What Does Open Rate Really Tell You?

By Mike May

A marketer who writes and manages his company’s email newsletter asked me today, “What does it mean if our current customers are reading our newsletter? Does it mean that they are satisfied with our products and maybe interested in purchasing again?”

What I told him is that a good newsletter drives engagement. If your current customers are reading it, it doesn’t necessarily mean they are in the market for another purchase, though it does indicate they are engaged with your brand in some way. Engagement is not by itself a buying signal, though it does usually accompany purchase. Engagement, in fact, is the primary goal of most successful newsletters. Less to drive action and sell product, their purpose is to keep the connection with customers and prospects open, so that the brand remains in the choice set when the next relevant purchase is considered.

The marketer’s question sprang from an examination of his open rates. Looking at how many people opened the last newsletter, and who specifically they were, set him to thinking about what he was actually discovering from the exercise. Like most metrics taken individually, open rate suggests more than it indicates. It does not provide all the answers by itself, but at least gives some clues where else to look for a more comprehensive story.

Here is some of what Open Rate metrics tell you, and how to fill in the gaps the metric leaves open:

**False Positives:** Open Rates are measured by a graphic that loads when the email renders in an email reader. In some cases, just because the email is open, it does not necessarily mean the subscriber has read. Preview panes display the message (and load the open rate counting graphic) even when a subscriber simply wants to move the message to another folder, or even delete it. So one of the things open rates tell you is that opens do not actually equate 1:1 to reads.

**False Negatives:** Just as some emails show up as opened when they are not read, others do not show up as open even though they are read. If a subscriber has images turned off, an email will not register as opened, even if it is read top to bottom. The increasing number of subscribers reading email on smartphones and other mobile devices can exaggerate false negatives, as people are more likely to turn off images to speed load time and minimize the amount of data downloaded by their account. Are false positives and false negatives a wash? There is no way to know for sure, which is
why open rate – like almost all metrics – is best contemplated as a trend over weeks or months than an absolute number taken at a snapshot in time. That is, your actual open rate for the newsletter you just mailed is not as important as whether it is higher or lower than the previous 1 or 3 or 6 or 12 newsletters.

**Successful Information Transfer:** Many newsletters are sent to “keep our readers informed.” Commonly, marketers see a 30% open rate on a newsletter announcing the opening of registration to the annual conference and assume that 30% of the people they sent the message to now know that the conference registration is open. Given what we know about false positives and negatives, that may or may not be a safe assumption. Fortunately, the objective of that particular piece of information is not to inform people but to drive action. Whenever it is appropriate, include a link for newsletter stores, as links measure actual activity. Assuming that 30% of your audience is informed about an item is ultimately not as useful as knowing for certain that 10% are engaged enough to click on a link.

**Brand Affinity:** Like I told the marketer at the top of this article, knowing that someone is reading your newsletter is a sign of engagement. Looking at your open rate trend over time will let you know if your audience’s engagement with your brand is growing or diminishing week over week. The metric, in this case, is less about measuring your audience than it is about measuring the effectiveness of the newsletter itself, as well as the other channels you use that drive engagement and brand affinity. For example, you may add resources to your social media strategy and between tweeting and posting on Facebook more frequently. At the same time, it would not be unlikely for your newsletter open rates to increase, as many of your subscribers may also follow you socially, and seeing your more frequent social activity connects them to your brand more closely, prompting them to pay more attention to your brand in the inbox as well.

**Copywriting Aplomb:** My favorite thing about newsletters is their continuity. Each is not an email as much as part of a regular series. Think of a TV series that is written as a serial, like Lost or 24. The better this week’s episode is, the more people will tune into next week’s. This includes those who watched this week’s, as well as people who had watched previously but missed this week’s, as well as people who never watched but are hearing the buzz from friends and colleagues. Newsletters work the same way, though admittedly without the reach of a TV network’s leading series. If you do a better job writing your newsletters, more people will read it. Therefore, if you see your open rates on the rise, it may be an indication that you’re writing an excellent newsletter. (And if that’s the case, make sure you’re sharing web versions on Twitter and Facebook and LinkedIn, so more prospective subscribers can sample its goodness and sign up.)

You can learn a lot from your Open Rate, especially when you consider it as part of your total metrics context. If you have questions about how to interpret yours, leave a question in the comments or send me a tweet [MikeMaySay](https://twitter.com/MikeMaySay).