



Email and Spam 2007: Consumer Attitudes and Behaviors

Research Summary



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epsilon[®]



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Methodology

In February 2007 Epsilon and worldwide research company GfK conducted a survey among randomly selected American consumers to gauge their behaviors and attitudes about email use and email marketing.

The survey was conducted using OmniTel, a weekly national telephone omnibus service of GfK Custom Research North America. A total of 1,004 interviews were completed, and the resulting sample was weighted to ensure accurate and reliable demographic and geographic representation of the total population, aged 18 and up.

The findings presented below are based on a sample of 430 respondents who reported having at least one email account that they used from home.



Summary of Findings

For marketers, consumers' high levels of satisfaction with the email user experience reinforces email's enduring value as a marketing channel; but respondents' willingness to respond to email marketing describes a remarkably powerful tool whose influence extends far beyond the direct response environment. In fact these consumers reported that email, while effective at generating immediate, online purchases, is actually more likely to drive sales in offline channels.

Direct Marketing Drives Multi-channel Sales

The vast majority of respondents (84%) were receptive to email marketing, reporting that they have, at least occasionally, clicked through when they received relevant messages. Most (73%) said that they make online purchases as a result, while roughly the same number (75%) said that they make purchases at a later date. But even more (86%) said that they at least occasionally make purchases in stores as a result of receiving relevant email marketing messages, potentially complicating marketers' views of the email channel.

Relevance Rising

Not all respondents said that the email offers they received were relevant, though: While significantly more agreed than disagreed (54% vs. 46%) that they received relevant offers, marketers clearly have an opportunity to make progress on this front. And a majority of respondents (55%) reported exactly that sort of progress, in fact, agreeing that the email offers they received were more relevant than they were a year ago.

Many respondents (31%) are willing to take the initiative to help marketers continue to improve in this area, agreeing that they would provide personal information in order to receive more relevant marketing communications and offers.

Most See Less Spam

Along with seeing increasing relevance, most respondents (53%) also reported receiving less spam than they did last year. The use of anti-spam software may be at least partly responsible for this observation: More than three-quarters (78%) of respondents say they use anti-spam software, and nearly as many (73%) know how to change their defaults to more aggressively filter spam. Moreover most respondents (55%) report doing exactly that.

Some respondents (30%) actively police their inboxes, reporting spam to their mailbox providers when they find it. The good news for marketers and mailbox providers is that two-thirds of these users (66%) attribute a decline in the spam they receive to their policing efforts. The bad news is that confusion remains about the intent of the "Report Spam" button, with 65% of respondents believing that they are unsubscribing from email programs when they use this feature.

Hunting for Lost Messages

Perhaps as a trade-off to more aggressive spam filtering, most respondents (68%) report at least occasionally checking their spam or junk folders for misdirected messages, with a quarter (27%) saying that they always do this. It pays off for many: More than a third (36%) report finding email from trusted senders in their spam or junk folders. A quarter (24%) report that they haven't received a message sent by a trusted sender.

Many take active steps to ensure that they receive the messages they want, with most (58%) at least occasionally notifying marketers when they change email addresses, and even more (78%) at least occasionally adding trusted senders to their address books. Perhaps even more would take this step if marketers reminded them: Only 43% agree that commercial messages prompt them to add senders to their address books.

Meanwhile about half of respondents (51%) said that they at least occasionally click "forward to a friend" links in marketing email, and as with address book reminders, perhaps more would contribute toward viral marketing efforts if they were asked to—only 62% of respondents report having ever noticed these links.



Email marketers appeared more apt to help consumers see suppressed images: Most respondents (78%) noticed “view as a web page” links within commercial email.

Consumers Demand Dependable Delivery

As respondents actively work to receive the email they want, expectations of mailbox providers appear high—70% said that they would consider switching providers if they didn’t receive critical communications from companies they do business with. Nearly a third (30%) said that missing promotional messages from those companies would prompt them to consider switching providers.

On the whole, however, few appear to be taking this step. Only 9% said that they’ve switched mailbox providers in the past six months, and even fewer (5%) said that they were considering switching within the next six months. The top reasons for switching among this relatively small sample (52 respondents), included cost/price (23%) and upgrading to broadband service (19%). No other reason was given by more than four respondents.

