Mobile Email Opens Report
2nd Half of 2012

Q3/Q4 2012	41%
Q1/Q2 2012	36%
Q3/Q4 2011	27%
Q1/Q2 2011	20%
Q4 2010	13%

0%   10%   20%   30%   40%   50%

59%

12%

29%

Email Opens Q3/Q4 2012

During the second half of 2012, 41% of emails opened were opened on a mobile device

Mobile Email Opens Report
2nd Half 2012
By Knotice
February 2013

About This Report

Knotice (pronounced "notice") provides advanced data management to support 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 2012 (Q3/Q4) again documents not only the rate of email opens occurring on mobile devices in the U.S. with differentiation between mobile phone and tablet activity – we also include a look at open rates within the hours after the time of a send.

Also included are mobile click-rate metrics by device. 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 commercial 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 and by mobile operating system (OS), based on a composite cross sampling of approximately 500 million emails sent across 11 industry segments in the last 6 months of 2012. In this report, mobile devices have been broken down into two distinct categories: "phones" and "tablets." Email opens occurring on phones continue to outpace those occurring on tablets by narrowing margins of roughly 2 to 1, with phones representing 28.98% of all email opens and tablets 12.11%.

This first table includes percentages for phone, tablet and desktop email opens in H1 and H2 2012. The following rows reference similar percentages in Q3 and Q4 2011, the first half of 2011 as well as Q4 2010, for comparison.

	Phones – Q3/Q4 2012							Tablets – Q3/Q4 2012				Desktop
	iPhone	Android	BlackBerry	Palm	Windows	Other	**Total**	iPad	Android	Other	**Total**	**Total**
	21.53%	6.00%	0.02 %	0.02%	0.09%	1.32%	**28.98 %**	11.46%	0.56%	0.08%	**12.10%**	**58.92%**

	Phones – Q1/Q2 2012							Tablets – Q1/Q2 2012				Desktop
	iPhone	Android	BlackBerry	Palm	Windows	Other	**Total**	iPad	Android	Other	**Total**	**Total**
	19.71%	5.88%	0.02 %	0.04%	0.06%	0.14%	**25.91 %**	9.63%	0.43%	0.10%	**10.71%**	**63.99%**

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%	**20.24%**	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%	**13.36%**	70.27%	16.19%	0.18%	**86.64%**

Mobile opens jump to 41% of all email opens in late 2012

In the last half of 2012, steady growth in mobile email open rates continued. During that time, 41.09% of all emails were opened on a mobile device (phones and/or tablets) which is an increase of 14% from early 2012 numbers of 36.08% -- a 14% increase in just six months, and a full 50% increase over the same time last year. This shows the rate of increase in mobile open rates continues with consistent strength, which lends further evidence to the accelerating rate of mobile adoption as previously forecast.

Percentages of Emails Opened	% on Mobile	% on Desktop
2nd Half 2012 Opens	**41.09%**	**58.91%**
1st Half 2012 Opens	36.08%	63.92%
2nd Half 2011 Opens	27.39%	72.61%
1st 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 rules the mobile email opens landscape

As in past reports, mobile devices using iOS continue to dominate overall mobile email activity. In the last half of 2012, the iPhone and iPad represented 33% of all email opens (up from 29.34% in H1 2012), compared with 6.5% of all opens occurring on Android phones or tablets. The share of email opens occurring on Android devices did remain fairly steady overall, with an increase in email open activity which 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. It also could be impacted by app preview panes.

Operating Systems	Phone	Tablets	Total
iOS	**21.53%**	**11.46%**	**32.99%**
Android	**6.00%**	**0.56%**	**6.56%**

iOS and Android, the two dominant mobile operating systems in the US, account for over 99.8% 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 has officially crossed the mobile "tipping point" with more email recipients opening email via mobile device. Hospitality and Cable & Telco are also seeing impressive mobile open rates overall. Note that the totals below may not be an even sum of the leading two operating systems listed since "total" includes opens across all mobile devices (including Windows, BlackBerry, etc.).

