

Mobile Email Opens Report

2nd Half 2011

By Knotice

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About This Report

Knotice (pronounced “notice”) provides highly-targeted marketing communications through today’s primary direct digital channels of email, mobile, online advertising and the Web. As a result of Knotice’s native, unified platform capabilities, the company is able to offer an advanced level of analytics as well as key insights on timely and relevant topics – in this case, the degree of email open activity occurring on mobile devices for permission-based email marketing campaigns.

As with Knotice’s previous Mobile Email Opens Reports, the mobile email open rate is a measurement of email opens occurring on mobile devices (including phones and tablets) compared to the opens occurring on desktop computers (including laptops). The mobile email open rate is not a measurement of mobile email opens compared to all emails delivered. This Mobile Email Opens Report for the second half of 2011 (Q3/Q4) has been updated to document not only the rate of email opens occurring on mobile devices in the U.S., but also makes the differentiation between mobile phone and tablet activity.

Also included are mobile click-rate metrics. Tracking the share of opens occurring on mobile devices is a specific metric not widely found in the email marketing industry. Supplementing the open metrics with click data offers us a clearer picture of how mobile users are truly engaging with email – from the initial decision to open the email, to the very important decision to take action on the message or not. The mobile click rate we are including in this report is a measurement of email clicks occurring on mobile devices compared to the email opens occurring on mobile devices. This equates to the click-to-open (CTO) rate with which email marketers are well versed.

As you review the data, it’s important to note how an email open is recorded as mobile, which is based on downloading email images. Image download (i.e., “show images”) is not a default setting for every operating system (including some Android devices) or mobile email client. This means the reported number of opens may be lower than the actual number of users viewing or reading the email. Data collected over time allows for benchmarks for comparison.

Overall Mobile Email Opens by Device and Operating System (OS)

The following represents the percentage of all email opens occurring on a mobile device, by mobile operating system (OS) or device, based on a composite cross sampling of approximately 974 million emails sent across 11 industry segments in the last 6 months of 2011. For the first time in this report, mobile devices have been broken down into two distinct categories: “phones” and “tablets.” Email opens occurring on phones outpaced those occurring on tablets by more than 3 to 1, with mobile phones representing 20.63% of all email opens and tablets 6.76%.

This first table includes percentages for phone, tablet and desktop email opens in Q3 and Q4 2011. The following rows reference similar percentages in the first half of 2011 as well as Q4 2010, for comparison.

	Phones – Q3/Q4 2011							Tablets – Q3/Q4 2011				Desktop
	iPhone	Android	BlackBerry	Palm	Windows	Other	Total	iPad	Android	Other	Total	Total
	15.69%	4.69%	0.02 %	0.12%	0.02%	0.09%	20.63 %	6.54%	0.17%	0.05%	6.76%	72.61%

Mobile - Q1/Q2 2011							Desktop - Q1/Q2 2011			
iPhone	iPad	Android	Windows	BlackBerry	Palm	Total	Windows	Mac	Linux	Total
12.78%	3.92%	3.15%	0.05%	0.01%	0.22%	20.13%	65.72%	13.87%	0.17%	79.76%
Mobile - Q4 2010							Desktop - Q4 2010			
iPhone	iPad	Android	Windows	BlackBerry	Palm	Total	Windows	Mac	Linux	Total
8.74%	2.00%	1.92%	0.31%	0.15%	0.25%	13.37%	70.27%	16.19%	0.18%	86.64%

Mobile opens soar to 27% of all email opens in late 2011

In the second half of 2011, steady growth in mobile email open rates continued. During that time, 27.39% of all emails were opened on a mobile device (phones and/or tablets) which is an increase of 36% from early 2011 numbers of 20.24%. This shows the steady, strong increase in mobile open rates continues, which lends further evidence to the accelerating rate of mobile adoption as previously forecast.