Sophisticated Outlooks on Threats and Security

Spam was cited by a single respondent as the reason for switching mailbox providers, and none cited fraud or phishing, which appear to intimidate few respondents. Nearly three-quarters (72%) were confident that they could spot a phishing attempt, and only 40% reported receiving one. Meanwhile only 38% reported a spyware infection within the past year.

When Yahoo, MSN/Hotmail, and AOL users were asked about their ISPs’ efforts to verify the legitimacy of senders, results were mixed. Half of MSN/Hotmail users (52%) reported noticing Microsoft’s SenderID warnings about mail whose origins couldn’t be verified, while a third of Yahoo users (33%) noticed the company’s DomainKeys confirmations that senders could be verified. Only 17% of AOL users reported noticing a CertifiedEmail icon indicating a sender’s participation in Goodmail’s certification program.

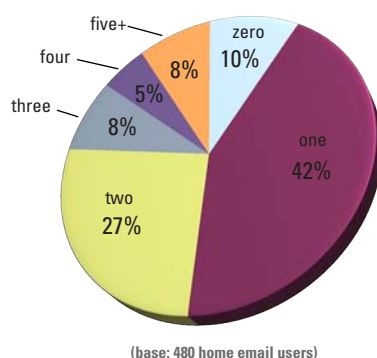
Although the users who noticed these messages represent a small sample, their attitudes suggest that verification and certification programs made them more confident in the security of their email.

Conclusion

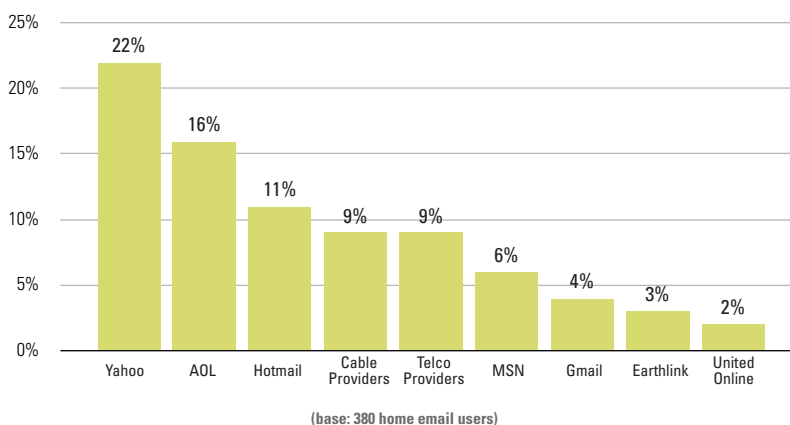
Consumers have embraced and respond to email marketing, and they are generally satisfied with the email experience and gaining confidence in its reliability and security. Many report that spam is down (partly as a result of their own efforts to filter it), and that more often than not, marketers’ communications are relevant to them. They’re even willing to help guide relevance by providing personal information—maybe more willing than some marketers expect. Still, results suggest that many consumers are calling for email marketers to improve their targeting and the relevance of their messages.

For those that do, the rewards may be extraordinary, with robust sales in the traditional online direct response channel potentially overshadowed by resulting revenue in other channels, plus a far longer tail than marketers might expect. Although these findings may further complicate efforts to assess the full effect of email campaigns, they illustrate that email marketing is already exerting a powerful influence online and off.

