summary

Email is the single most important driver of customer engagement, growth and revenue for many of the world's top performing companies. Done right it is a force multiplier for your marketing budget. It is a tremendous lost opportunity when done poorly.

That's why we've built the world's number one predictive email intelligence platform, combining email deliverability and email analytics over the world's largest data footprint.

To learn more about SparkPost or speak with one of our email sending experts, visit www.sparkpost.com