Percentages of Emails Opened	% on Mobile	% on Desktop
2 nd Half 2011 Opens	27.39%	72.61%
1 st Half 2011 Opens	20.24%	79.76%

Mobile is a dynamic environment made up of different combinations of devices, OS, and browsers. Although the above chart is technically blending mobile devices (iPhone and iPad) with operating systems (Android), we believe this is the most intuitive and useful way to look at the data for summary purposes.

iOS Continues to Dominate Mobile Opens

Not surprisingly, iOS devices continue to be the dominant operating system for mobile email activity. In the second half of 2011, the iPhone and iPad together represented over 22% of all email opens, compared with less than 5% of all opens occurring on Android phones or tablets. While the share of email opens occurring on Android devices did increase, the overall email open activity doesn't quite map to the operating system's high adoption rate and number-one market position. This can be attributed to the manner in which a mobile open is recorded based on images downloaded as mentioned earlier.

Operating Systems	Phone (includes iPhone)	Tablets (includes iPad)	Total
iOS	15.69%	6.54%	22.23%
Android	4.69%	0.17%	4.86%

iOS and Android, the two dominant mobile operating systems in the US, account for 98.9% of all mobile email opens. The remaining tables included in this report will display only the iOS and Android operating system data, unless otherwise noted.

Mobile Email Opens by Industry: Retail and Consumer Services see Highest Mobile Engagement

Among the industry categories tracked in this report, Consumer Services saw the highest mobile open rates overall.

Email Opens Q3/Q4	Open Rates on Phones			Open Rates on Tablets			On Desktop
	iPhone	Andoid	Total	iOS	Android	Total	Total
BY INDUSTRY							
Association	8.79%	1.64%	10.43%	5.35%	0.13%	5.48%	83.70%
B2B	6.55%	1.55%	8.10%	1.43%	0.05%	1.48%	90.27%
Cable & Telco	15.64%	4.78%	20.42%	6.62%	0.17%	6.79%	74.28%
Consumer Products	12.26%	4.17%	16.43%	4.01%	0.11%	4.12%	79.17%
Consumer Services	21.64%	7.24%	28.88%	5.88%	0.15%	6.03%	64.61%
Education	15.36%	2.56%	17.92%	7.15%	0.13%	7.28%	74.45%
Entertainment	16.34%	5.65%	21.99%	4.31%	0.25%	4.56%	72.77%
Financial Services	16.42%	4.29%	20.71%	3.96%	0.14%	4.10%	74.91%
Health Care	8.24%	1.87%	10.11%	1.48%	0.03%	1.51%	88.30%
Hospitality	17.44%	3.86%	21.30%	6.35%	0.15%	6.50%	71.94%
Retail	17.19%	3.61%	20.80%	7.13%	0.19%	7.32%	71.58%

As in past reports, we speculate that BlackBerry open rates are typically under-reported because default email client settings may prohibit the downloading of images, and therefore no open is recorded even though the email may have been viewed and read by the user. This also leads to speculation that the B2B category is specifically impacted and overall mobile email activity is higher than these numbers indicate.

Breaking down the mobile email opens data by industry segment provides some interesting insights. Categories such as Consumer Products (20.83%, up from 13.73%), Retail (28.42%, up from 20.07%), Cable & Telco (27.52%, up from 20.42%), Consumer Services (35.39%, up from 30.49%) and Entertainment (27.24%, up from 21.41%) saw significant increases in mobile open rates when compared to the first half of 2011. It's important to note how much customer behavior and the brand relationship influences the penetration of mobile by segment.

Mobile Email Click Activity by Industry

The chart below displays the ratio of all email clicks occurring across phone, tablet and desktop platforms, relative to the email open rates for each. It also displays the comparative click-to-open (CTO) rates, which is the ratio of unique clicks as a percentage of unique opens. Much like mobile open rates, the click rates for phones and tablets have increased dramatically over the last half-year. However, it is clear the share of email clicks occurring on phone and tablet platforms, and the relative CTO rates, lag far behind the desktop platform. The clear majority of email clicks are still occurring on desktop devices.

