ometria

Post-iOS 15:
A New Era Of Email Marketing for Retailers

Re-defining email engagement in the wake of iOS 15 changes – best practices for retail marketers

Traditional measures of customer engagement would involve using email open rates. But the changes Apple has made in its most recent iOS updates has affected the reliability of open rates, meaning that engagement needs to be re-thought. We recently discussed these changes and what retailers can do about it with some of our customers, but we wanted to share the key points more widely.

We've covered the changes to iOS 15 before, but for those of you who need to catch up, here is the overall situation in a few sentences:

Since 20th September 2021, Apple users are able to choose an option to turn off tracking when they upgrade their operating system to iOS15, iPad 15 or macOS Monterey. This means that Apple will pre-load images regardless of whether the email has been opened by the contact or not. Ultimately this means that open rates could be inflated by up to around 40%, making them much less useful.

The important thing is that this does not just affect those with Apple email addresses or iCloud email addresses, (which would only affect 5-6% of users), but anyone who looks at email on an Apple device's email client – e.g. the Mail app.

What happened after the iOS 15 launch?

Some of the predictions around the launch of iOS15 suggested that there would be an almost overnight change in open rates and the impact would be considerable and immediate. There were good foundations to this prediction because over 90% of Apple users opted out of activity tracking regarding third party apps, and also that previous updates had taken around 2 weeks to reach 30% adoption rate.

Time to reach 60 % adoption

iOS 14: 8 weeks

iOS 15: 13 weeks
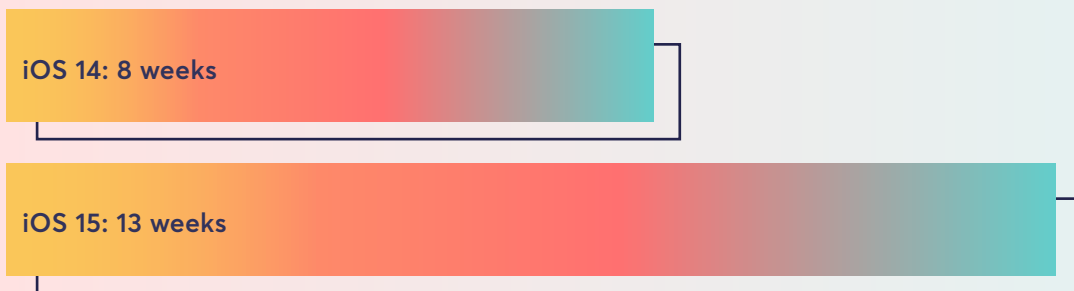
Source: Mixpanel
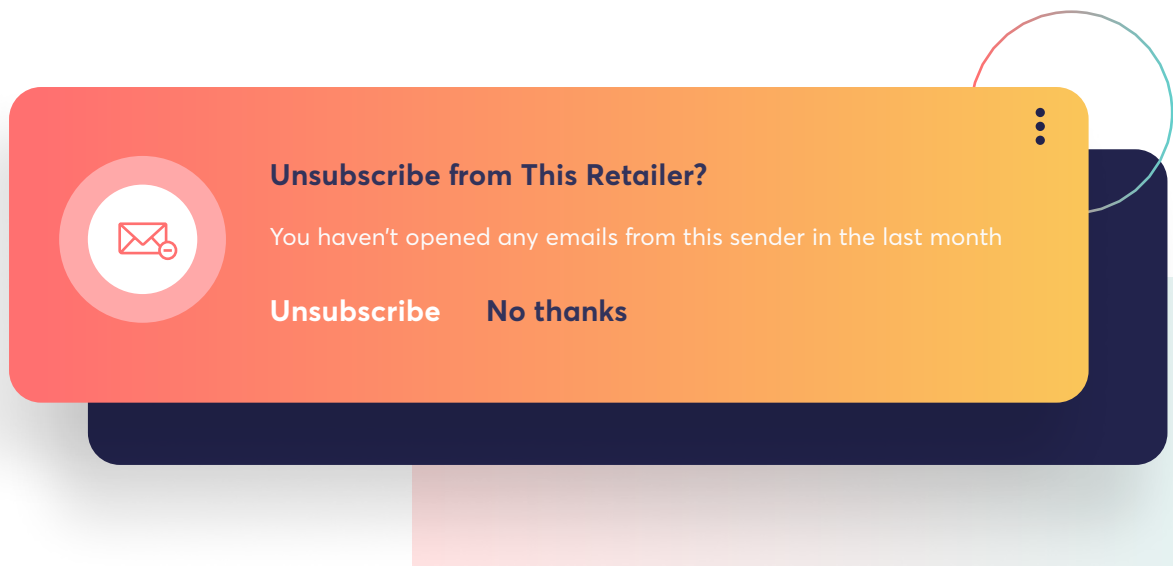
However, adoption was much slower than previous versions of iOS. After 3 months, Mixpanel reports that adoption has hit 60%, which is slower than the adoption of iOS 14.

This meant that the changes to open rate were much smaller than expected. We did see that open rates started to go up, but some of this change is expected based on seasonality in the lead-up to Black Friday and peak period.

The impact on marketers

Most mailbox providers such as Gmail or Microsoft use user engagement as part of their email filtering. This engagement measure is a key part of sender reputation – broadly speaking emails that get more engagement and interaction demonstrate a better reputation than those that don't.