Number of Email Accounts at Used at Home



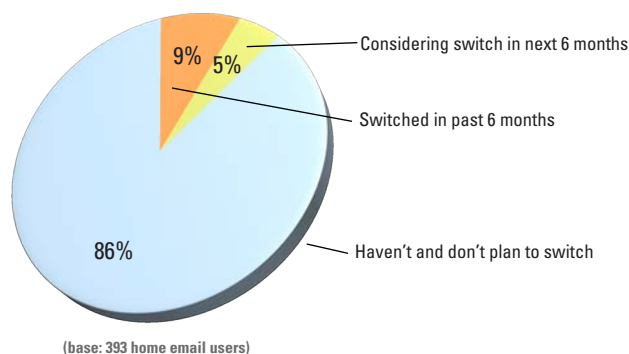
Home Email Account Providers



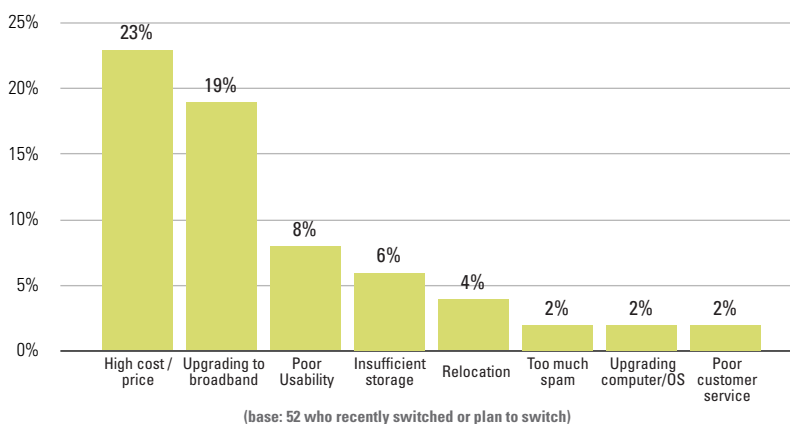
Almost half of the sample's 430 home email users (198 or 46%) reported using only a single account. The median response was two accounts, with three-quarters of home email users (77%) reporting either one or two accounts.

Among account providers Yahoo topped the survey, providing email boxes to nearly a quarter of the sample (22%), surpassing the combined MSN/Hotmail (17%) and AOL (16%). No other provider was named by more than 5% of respondents, although the aggregations of cable providers and telecommunications companies each approached 10%.

Switching of Home Email Account Providers



Reasons for Switching Email Account Providers

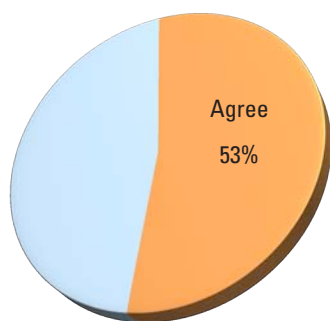


Fewer than 10% of respondents reported switching email box providers during the past six months, and roughly half that many said they planned to within six months. Roughly a quarter of those respondents (23%) cited price as their primary reason for switching, while another 19% said they were upgrading their home Internet service to broadband. No other reason accounted for more than four responses.



Spam Volume

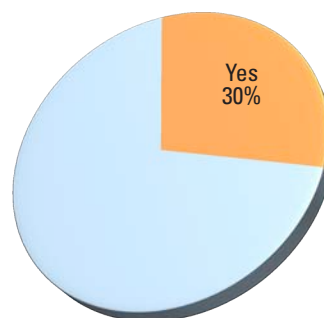
I have received less spam this year



(base: 417 home email users)

Use of Spam Reporting

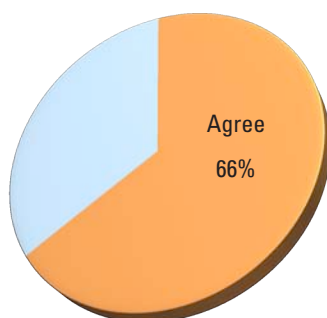
I used "report spam" or "this is spam" button



(base: 409 home email users)

Effectiveness of Spam Reporting

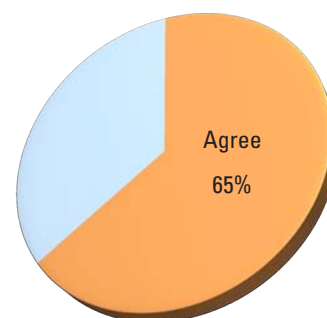
Spam volume has decreased since reporting spam



(base: 122 spam reporters)

Unsubscribing vs. Spam Reporting

When clicking "spam" button, I am unsubscribing from the email

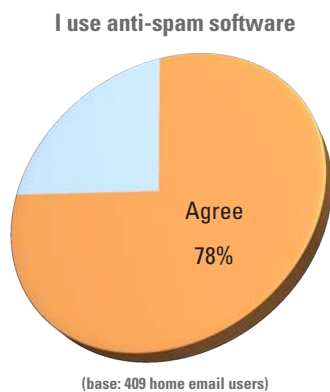


(base: 119 spam reporters)