Email Opens Q3/Q4	Percent of All Email Opens: Phones			Percent of All Email Opens: Tablets			% Mobile Overall
BY INDUSTRY	iPhone	Andoid	Total*	iOS	Android	Total	Total*
Association	14.68%	2.92%	17.87%	7.55%	0.46%	8.09%	25.96%
B2B	11.77%	2.67%	14.56%	2.61%	0.12%	2.76%	17.32%
Cable & Telco	21.08%	6.54%	29.42%	10.31%	0.53%	10.93%	40.35%
Consumer Products	22.63%	5.16%	27.98%	7.79%	0.37%	8.24%	36.22%
Consumer Services	27.90%	12.00%	40.14%	9.47%	0.57%	10.15%	50.29%
Education	19.27%	3.50%	22.95%	13.86%	0.27%	14.19%	37.14%
Entertainment	20.32%	8.18%	28.93%	6.74%	0.58%	7.44%	36.37%
Financial Services	23.88%	5.22%	29.30%	6.89%	0.36%	7.36%	36.66%
Health Care	13.83%	2.27%	16.16%	2.76%	0.14%	2.97%	19.13%
Hospitality	26.69%	3.70%	30.50%	13.14%	0.46%	13.68%	44.18%
Retail	19.57%	2.95%	22.62%	15.36%	0.63%	16.08%	38.70%

* Total percentages based on all device types measured, not exclusively Android and iOS.

Looking at the mobile email opens data by industry segment provides some interesting insights. It's important to note how much customer behavior and the brand relationship influences the penetration of mobile by segment.

Many categories appear to be "leveling out" while others show strong gains. Categories such as Consumer Products (36.22%, up from 29.60%), Cable & Telco (40.35%, up from 35.85%), Consumer Services (50.29%, up from 42.17%) and Hospitality (44.18%, up from 34.35%) saw significant increases in mobile open rates when compared to the first half of 2012. If we go back to the same industry view a year ago, you can see that the gains across the board are impressive.

Mobile email click activity by industry

The next chart 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.

For those unfamiliar with the concepts of CTO and click-thru rates (CTR), the CTO rate is expressed as a percentage of unique click-thrus on links within an email to the total number of unique opens of that email. This helps marketers measure the relative effectiveness of the content of an email message in driving targeted traffic to the brand's website or landing page. The click-thru rate (CTR) is the ratio (or percentage) of unique clicks on links within an email to the total number of messages delivered. CTO compares to number of opens while CTR compares to number of emails sent. Much like mobile open rates, the click-thru rates for phones and tablets enjoy strong, steady gains over the last half-year. However, it is clear the share of email clicks occurring on phones and tablets (and the respective CTO rates) continues to lag far behind the desktop platform. The clear majority of email clicks are still occurring on desktop devices. Percentages in the table below reflect all devices and types.

Q1/Q2 2012	Email Click Activity on Phones *				Email Click Activity on Tablets *				Email Click Activity on Desktop		
BY INDUSTRY	% Opens	% Clicks	CTO%		% Opens	% Clicks	CTO%		% Opens	% Clicks	CTO%
Association	17.87%	10.07%	8.87%		8.09%	5.17%	10.05%		74.05%	84.77%	18.02%
B2B	14.56%	5.93%	5.36%		2.76%	1.29%	6.16%		82.68%	92.77%	14.75%
Cable & Telco	29.42%	19.72%	5.82%		10.93%	7.74%	6.15%		59.66%	72.54%	10.56%
Consumer Products	27.98%	18.89%	12.62%		8.24%	7.30%	16.56%		63.77%	73.80%	21.63%
Consumer Services	40.14%	28.84%	8.97%		10.15%	6.22%	7.66%		49.71%	64.93%	16.31%
Education	22.95%	8.72%	3.09%		14.19%	12.06%	6.90%		62.86%	79.22%	10.23%
Entertainment	28.93%	19.66%	9.40%		7.44%	5.09%	9.48%		63.63%	75.25%	16.36%
Financial Services	29.30%	20.68%	14.13%		7.36%	7.61%	20.70%		63.35%	71.71%	22.66%
Health Care	16.16%	4.15%	5.82%		2.97%	1.20%	9.17%		80.88%	94.65%	26.51%
Hospitality	30.50%	16.87%	6.08%		13.68%	9.87%	7.92%		55.82%	73.26%	14.42%
Retail	22.62%	12.69%	6.92%		16.08%	10.06%	7.72%		61.30%	77.25%	15.55%

Percentages based on all device types measured, not exclusively Android and iOS.