Q3/Q4 2011	Email Click Activity on Phones			Email Click Activity on Tablets			Email Click Activity on Desktop		
	% Opens	% Clicks	CTO %	% Opens	% Clicks	CTO %	% Opens	% Clicks	CTO %
BY INDUSTRY									
Association	10.43%	4.13%	6.93%	5.48%	2.63%	8.43%	83.70%	93.24%	20.02%
B2B	8.10%	3.26%	5.01%	1.48%	0.62%	5.24%	90.27%	96.12%	13.46%
Cable & Telco	20.42%	14.24%	5.33%	6.79%	4.73%	5.35%	72.48%	81.02%	8.65%
Consumer Products	16.43%	11.77%	15.61%	4.12%	3.16%	16.88%	79.17%	85.06%	23.77%
Consumer Services	28.88%	17.30%	4.81%	6.03%	3.08%	4.09%	64.61%	79.62%	10.03%
Education	17.92%	7.26%	3.02%	7.28%	4.45%	4.62%	74.45%	88.29%	9.00%
Entertainment	21.99%	13.49%	6.24%	4.56%	3.09%	6.82%	72.77%	83.42%	11.93%
Financial Services	20.71%	14.42%	13.49%	4.10%	3.87%	18.31%	74.91%	81.71%	21.38%
Health Care	10.11%	4.43%	7.92%	1.51%	0.73%	8.68%	88.30%	94.84%	19.53%
Hospitality	21.30%	14.22%	11.44%	6.50%	3.96%	10.47%	71.94%	81.82%	19.69%
Retail	20.80%	12.29%	10.07%	7.32%	4.41%	10.32%	71.58%	83.29%	20.06%

It is interesting to note that the CTO rates are relatively consistent between phone and tablet platforms, at least in comparison to the CTO rates for desktop, which are often twice as high.

We can attribute the lag in mobile and tablet click rates to the fact that most email marketers are not yet optimizing email content for mobile users. Optimization for mobile devices should include many considerations, including everything from how the email renders for mobile devices, to streamlining text and making calls-to-action and buttons extremely clear. When more email marketers begin employing tactics such as these in their mobile optimization efforts, we can expect to see click rates on mobile devices begin to climb.

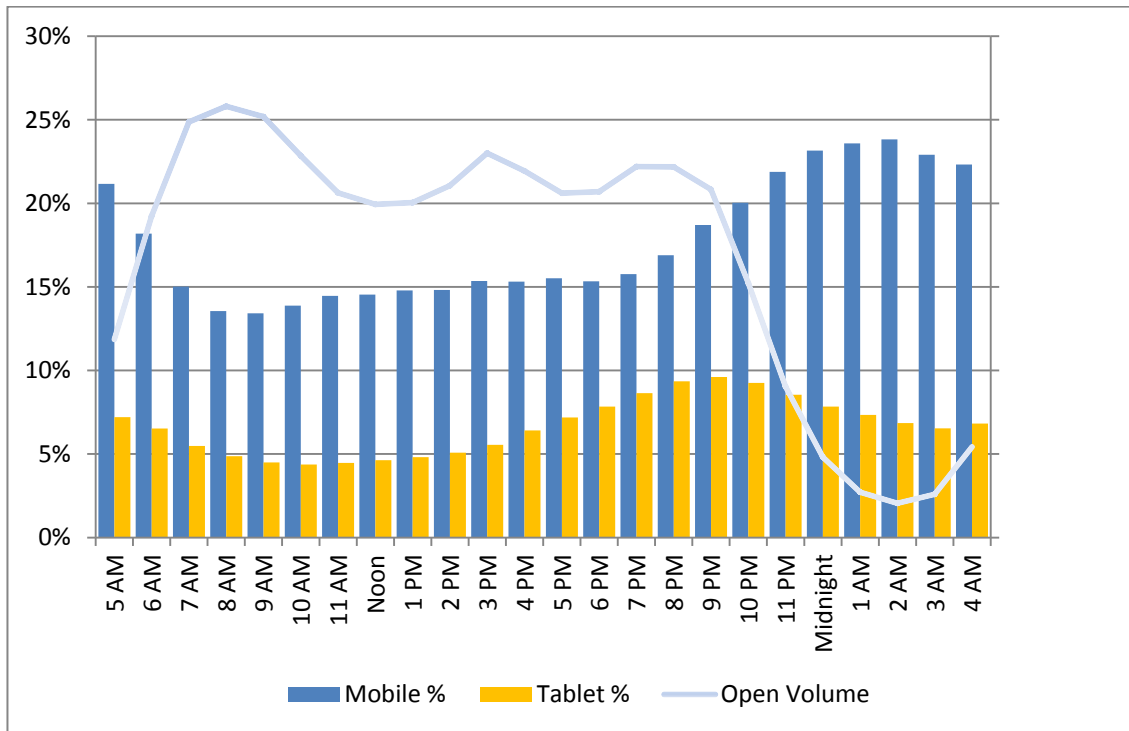
It's worth noting that over 28% of emails from retailers are opened exclusively on mobile, so it's obvious that mobile optimization remains a priority. We anticipate that percentage of mobile opens to increase as device adoption rates continue to climb.