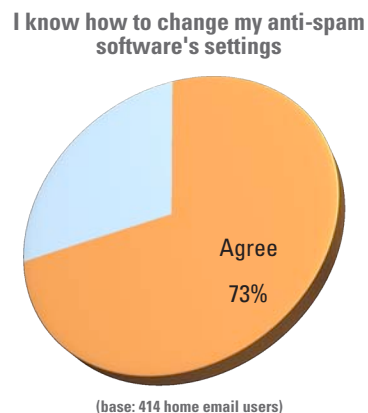
Respondents couldn't agree whether spam was on the increase, with 53% reporting that they were receiving less than they did last year. When it came to clicking "Report Spam" or "This is Spam" links or buttons, less than a third of respondents (30%) said that they've done so. But among those who have reported spam, two-thirds (66%) believed it worked, reducing the spam they received afterward. Many (65%) said that they equated reporting spam with unsubscribing to senders' email campaigns, potentially inflating email marketers' complaint rates.



Use of Anti-Spam Software

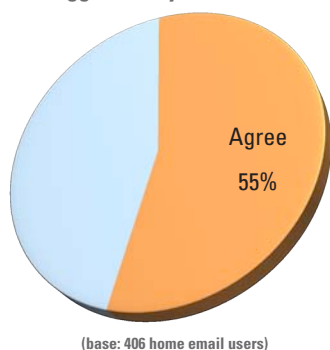


Ability to Change Anti-Spam Settings



Aggressively Filtering Spam

I have changed my anti-spam software's settings to more aggressively filter inbound email

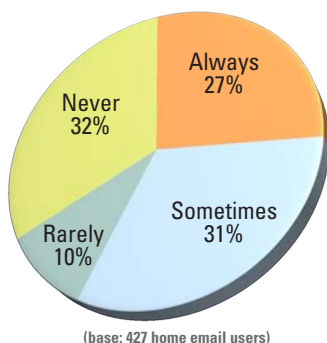


More than three-quarters of home email users (78%) reported using anti-spam software, and nearly all of them (73% of the total sample) said they know how to change the settings to filter spam more aggressively. Of those who said they know how to change their settings, three-quarters (55% of the total sample) reported doing so in order to more aggressively filter spam.



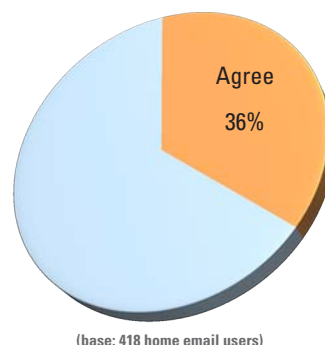
Looking for Misdirected Email

I check my junk folder for misdirected messages



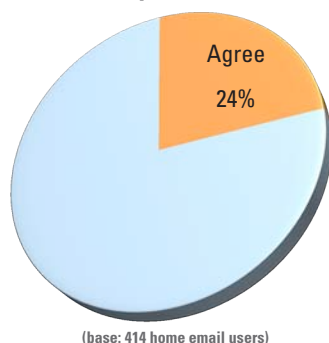
Finding Misdirected Email

An email message I wanted sent to me was misdirected into my junk folder



Lost Email

An email message I wanted sent to me recently did not arrive

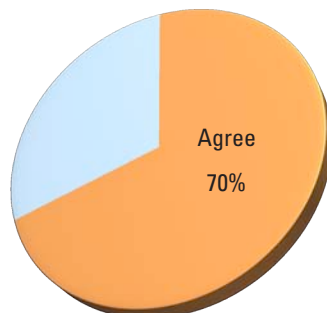


More than a quarter of respondents (27%) said that they always check their junk/bulk folders for misdirected email, and 68% check at least occasionally. More than a third of respondents (36%) have found a misdirected email message by searching their junk/bulk folders, and a quarter (24%) agree that a message they expected to receive never arrived. Overall, email users appear to be aware of the possibility of misdirected mail, but the majority did not report experiencing either misdirected or lost messages.