Unsubscribe from This Retailer?

You haven't opened any emails from this sender in the last month

Unsubscribe   **No thanks**

If you are a user of Gmail for example, you may occasionally get messages asking if you still want to subscribe to a certain newsletter because it has noticed that you haven't opened any emails for a while.

It's therefore important that retail marketers ensure that their emails are engaging their customers, and that they are contacting a list of engaged users, otherwise their sending reputation could deteriorate. This would mean that fewer emails would land in inboxes.

Marketers have traditionally used open rate as a measure of engagement, but these changes to iOS will mean that many of those who are supposed to have opened your emails actually have not. So marketers could continue to send emails to unengaged users, which will affect their sending reputation over time.

So what this means is that retail marketers need to change how they report and measure engagement.

How should marketers measure engagement without using open rates

If you are using open rates as a measurement of engagement, then your "engaged" audience is likely to go up, but it will include many false opens which will dilute your email list. So how can you measure engagement without using opens?

The first thing to bear in mind is that there is no one magic metric that all retailers should use to measure engagement. The second thing is that while open rates will be inaccurate going forward, they should not be discounted completely. The parameters for a good open rate will change, but retailers can still use them as a benchmark. Instead they should be used in conjunction with other KPIs such as:

Clicks	Click through rate	Conversion rate	Revenue per email	Unsubscribe rates

These will all remain unaffected by the changes because clicks will still be accurate. Take a look at your existing emails and choose which ones make the most sense. If you sell high-price items then perhaps clicks are going to be your best KPI because your conversion rate is likely to be lower compared to a discount retailer.

But beyond this, if you are using "Last opened date" or "Number of opens" or any other open-based metric to measure whether a user is engaged, you may want to consider these metrics too:
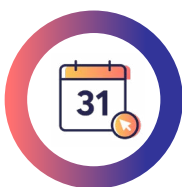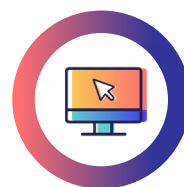
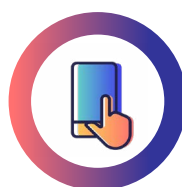| Date of last click	Date of last purchase	Date subscribed	Website activity	Account activity

Revenue generated	SMS activity	App activity	Coupon usage	Number of referrals
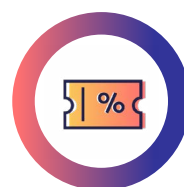
Depending on which channels you use will affect which combination of metrics you can use. Using a combination of these metrics will help you to get closer to understanding how engaged customers are. If you can see which ones are correlated with open rates, you may be able to approximate your previous results.

Ometria's recommendations for what to do now

Once you have a workable model of engagement, what should you do now to keep engagement high and ensure that you are not going to be affected by these changes.

1

Test customer preferences

Do your customers prefer receiving emails or SMS messages? If you don't have the data to prove that a specific customer responds better to one channel or another, then you might want to ask them directly. Review your sign up forms and ask for their preferences, or indeed use a re-engagement email to see if they still want to receive emails, or if they'd prefer another channel.

2

Test broadcast frequencies for your new audience

Having worked out how you are measuring engagement among your users, you can now test the effect of sending broadcast emails at different frequencies and see how that affects overall engagement.

Splitting your audience into high engagement, medium engagement and low engagement, you can send emails at different frequencies. For instance, you could send the most-engaged subscribers broadcast emails 5 times a week, and the least-engaged subscribers just one broadcast email a week. Then monitor the effect on engagement.

3

Review existing automations

If you have any automations that trigger based on opens, then you should change them. After all, if you have false opens, then you may automatically send follow-up emails when it's not appropriate or relevant, thus devaluing the customer experience.

4

Implement campaigns and automated journeys that drive engagement

Having replaced open rates with other engagement metrics, you should implement campaigns and automated flows that target clicks and other more highly-engaged metrics. For example, product guides and aftercare advice, as well as styling tips and guides are all things that we have seen drive more clicks from emails.

You can also use preference-capture campaigns to ask your subscribers how they want to hear from you – which channels and how frequently they want to see emails from you.

5

Remember: engagement is multi-faceted

It's worth repeating – there is no single metric for engagement that works for all retailers. Given the many channels that a customer can use to explore a retailer, engagement has to be a multi-faceted concept that involves all channels and a wide range of behaviors.

Here is a quick checklist to how to approach engagement in the wake of iOS 15, and the effects on open rates:

Deliverability

Review your list and audience segmentation.
Acquire qualified leads - make sure your bringing in customers who WANT to engage as it's beneficial to long term CLV and overall list hygene.
Implement re engagement campaign

Engagement

Define Success - using click based engagement will prove to be more informative
Segmentation - tailor based on lifecycle or recent click/purchase behaviors.
Frequency - see if changing the # of emails changes engagement
A/B Testing - validate these changes engagement
Preference Collection - let customers tell YOU what they want t hear about
Automations - work smarter not harder and let automations help you solve for engagement & retention

Cross-Channel

Social - leverage FB and Google AdWords to retarget users who haven't clicked bought
SMS - this channel is already optimized for clicks and first party as it's required optin channel

To find out more about how we can help you achieve these goals, book a demo with us here: **ometria.com**

ometria