Mobile Opens Rates Spike during Evening and Late Night

In previous installments of this report, we have identified the trend of email opens occurring on mobile devices spiking during evening, late night and early morning hours. Simply put, users shut down their desktop computers during the evening and are picking up their tablets or scanning email on their phones in the after-dinner hours. Once the workday begins, desktop machines are back in full use.

The trend has not changed noticeably during the latter half of 2011. Familiar spikes in tablet open activity during prime-time hours and phone open activity later at night and in the early morning are seen here.

The following graph illustrates the mobile email open rate by time of day. Compared to the Q1 and Q2 2011 results, the overall trend has not changed significantly. The trend curve has become much more consistent, as the mobile open activity is clearly being seen as an early-morning and late-evening behavior. This helps crystalize two archetypal mobile email use cases: checking email on the mobile device shortly after waking up, and using mobile devices to check email (and other activities) in parallel to other "downtime" activities like watching TV in the evening.



It is worth noting, however, that the overall open volume drops dramatically around 8PM, as mobile open activity begins to spike. While the share of opens occurring on mobile devices shows clear peak times during the day, these times remain high when overall open activity is low.

Users Are Not Opening on Multiple Devices

One of the interesting views of this data is to see the percentage of unique users opening emails on multiple types of devices – whether on their desktop device, smartphone, or tablet. For this analysis we isolated the Retail industry segment. This data shows that in over 95% of the cases the email open is occurring on only one type of device.

RETAIL: Individual Email Opens	Percent of Overall Opens
Desktop Only Opens	71.34%
Phone Only Opens	18.59%
Tablet Only Opens	6.46%
Same Email: Desktop + Phone + Tablet	0.11%
Same Email: Desktop + Tablet	0.69%
Same Email: Phone + Tablet	0.41%
Same Email: Desktop + Phone	2.39%

This is especially meaningful analysis in consideration of the steps marketers are (or aren't) taking to optimize their emails for reading on mobile devices, specifically phones. One of the pre-eminent theories we hear in the marketplace is that users will leverage their phones to perform a quick preview of their inbox and specific emails (aka, "inbox triage"), but take no immediate action – saving the email to open later on a desktop or tablet device when they have more free time. Our data refutes this theoretical use case, or at the very least shows it is not common behavior at all.

In any case where a retail email was opened, only 2.39% of those cases did an individual open the email on both a desktop and mobile device. While 70% of those users opened the email first on mobile and then later on desktop, this only represents 1.79% of all the instances where any open occurred.

Desktop + Phone (2.39%) What is Used to View Email First?	Total = 100%
■ Phone Open Occurred First	70.80%
■ Desktop Open Occurred First	29.20%

Top 25 Phones for Reading Email

Not surprisingly the iPhone far and away leads the pack representing nearly 70% of all email opens occurring on a phone. Perhaps more surprising is that after the iPhone, the iPod Touch* outpaces any other single device. However, the bulk of the other top 25 phones represented are Android devices, which added together represent 20% or more of all opens on phones.