Importance of Receiving Critical Communications

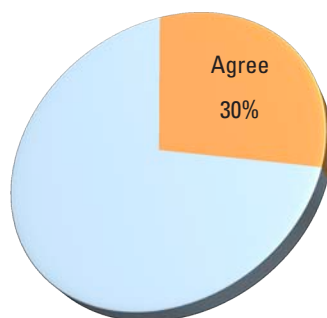
I'd consider switching email box providers if I didn't receive critical communications sent by companies I do business with



(base: 422 home email users)

Importance of Receiving Promotional Communications

I'd consider switching email box providers if I didn't receive promotional messages sent by companies I do business with



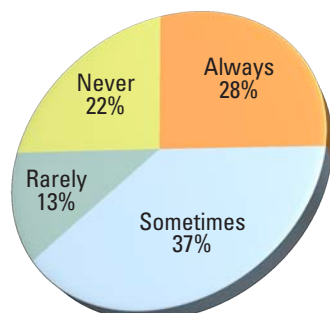
(base: 422 home email users)

Respondents demand delivery of critical commercial communications, such as statements or order confirmations, and most (70%) would consider switching email box providers if these types of messages were lost. Nearly a third (30%) felt the same way about promotional communications, such as offers, from companies they do business with.



Use of 'Add to Address Book'

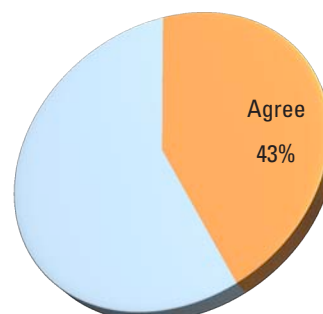
I add trusted senders to my address book



(base: 427 home email users)

Observation of 'Add to Address Book' Reminders

Commercial email usually encourages me to add the sender to my address book

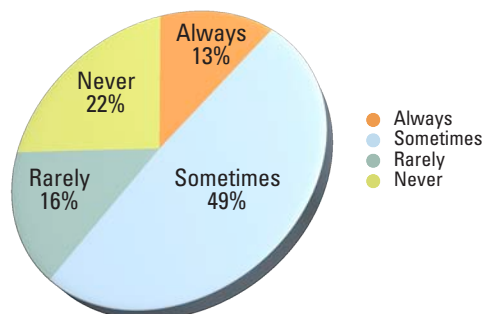


(base: 417 home email users)

More than a quarter of respondents (28%) said that they always add trusted senders to their address books, and more than three-quarters (78%) at least occasionally do so. But the majority (57%) disagrees that commercial senders usually encourage recipients to add them to their address books. If more marketers reminded their customers to add them to their address books, delivery rates, image rendering, and response might improve.

Observation of 'Display as Web Page' Links

Commercial email that I receive usually includes a link to view the message as a web page in case it doesn't display properly

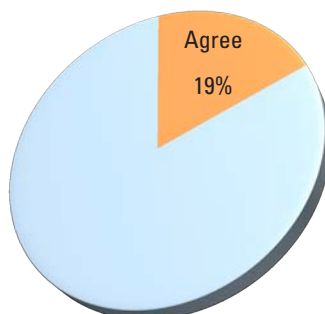


(base: 413 home email users)

Half of respondents (49%) indicated that marketers are less apt to forget to offer a way to see messages' complete contents, reporting that their commercial email always provides a link to view messages as Web pages. In fact an overwhelming 87% reported that they at least occasionally see these links, testifying to marketers' rapid adoption of practices to accommodate the rising incidence of default image suppression.

Receiving Personal Email Marketing at Work

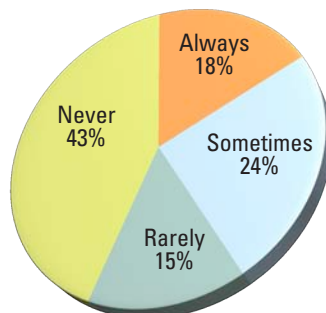
I use my work email address to receive personal marketing offers



(base: 401 home email users)