It is interesting to see the CTO rates for tablet now begin to outpace those on phone. In past reports, the mobile device types were fairly even. Email activity in the 2nd half of 2012 shows increasing levels of tablet engagement, as shown in this metric. Worth noting are CTO rates desktop, which have traditionally been twice as high when compared to mobile but are now losing ground.

Though there is noticeable improvement in mobile CTO numbers, there remains a distinct lag in mobile and tablet click rates when compared to emails viewed on desktop. We can still attribute this to the fact that many email marketers have yet to successfully optimize email content for mobile users. Optimization for mobile devices should include everything from how the email renders for mobile devices, to brief and clear message content, to making calls-to-action and buttons large enough and with plenty of space to easily tap, and more. As more email marketers begin employing tactics such as these in their mobile optimization efforts, including responsive design, we expect to see the click rates on mobile devices continue to climb.

A look at the trends and it's obvious that email is rapidly approaching the point when mobile email opens exceed those opened on desktop. It's worth noting that approximately 39% 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.

The "mobile tipping point" draws near

With the overall share of email opens occurring on mobile now at 41% across all industries (increasing from 27% a year ago), it is our projection that the share of mobile opens will exceed 50% for most marketers by the end of 2013 – a short 9 months from now. This mobile email tipping point has already been reached by Consumer Services. Considering many brands included in this study may or may not be actively optimizing their programs or designing emails with mobile users in mind, overall program and campaign performance may be negatively impacted more and more with each passing month. It is imperative that email and mobile marketers begin planning with urgency for that point in time when mobile users will be the majority audience.
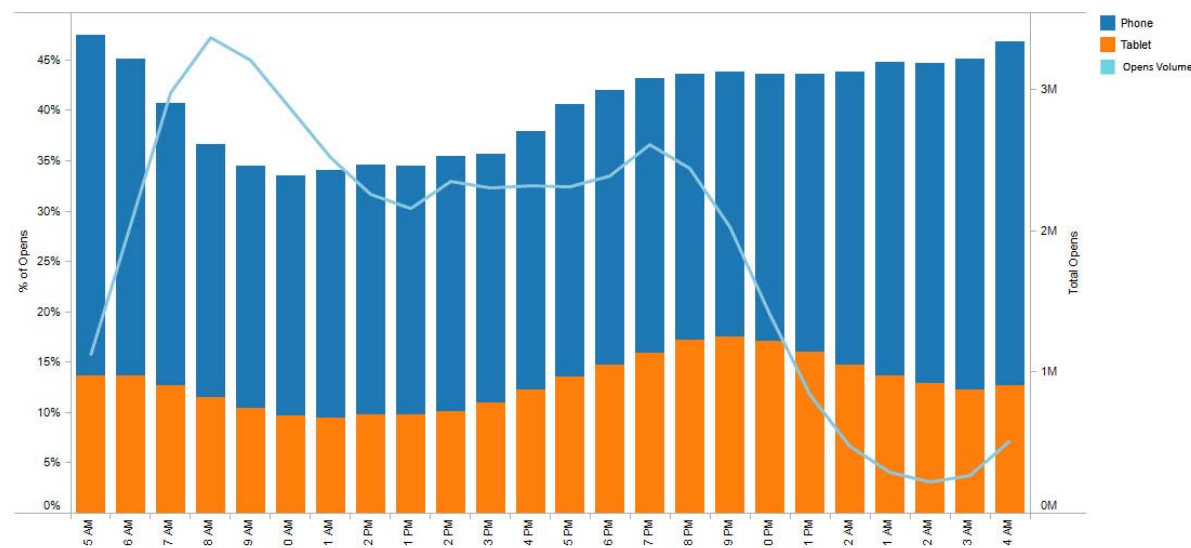
When are mobile opens occurring?