Manufacturer	Phone Model (Device Type)	Percent of Opens
Apple	iPhone	69.15%
Apple	iPod Touch*	7.44%
HTC	Evo	3.57%
Motorola	DroidX	1.91%
HTC	Incredible HD	1.19%
HTC	Droid Incredible	1.11%
HTC	PG06100	1.03%
HTC	Desire HD	0.92%
Samsung	SCH-I500	0.91%
Motorola	Droid2	0.79%
Motorola	Droid	0.78%
Samsung	SPH-D700/Epic 4G	0.71%
HTC	PC36100	0.64%
T-Mobile	myTouch 4G	0.56%
HTC	Desire	0.52%
Samsung	SGH-T959V	0.47%
Samsung	SGH-I997 Infuse 4G	0.36%
HTC	ADR6350/Droid Incredible 2	0.32%
LG	LS670	0.30%
Palm	Pre	0.25%
T-Mobile	G2	0.24%

T-Mobile	myTouch 3G	0.23%
LG	Ally	0.21%
Motorola	Olympus MB860	0.20%
Samsung	Captivate	0.19%

** Clearly, the iPod Touch is not a phone; however, we group this device in the phone category because the overall user traits are very similar to the iPhone and other smartphones, minus the functionality of telephoning.*

Top 10 Tablets for Reading Email

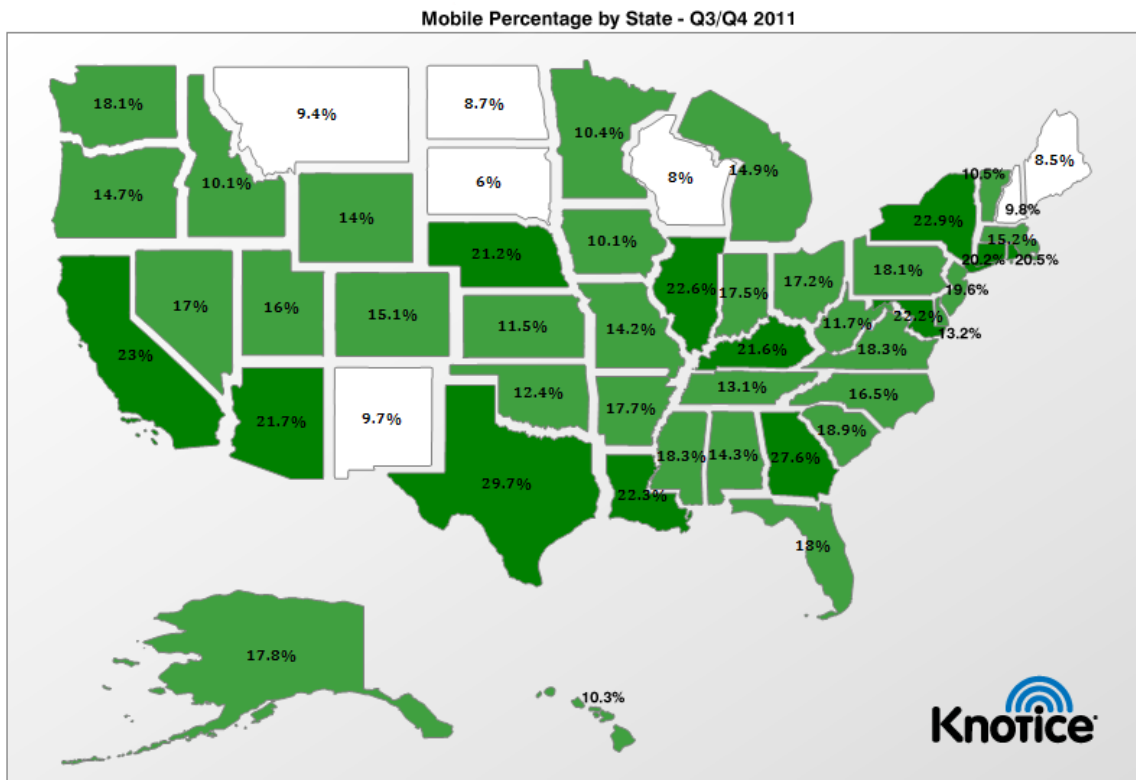
It is true that for the US consumer audience iPad = tablet. Nearly 97% of all email opens occurring on a tablet device were on the iPad. The early sales data for the iPad 3 would seem to keep this trend in place, even though that data is not accounted for in this report (Q3 and Q4 of 2011 only). It is worth noting that Amazon's Kindle Fire and the Barnes and Noble Nook Color are represented, as are other smaller 7" tablet devices. When adapting digital tactics for tablets it is important to understand the distinctions between larger 10" screen devices, and smaller 7" screen devices.