Notifying Marketers of New Address

When I change email addresses, I notify companies I do business with

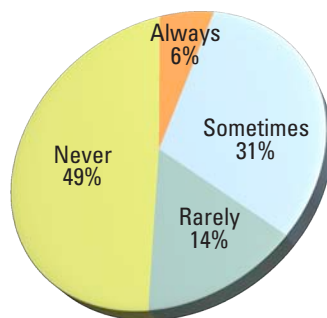


(base: 414 home email users)

Nearly one-in-five (19%) reported using a work address to receive personal email offers and marketing communications, highlighting the importance of addressing corporate domains' unique deliverability challenges. Roughly the same percentage of respondents (18%) said that they always notify companies they do business with when they change email addresses. But even with the majority of respondents (57%) at least occasionally doing so, many consumers may vanish when they change email addresses, unless marketers take active steps to reconnect with them.

Use of 'Forward to a Friend'

I click "forward to a friend" in commercial messages



(base: 429 home email users)

Observation of 'Forward to a Friend' Reminders

Commercial email that I receive includes "forward to a friend" links



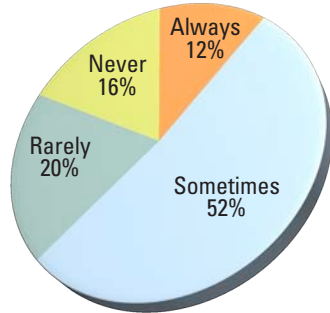
(base: 429 home email users)

Although half of respondents (51%) report at least occasionally using 'forward to a friend' links, many (38%) reported that they've never noticed 'forward to a friend' links in their commercial email. More persistent reminders by marketers could generate more use of this viral marketing tool.



Marketing Response: Likelihood to Click-Through

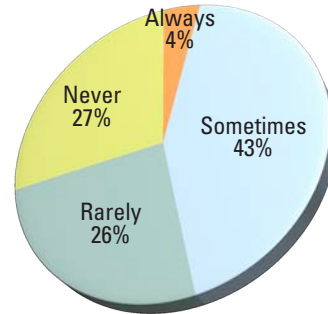
I click-through when I receive relevant email offers
(base: 422 home email users)



(base: 422 home email users)

Marketing Response: Likelihood to Buy Online

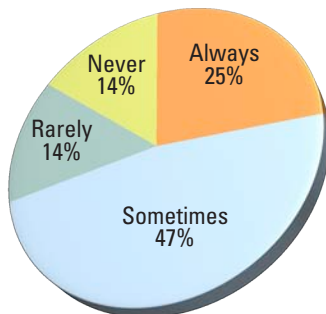
I purchase online when I receive relevant email offers



(base: 430 home email users)

Marketing Response: Likelihood to Buy In-Store

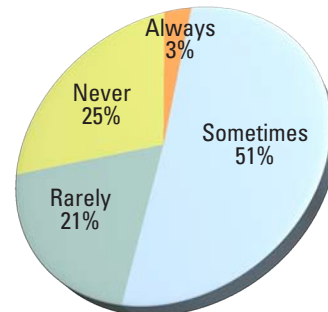
I purchase in stores when I receive relevant email offers



(base: 422 home email users)

Marketing Response: Likelihood to Buy Later

I make a purchase at a later date when I receive relevant email offers



(base: 427 home email users)

These respondents reported being highly receptive to email marketing, with nearly half (47%) claiming to “always” or “sometimes” make a purchase after receiving a relevant email offer. Their responses suggest that stores were even more likely than the online channel to record a sale as the result of an email campaign: Nearly three-quarters (72%) said that they “always” or “sometimes” made a purchase in stores after receiving relevant email offers.

Further complicating marketers’ campaign analysis, most (54%) reported that after receiving relevant email offers, they “always” or “sometimes” make a purchase at a later date—almost certainly beyond an email campaign’s traditional order curve.



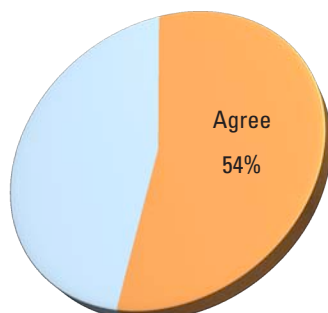
Marketing Response: Total Influence



Email marketing's potential effectiveness and its multi-channel influence become even clearer when tallying those respondents who say that they have ever—even if rarely—responded to offers: Five-in-six (84%) said they have opened offers; the vast majority of those respondents (73% of the total sample) reported buying online as a result; as many (75%) reported buying later as a result; and 86%—roughly the number of users who clicked-through—said that email offers prompted them to buy in stores.

