

Guide to email metrics

Table of Contents

Introduction	1
Delivery rate	2
Bounce rate	4
Complaint rate	6
Unsubscribe rate	8
Click-through rate	10
Conversion rate	12
Cost per conversion	15
About the author	17

Introduction

Whether you're just getting your email marketing strategy off the ground or you're looking to kick it up a notch, you've got to know which metrics to look at, what your benchmarks are, and how you can continually improve on them.

In this e-book, we present six of the most important metrics for email marketing, and we give you insight into how to calculate them.

But knowing your numbers isn't as important as what you do with them. So we've also dived into each metric to explain good benchmarks and goals, as well as how to keep improving.

Delivery Rate

Email delivery rate is the percentage of emails that get delivered.

[**Disclaimer:** Getting delivered does not necessarily mean an email has made it to the inbox, it just means the email has made it to a box. That could be the spam folder, the promotions tab, or the inbox.]

To find the number of emails delivered, take the total number of emails sent and subtract any hard and soft bounces (we'll define these later in this e-book). Then, divide the number of delivered emails by the number of emails sent.

Why is deliverability rate important?

$$\text{delivery rate} = \frac{\text{emails delivered}}{\text{total emails sent}}$$

In order for your email marketing campaigns to work, people have to actually get your emails. That's why your delivery rate is so vital.

What is a “good” delivery rate?

You want a delivery rate that is as high as possible. A delivery rate of 95% or higher is considered good.

How can I improve my delivery rate?

There are a number of things that can impact your email delivery rate. First, you should look at the quality of your list. If your list contains a lot of invalid email addresses, obviously those won't get delivered. If your rate is slipping over time or in one particular campaign, you may have an issue using words or a text-to-image ratio that flags as spam.

For more tips on increasing email deliverability, cleaning up your list, and avoiding being marked as spam, check out our [Email Deliverability e-book](#).

Bounce Rate

Bounce rate is simply the rate of emails that could not be delivered to the inbox. You should look at both hard and soft bounces.

Hard bounces are emails that are returned to sender because of an invalid email address due to a nonexistent domain, a nonexistent address, or a server that has totally blocked delivery. Hard bounces indicate permanent problems with an email address, and you should promptly scrub those emails from your list. Hard bounces impact your deliverability and, more important, your email sender reputation since too many hard bounces can make an Internet service provider (ISP) think you look suspiciously like a spammer.

Soft bounces are temporary problems with an email address—this could result from a full inbox, a server problem, or an email that is too large. Many email service providers (ESPs) will continue to try to send soft bounced emails over a short period of time. You don't need to immediately remove soft bounces from your list, but if you notice that the same addresses soft bounces repeatedly, it's probably prudent to remove them from your list.

Here's how you calculate your bounce rate:

$$\text{bounce rate} = \frac{\text{number of emails bounced}}{\text{total number of emails sent}}$$

What is a “good” bounce rate?

You want to strive for an overall bounce rate of less than 2%, but the closer you can get to zero, the better, as you’ll start to see a decrease in email deliverability if your bounce rate is consistently too high.

How can I improve my bounce rate?

It’s not too complicated—remove hard bounces from your list, and keep your eye on soft bounces to remove repeat offenders. There’s not much you can do when an email address doesn’t exist or is just a burner account (aka, a disposable email address, or a temporary email address that expires after a certain period of time), so it’s just better for you to remove those addresses altogether.

Complaint Rate

Also known as a spam complaint rate, this is the percentage of recipients who report your email as spam or junk.

$$\text{complaint rate} = \frac{\text{number of spam reports}}{\text{number of recipients}}$$

Why is complaint rate so important?

The amount of spam complaints you get can drastically damage your sender reputation, inbox placement, and overall deliverability.

What is a “good” complaint rate?

The lower the better! And even small sounding numbers can be high—a 0.2% complaint rate is high—you definitely want to shoot for closer to 0.02%, or at least under 0.1%.

How can I improve my complaint rate?

First you have to determine what’s causing the complaints. Have you switched ESPs recently? If so, it could be that with your previous ESP your emails always went to spam for a certain subset of recipients. Since they haven’t seen your emails in their inbox for some time, they thought they were off your list. Now that you’re with a new ESP, your emails are going to their inbox, and they think they’re back on your list. That means they are more likely to report you as spam.

Another thing to consider: Have you significantly increased the frequency of your email communications to them? If you used to email twice a month and you’re now emailing twice a week, there’s a good chance that frequency increase also upped your spam reports.