Manufacturer	Tablet Model (Device Type)	Percent of Opens
Apple	iPad	96.69%
Samsung	GT-P1000 Galaxy Tab	0.53%
Samsung	Galaxy Tab	0.42%
HP	TouchPad 7-inch	0.35%
Amazon	Kindle Fire	0.31%
HP	TouchPad	0.30%
Motorola	MZ601/Xoom	0.23%
Samsung	GT-P7510 Galaxy Tab 10.1	0.15%
Barnes and Noble	Nook Color	0.14%
Samsung	SCH-I800	0.11%

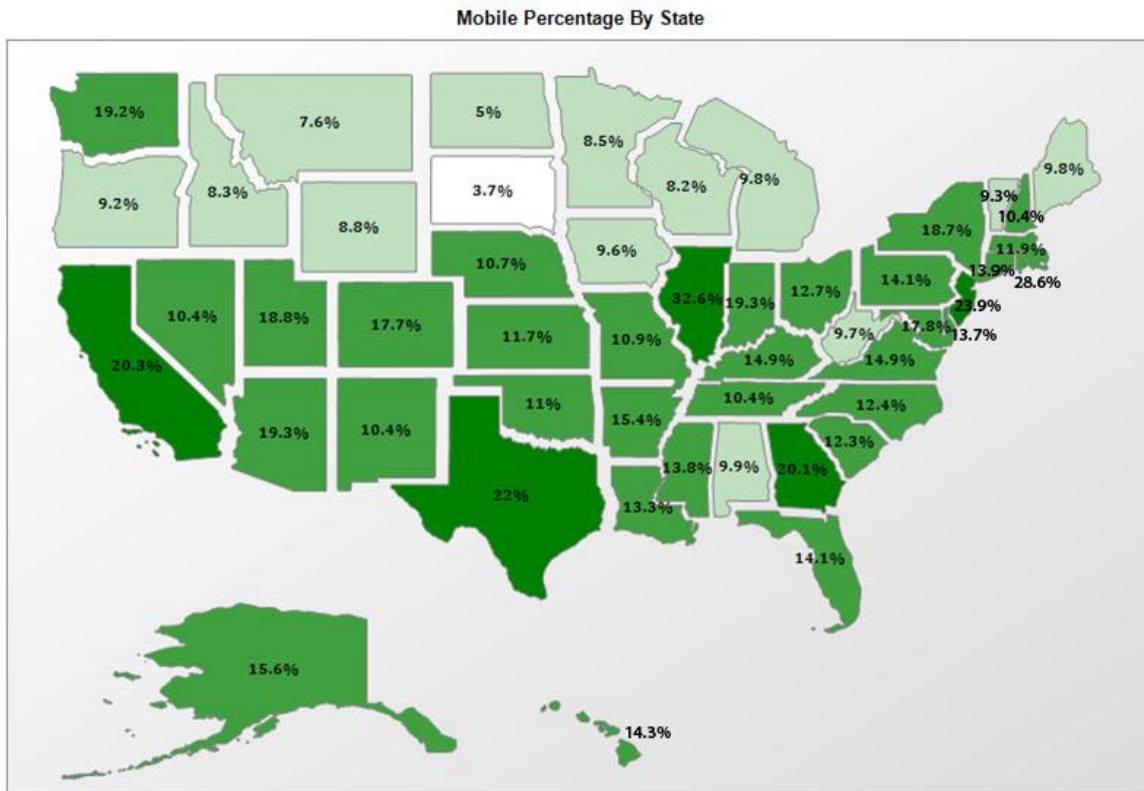
Mobile Email Opens by State

As noted in the previous Knotice Mobile Email Opens Reports, tracking the location of mobile activity is done by IP address which, in the mobile device and network ecosystem, is less accurate than we expect in the desktop ecosystem. Geo-location by IP address – whether in a mobile or desktop context – is not 100% accurate, but can serve as a general indicator. What's interesting is to look at the state-by-state data over the course of 2011. Many states saw big gains in the number of emails opened via mobile device (KS, OH, LA, NV and others), while some parts of the country remained fairly steady from the first half of 2011 to the last half of the year. Illinois the only state to show significant declines.