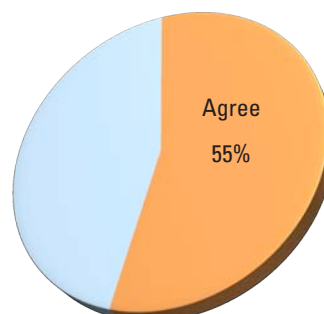
Perception of Offer Relevance

Email offers are usually relevant to me



Perception of Improvement in Offer Relevance

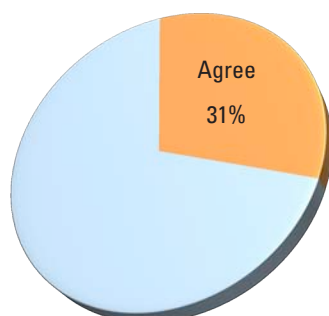
The commercial email that I receive is more relevant than last year



(base: 391 home email users)

Willingness to Provide Information to Improve Relevance

I am willing to provide more information to companies I do business with in order to receive more relevant email communications and offers



(base: 424 home email users)

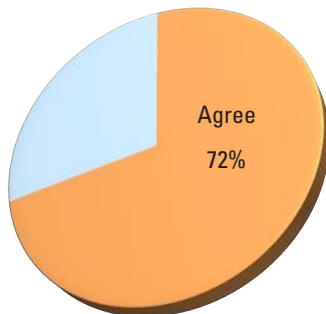
While most respondents agreed that the email offers they receive are relevant to them, nearly half (46%) disagreed. Similarly a majority of respondents agreed that their commercial email was more relevant than it was last year, 45% disagreed.

Meanwhile, nearly a third (31%) of respondents agreed that they were willing to provide personal information to improve the relevance of the email marketing they receive.



Ability to Identify Phishing Attempts

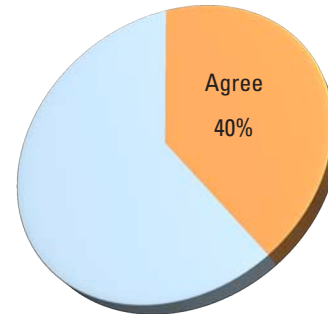
I can detect "phishing" attempts



(base: 418 home email users)

Frequency of Phishing Attempts

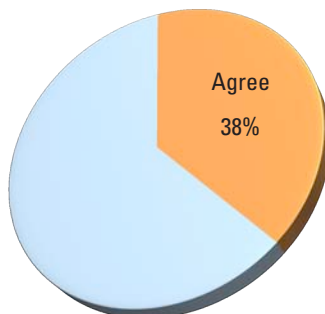
I have recently received a "phishing" message



(base: 418 home email users)

Frequency of Spyware Infections

My computer has been infected by spyware

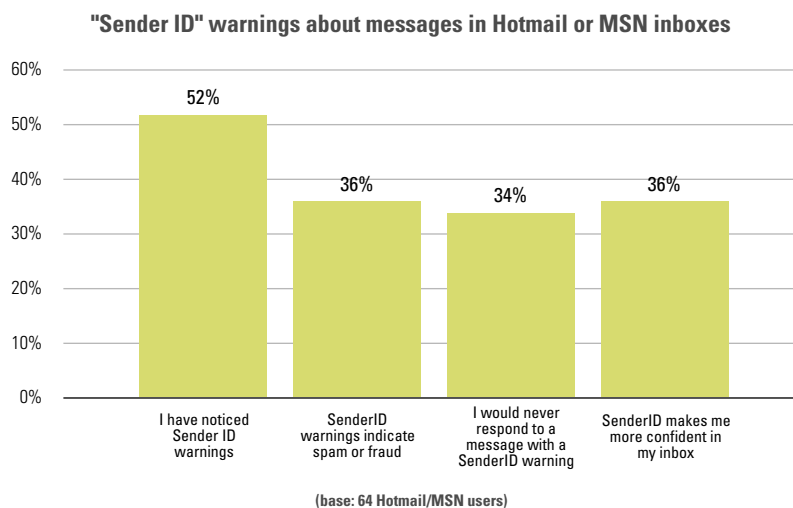


(base: 415 home email users)