Also, look at what you’re sending—if someone signed up for your newsletter and now you’re sending them a newsletter, promotion emails, and email updates of your blog, they’re not getting what they thought they signed up for.

Remember, it's best practice to tell someone up front when they opt in what you'll be sending and how often you'll be sending it. And then stick to that.

You can also lower your spam complaints by being proactive and establishing a double opt-in system when they sign up. This means that prospects give you their email address—that's one. Then you send a confirmation email with a link they click to confirm that they did indeed sign up for your list—that's two.

This might seem cumbersome, but in fact it's simple to set up with an automated email marketing system. Double opt-ins also have a few advantages: First, the confirmation email and subsequent welcome email give you more touchpoints with a fairly hot lead. A double opt-in also ensures you're adding people to your list who actually want to be on your list—meaning they're interested in your product or service.

Remember, it's not about the number of emails on your list, but the quality of those emails on the list.

Unsubscribe Rate

The unsubscribe rate is the percentage of people who unsubscribe from your list.

$$\text{unsubscribe rate} = \frac{\text{number of people who unsubscribe}}{\text{number of recipients}}$$

Why is unsubscribe rate important?

Part of keeping a healthy and growing list is giving recipients what they want, and if more and more people are unsubscribing, that's an indicator that they're not getting what they want. Similarly, if your unsubscribe rates stay low or even decrease, then you know you're doing something right.

What is a “good” unsubscribe rate?

Just like with your complaint rate, the lower the better. You want to aim to keep your unsubscribe rate under 1%.

How can I improve my unsubscribe rate?

A lot of the tips to improve complaint rates apply to improving unsubscribe rates—effective email marketing is all about building a relationship and giving people not just what they want but also what you say you'll give them. No sudden increases in email frequency; no adding them to other lists you have.

And even though you don't want people to unsubscribe, you need to make it easy for them to do so. It might seem counterintuitive, but it's absolutely necessary. If someone is already unsubscribing, making it more difficult will only further compound her frustration and ruin the chances that she might re-subscribe in the future.

If subscribers get frustrated, they could mark your emails as spam (which is worse for you than losing a subscriber), and if they're frustration turns into annoyance, they could take their frustrations public.

So make sure you have a visible unsubscribe link or button in every email that leads them to a page where they can easily opt-out. If you have a subscriber preference center, you can redirect them there after they opt-out to see if there's anything they do want to receive.

Click-through Rate

Click-through rate, or CTR, is one of the golden metrics of email marketing because it measures how many times recipients click the links in your email.

$$\text{CTR} = \frac{\text{number of clicks}^*}{\text{total emails sent} - \text{bounces}}$$

*There are a few ways you can count the number of clicks: you can either count clicks by individual person (i.e. one person clicks three links counting as one click) or by individual clicks (one person clicks three links counting as three clicks). It doesn't really matter which way you choose as long as you calculate it the same way every single time, so pick a method and stick with it.

Why is CTR important?

When people click the links in your emails, it means a number of things are going right: You're getting great inbox placement, recipients want your emails because they're opening them, and your content is engaging and relevant enough that people are taking action.

So CTR is a great indicator as to whether your email marketing is effective. Just keep in mind that it's not everything—a good CTR doesn't necessarily mean all those clickers will convert. It just means that your emails are deliverable and your readers are engaged.

What is a “good” CTR?

The optimal CTR varies depending on industry, but a good goal to aim for is between 4 or 5%.

How can I improve my CTR?

Improving CTR is complicated because there are so many factors at play—it's both art and science. You can finesse your

subject lines to make them more clickable. A/B testing your subject lines will really help you zero in which ones most resonate with your list. For tips, check out our blog post on [how to write good email subject lines](#).

To bolster your click through rate, you'll also want to make sure your content is compelling—remember, people have to want to click, so you want to arouse their curiosity. This means that even in email promotions, broadcasts, newsletters, or what have you, you have to tell a story. And guess what? We have a blog post for that. Check out our recommendations for [how to write email copy that's as smooth as butter](#).

But just as, if not more important than writing good copy, make sure you're correctly segmenting your lists so that you can target your copy and CTAs to be very specific to the recipient. Once you can target your subject lines, copy, and offers to a certain recipient, your CTR is bound to increase.

There are also lots of smaller-scale tweaks you can make that deliver impactful results. You can include buttons to entice people to click, include the same link multiple times, ask people to click, include links at the top ("above the fold") of your email, and include the alt and title text under images so that if images are blocked or turned off, the recipient still knows all the information that's in the email.

For more on that, see our e-book on [segmenting your email lists](#).