Share of mobile opens by time of day

As previously illustrated in earlier versions of this report, data reveals a clear and continuing trend as to the hours of the day when mobile email open activity is higher. Mobile email opens, however, are becoming increasingly steady throughout the day, with less "falling off" as consumers become increasingly connected across device types and mobile adoption rates steadily climb. The share of email opens occurring on mobile devices is at its highest point during evening, late night and early morning hours. Simply put, users shut down their computers during the evening and are picking up their tablets or reading email on their phones in the after-dinner hours. Once the workday begins, computers are back in greater use.

The trend has not changed noticeably during the early half of 2012 besides that evening out of activity. 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. However, the spikes in mobile open activity do not necessarily correspond with the times when overall open volume (including desktop) is at its highest, indicated by the thin light-blue line in the chart below. It also indicates that there are two clear periods of the day where open activity is highest: start of workday and after dinner entering primetime. Only in the second case do spikes in overall open volume coincide with increases in mobile open activity.

Phone and Tablet Email Opens by Time-of-Day

## Open rates from the time the email was sent

Instead of looking at mobile open activity in an absolute sense by time of day, we also looked at the share of opens occurring on mobile devices based on the hours immediately after the email was sent. Common sense is confirmed when you consider the immediacy and "intimacy" of mobile phones as the share of opens occurring on phones is higher in the few hours immediately following delivery.

Looking at this from a slightly different angle, we can also see that the distribution of opens occurring on phones is more heavily concentrated within the first 3 hours following email delivery, falling off quickly before falling in line with the distribution trend of desktop and tablet opens.

The first chart below shows the percentage of opens by device type within the hours after a send. Knotice data reveals email engagement by phone is significantly higher in the first 90 minutes, with negligible differences between phone, tablet and desktop email engagement after approximately 5 hours.

The second chart below shows that for 100% of the opens taking place, what percentage of those open occur on each device as the clock ticks, post send. In today's crowded inbox, timing can be significant. Marketers need to use their data to establish the best hour for their sends, which can be unique to each audience or segment.