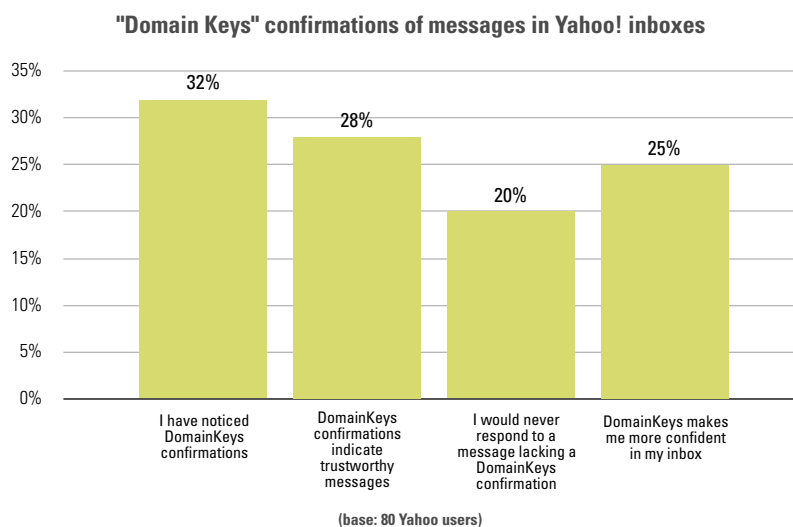
Most users (72%) reported being confident that they can detect phishing attempts, even though many of them apparently haven't received one—something only 40% of respondents reported experiencing. Slightly fewer still (38%) reported a spyware infection during the past year.



Authentication Awareness: SenderID

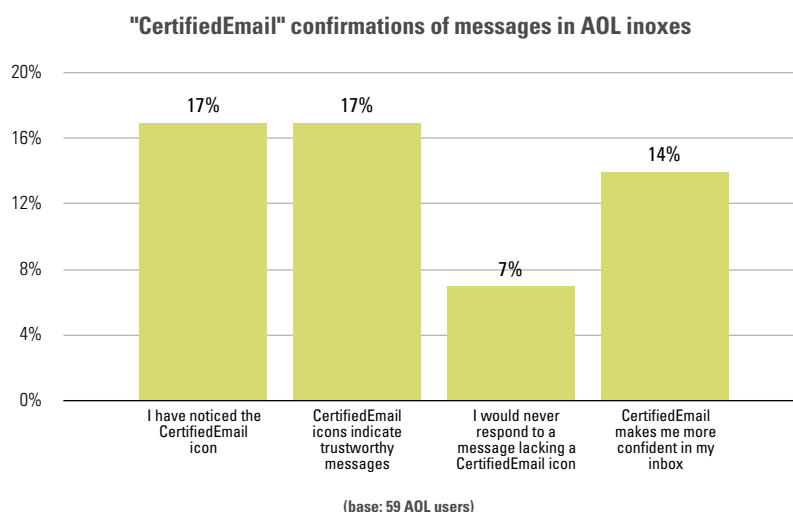


Authentication Awareness: DomainKeys





Accreditation Awareness: CertifiedEmail



Among authentication and accreditation cues, MSN/Hotmail's SenderID was most likely to be noticed, largely because it enjoys the more widespread adoption by marketers, enabling mailbox providers to display a warning when a message can't be authenticated. About half—33 of 64 MSN/Hotmail users—said that they'd noticed these cues. Only a third (26 of 80 Yahoo users) noticed DomainKeys cues that a message can be authenticated, partly because marketers have found DomainKeys harder to implement. Meanwhile fewer (10 of 59 AOL users) noticed CertifiedEmail cues. Although samples were too small to provide statistically reliable indications of consumers' attitudes toward these authentication/accreditation cues, respondents appeared to agree that noticing them increased their confidence in the security of their inboxes.

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