Mobile Email Opens by State Q3/Q4 2011



Mobile Email Opens by State Q1/Q2 2011



As the last report indicated, the geographic data seems to challenge some of the common sense assumptions, but also calls for more granular data comparing metropolitan areas with suburban and rural to make better determinations. In either respect, it is clear that marketers need to understand the demographic profile of their opt-in email list, and make informed decisions on mobile optimization of email based on this, as opposed to geography alone.

Key Report Takeaways for Email and Mobile Marketers

As we have advocated in previous installments of this report, these are data and insights that both email and mobile marketing professionals (if not digital marketing overall) need to be conscious of. Email may be one of the largest sources, if not the largest, of mobile impressions and leads that any organization sees. The traditionally disparate roles of email and mobile marketing within the organization need to come together, understanding that email is very much a mobile marketing channel.

- **Mobile-read emails are climbing.** The ratio of email recipients choosing to view and read emails on their mobile devices – whether smartphones or tablets – is increasing extremely quickly. This audience grew on average 36% in just half of a year. And the pace may quicken still, as the adoption rate of smartphones and tablets combined continues to grow. From a marketing perspective, the progression from *emerging* consumer behavior to *established* consumer behavior is ridiculously fast – better measured in months, not years. Viewing emails on mobile devices may be the *established*, majority behavior within a year. Simply put, organizations do not have the luxury of time, and to put mobile optimization of email on the back burner may be extremely detrimental.
- **Users are not viewing on multiple devices.** If they are viewing the email first on a phone, this is likely the only chance the marketer has to get their attention and create response. In this light, optimization of email content for mobile devices is extremely important. Marketers cannot afford to labor under the false assumption that users return to the same email later on a desktop or tablet device when they have more time. The data indicates this use case is extremely rare. Optimization of the email content for the first – and most likely only – touch on mobile is imperative to success.
- **Size and operating system matters.** Between smartphones, smaller tablets and larger tablets, the mobile screen size can vary from roughly 3” to 10” or larger. Even more meaningful though is that tablet users and phone users demonstrate much different behaviors, as do users of the primary operating systems, iOS and Android. Add to the equation the emergence of smaller tablets such as the Kindle Fire or Samsung Galaxy, where user traits are something of a hybrid between traditional smartphone and tablet user traits. A mobile optimization plan needs to account for these different experiences to provide a best possible user experience whether the screen is 4”, 7” or 10”, in terms of device identification, rendering, and best support for the different user needs.

Get Your Mobile Email Opens

If you are a marketer and would like to participate in the report, send an email to info@knotice.com with the subject “email mobile analysis” and we’ll provide you a snippet to include in your upcoming email campaigns. We will report on your data in aggregate for the purposes of this report, and we’ll also provide your results back to you. As you’ll discover in this report, having your individual results is critical. Although we look at mobile email opens overall, by industry, time-of-day, and geography, nothing has more influence on the mobile activity occurring in your email campaigns than the characteristics of your own prospects and customers.

About Knotice

Knotice (pronounced "notice") is an on-demand software and marketing services company headquartered in Akron, Ohio, with offices in Seattle. Our advanced solutions help marketers maximize the return on direct digital marketing – digital communications that are addressable to a specific individual via email, mobile and web channels. With our company's software proprietary platform, Concentri[®], we pioneered the uniting the data and delivery of today's primary direct digital channels into a single, powerful system. In addition to technology, Knotice provides a comprehensive offering of marketing services spanning strategy and planning, creative services, custom development and advanced analytics and business intelligence. For more information, visit: www.knotice.com.