Percentage of Email Opens Within Hours After Send (by Device)
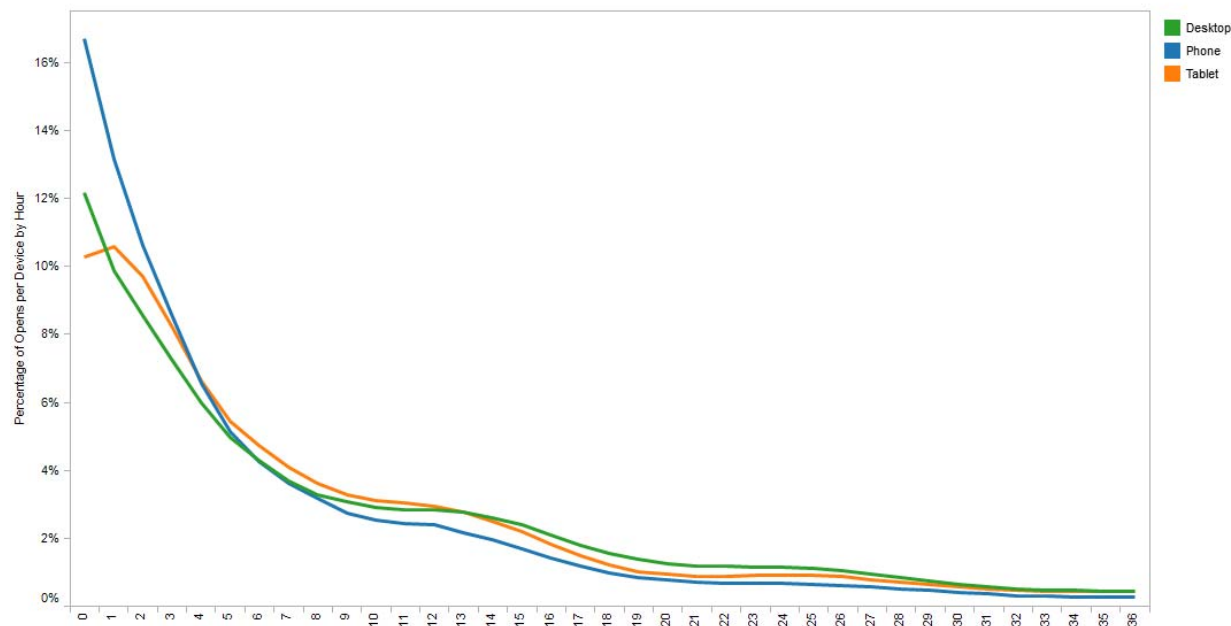
Email Opens by Hours After a Send by Device Type
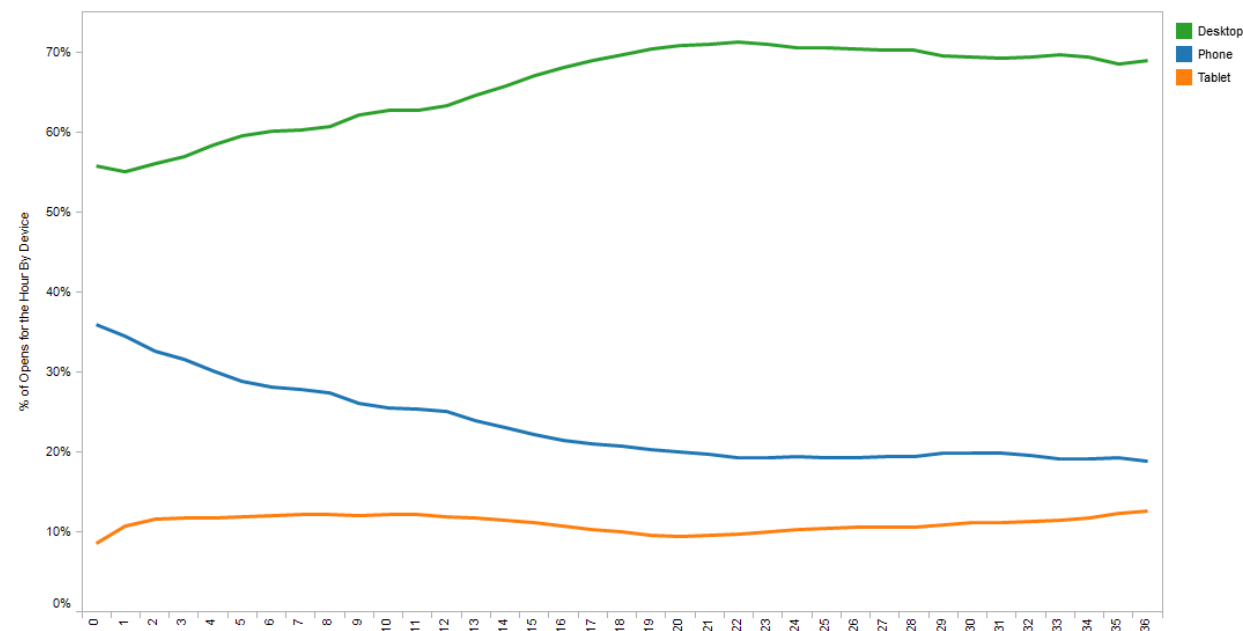
The myth of multiple opens continues

We've consistently debunked a historically common assertion that people would use their mobile inbox as a filter of sorts and save emails to revisit on their desktop later. Consumers today see a subject line. If they open it, they want to act on whatever call to action is presented to them at that moment. If they don't act right away, our data shows only about 2% will reopen that email on another device – whether on their desktop computer, smartphone, or tablet. For this analysis we again isolated the Retail industry segment. This data shows that in nearly 98% of the emails sent, the email open is occurring on only one type of device (steady with 98% from nearly 95% just six months ago).