Conversion Rate

If CTR is a golden metric, then conversion rate is platinum. Email conversion rate is the percent of recipients who first click on something in your email, and then complete the desired outcome, whether it's making a purchase or filling in their information on a lead magnet.

$$\text{conversion rate} = \frac{\text{number of people who took desired action}}{\text{number of delivered emails}}$$

Why is conversion rate important?

Because it is the way to tell that your email marketing campaign is working—or isn't. The higher your conversion rate, the more effective your campaign is.

What is a “good” conversion rate?

Again, the higher the better with your conversion rate, but the number to shoot for again depends upon your industry. A good goal to aim for is 1.2%.

How can I improve my conversion rate?

A lot of things that help your CTR also help your conversion rate, since you need people to click before you can convert them. The number one thing to increasing your conversion and CTR is correctly segmenting your lists. The way to get people to click and convert is to send them messaging directly targeted to their needs and interests. It could be as simple as segmenting by gender, industry, or geographical location (or all of those and more, depending on how targeted you want your segments to be).

A/B testing is also going to be your constant companion for upping CTR and conversion rate. Aside from testing your subject lines, there are a lot of useful things to A/B test including:

- The color and size of your buttons
- The location of your buttons
- The email's offer and/CTA (either its wording or the actual offer/CTA)
- Images and video

Increasing your conversion rate isn't just about the email itself; a lot of email marketing success comes from building a relationship of trust with your recipients, and that takes time.

You can build trust by emailing only how much you say you will, an expectation you should set up when people opt in. If it's a weekly newsletter, don't email more than once a week.

A good alternative is to set up a way for people to adjust how often they get communications from you. This also means that if someone signs up for your monthly newsletter, you don't also add them to your weekly offers email list. Only sign them up for lists for which they explicitly opt in. Remember, they're trusting you with their information.

Unsubscribing from your list also shouldn't be a frustrating experience. If people don't want your emails, it's because they're not interested. They're not going to engage. It will serve you better down the line to only have a list of interested and engaged subscribers. Plus, there's nothing to stop them from signing up again later, something they're more likely to do if unsubscribing didn't leave a bad taste in their mouth.

You can also build trust by showing that you're a person, not a machine. Have your emails come from an account that shows a person's name, not your company's name. Perhaps your emails come directly from you or the founder of your company, or you could feature employee and customer reviews of one of your products or services. It's important that recipients know that your email is more than just an e-flyer; it's a personal communication.

And the beauty of automation is that it can be both personalized and automated, so you're only producing one email for each segment.

Cost per Conversion

Cost per conversion essentially translates your conversion rate into money. Keep in mind that a “conversion” is what you define it as, whether that’s a sale, an email address, or a like on Facebook. So cost per conversion can be the same as cost per acquisition if you define a conversion as an acquisition.

$$\text{cost per conversion} = \frac{\text{monthly budget}}{\text{number of monthly conversions}}$$

Why is cost per conversion important?

Money is kind of a thing in business, and this is the best measure of what kind of results you’re seeing in one thing for a discrete amount of money. If you ever wonder “Is this monetarily worth it?” cost per conversion will tell you.

What is a “good” cost per conversion?

The less you spend for conversion, the better. So in an ideal world, you spend a little money and get a lot of conversions. But that’s not usually how it works, at least not right away, and usually there’s a natural floor to how little a conversion can cost.

The cost per conversion you shoot for depends on your industry and average revenue per customer or conversion.

How can I improve my cost per conversion rate?

At its most basic, you either improve your numbers by spending less money and getting the same number of conversions, or by getting more conversions for the same amount of money.

This means optimizing the money you spend. So if you're putting money into one something that doesn't convert, or where the cost per conversion rate is too high, take your money out of that and put it somewhere else.

Don't forget to look at what you already have to get more – some of your most profitable but untapped leads come from people who have either bought from you before or who have abandoned their shopping carts on your site. Make sure you have targeted, effective campaigns to turn them into sales conversions.

See our e-book [25 Things to Automate for automated campaign tips](#), and check out our [Maximize Your Email Deliverability e-book](#) for tips on how to get better inbox placement for your emails.

About the author

Ellis Friedman

Ellis has spent a lot of her adult life chest-deep in small business adventures, especially the year she spent opening the Beijing branch of a Shanghai-based air purifier and lifestyle business. Most of her experience stems from her diverse media background in film, magazine publishing, blogging, and photography, but she's also a published author and Keap's blog manager. Ellis has an idiosyncratic fondness for grammar, style, and sarcasm, and fills most of her time away from the keyboard tasting scotch whisky, traveling abroad, and hiking.

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