RETAIL: Individual Email Opens	Percent of Overall Opens H1	Percent of Overall Opens H2
Desktop Only Opens	76.51%	69.81%
Phone Only Opens	14.47%	16.76%
Tablet Only Opens	6.56%	12.06%
Same Email: Desktop + Phone + Tablet	0.09%	0.07%
Same Email: Desktop + Tablet	0.53%	0.69%
Same Email: Phone + Tablet	0.40%	0.44%
Same Email: Desktop + Phone	1.44%	1.17%

This means that even if you created a compelling subject line and delivered the right offer, if it renders poorly on the device or if there isn't a seamless optimization of the post-click experience, you have missed your window with a mobile opener. The impact of immediacy in this case is that they will immediately become "revenue lost."

Suggestions for ways to address this "only-one-chance" situation:
- Use optimized email templates or use adaptive design for the device that recipient used the most often;
- Having a device-optimized, focused click-through experience with dynamic content specific to what you already know from your direct interaction with that person. (In other words, don't just redirect to your mobile home page, or worse, your .com flash-based splash page);
- Offer easy-to-consume content, messaging, offer redemption and buying;
- Preload forms with as much as you can support. Includes: buying, shipping, and even payment method used.

Top Phones for Reading Email

Not surprisingly the iPhone far and away leads the pack representing nearly 75% 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 24 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	CTO Percentage
Apple	iPhone	74.82%	4.67%
Apple	iPod Touch*	3.35%	4.29%
HTC	PC36100	1.65%	1.86%
Samsung	SPH-D710	1.16%	7.82%
Motorola	DROID RAZR	1.03%	16.14%
Samsung	SGH-T989	0.96%	6.19%
HTC	Incredible HD	0.62%	8.51%
Samsung	SGH-I727	0.58%	5.41%
Samsung	SPH-D700/Epic 4G	0.58%	8.11%
Motorola	DroidX	0.56%	13.57%
HTC	EVO 3D	0.46%	9.35%
Samsung	SCH-I535	0.44%	14.72%
HTC	Desire HD	0.44%	2.78%
Samsung	SGH-I997 Infuse 4G	0.42%	7.75%
Motorola	Droid Bionic	0.41%	14.19%
Samsung	SGH-I777	0.39%	5.68%
Samsung	SGH-T959V	0.33%	9.25%
HTC	ADR6350/Droid Incredible 2	0.32%	3.61%
Samsung	SPH-L710	0.31%	15.51%
Samsung	SGH-T679	0.30%	7.31%
HTC	Glacier	0.30%	2.18%
Samsung	Galaxy Nexus	0.29%	10.82%
Samsung	SCH-R720	0.28%	9.40%
Motorola	Droid X2	0.28%	15.44%

Of course, 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

While it remains true that for the US consumer audience iPad = tablet, CTO percentages reveal increasing levels of activity across non-iOS tablets. New to the list, for instance, is Barnes & Noble Nook Color, boasting a very strong CTO percentage at 26.74%, surpassing iPad's puny 6.3%. However, considering nearly 95% of all email opens occurring on a tablet device were on the iPad, holding steady with H1 2012 data.

Manufacturer	Tablet Model (Device Type)	Percent of Opens	CTO Percentage
Apple	**iPad**	94.64%	6.30%
Amazon	**Kindle Fire**	1.95%	4.04%
HP	**TouchPad**	0.34%	6.16%
Samsung	**GT-P7510 Galaxy Tab 10.1**	0.24%	13.98%
Samsung	**SCH-I800 Galaxy 7.0 inch**	0.24%	9.55%
Barnes and Noble	**BNTV250 (Nook Color)**	0.21%	26.74%
Google	**Nexus 7**	0.20%	20.41%
Motorola	**MZ601/Xoom**	0.17%	18.40%
RIM	**PlayBook**	0.17%	11.04%
Amazon	**Kindle Fire HD**	0.17%	5.97%

Key Report Takeaways for Email and Mobile Marketers: Operating within a "Mobile First" World

Email engagement from mobile users is quickly outpacing that from traditional desktop/PC for many commercial campaigns. For some brands, this mobile tipping point mentioned earlier has already occurred. You should be actively taking steps to optimize your customer communications for mobile – the time is now.

Here are some key takeaways based on the findings of this report:

- **Use your data to determine when and where to optimize your email campaigns for mobile.** Even as helpful as this report may be in revealing general trends across 11 industry segments, the best way to approach the mobile challenge is by exploring your own data. Look at the reporting provided by your ESP. See what's going on within sends to your audiences. Understand the types of devices they use. Compare CTO rates and conversion across desktop, smartphone and tablet. If you find desktop activity to be significantly higher, you need to explore ways to infuse campaigns with effective mobile experiences to protect and grow your ROI as mobile use increases.
- **Adopt a "mobile first" mindset.** If your brand has not yet reached the tipping point in mobile email engagement, it will soon. How your email subscribers view and consume email content has fundamentally changed within the past 18 months. Every marketer will have to embrace the mobile-majority audience or risk continued declines in click and conversion metrics. What does a mobile-first mindset look like? Some examples:
    - *Use responsive design, and/or design specific to the device type used to accommodate the unique traits and preferences of mobile users.* When you know the recipient is an iPhone user, send the email that renders beautifully by device. And if you're just not sure, responsive design can be a stop-gap – not the best experience, but a way to hedge your bets across device types. Designing for mobile can include images that scale according to screen size, shorter copy, larger fonts, and clearer calls-to-action as a design priority, as well as large buttons and spacing between text links (to accommodate

chubby fingertips). It also may mean embracing alternate "offline" response options, like "click to call" functionality or navigation to locate your retail store, to name a few.

o *Auditing all link destinations, post-click sites and pages for mobile friendliness and performance.* This means applying a similar eye for design and functionality specific to mobile users, with special consideration for location-awareness to help users respond and react based on their location.

o *Designing around the ultimate convenience of the email recipient.* Design your experience around the customer – one that allows the user to buy that specific product or promotion with as few clicks as possible. Don't drop the user on the home page of a mobile commerce site and expect them to fumble around to find the product on their own. Instead, tee up the sale with convenient buy-flow, allowing customers to select the item and go to checkout with as few steps as possible.

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- **Consider your email an extension of your overall approach to mobile**. Email and mobile need to come together to bring the best possible brand experience to your customers across channels. As the mobile audience takes over as the majority audience, your email marketing team should be focused on improving mobile design and rendering on mobile devices. They also need to test to make sure the links and destinations within that email take the audience to a mobile-friendly experience. It can be difficult to find success with a mobile-first mindset if the teams handling strategy, planning and execution spend most of their time behind laptops. Instead, understand how mobile users manage a full inbox, the different ways they view and evaluate emails and post-click experiences, and the functional limitations they may encounter. Use a variety of mobile devices for your tests to make sure the brand experience that starts with an email is a solid one.

Looking for ways to make your email campaigns do even better?

Get a copy of the
"Good to Know Guide:
Improving Your
Email Open Rates"

DOWNLOAD GUIDE

Get Your Mobile Email Opens

If you are a marketer interested in understanding the level of mobile activity within your audience, get in touch to learn more about easy tools soon to be available to enhance your campaign reporting on an on-demand basis. If you would like to participate in this 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 a leading provider of data management, actionable analytics, and digital messaging solutions, with offices in Seattle and headquartered in Akron, Ohio. Our on-demand marketing software and agency services help marketers maximize the ROI of their addressable digital marketing – digital communications that are addressable to an individual. With our proprietary platform, we pioneered the ability to seamlessly unite customer data, analytics and message delivery – all from a powerful profile-based platform. In addition to technology, Knotice provides a comprehensive offering of marketing services, including strategy and planning, agency-style creative services, custom development, analytics, advanced reporting, and business intelligence.

For more information, visit: http://www.knotice.com.