

The Future of Digital Communication

 SendGrid +  eggstrategy™

Agenda

1 / How did we get here?

Questionnaire Structure + Study Design

2 / What are the priority takeaways?

Executive Summary

3 / What do digital communication behaviors look like today?

Current Communication Behaviors

4 / What might digital communication behaviors look like tomorrow?

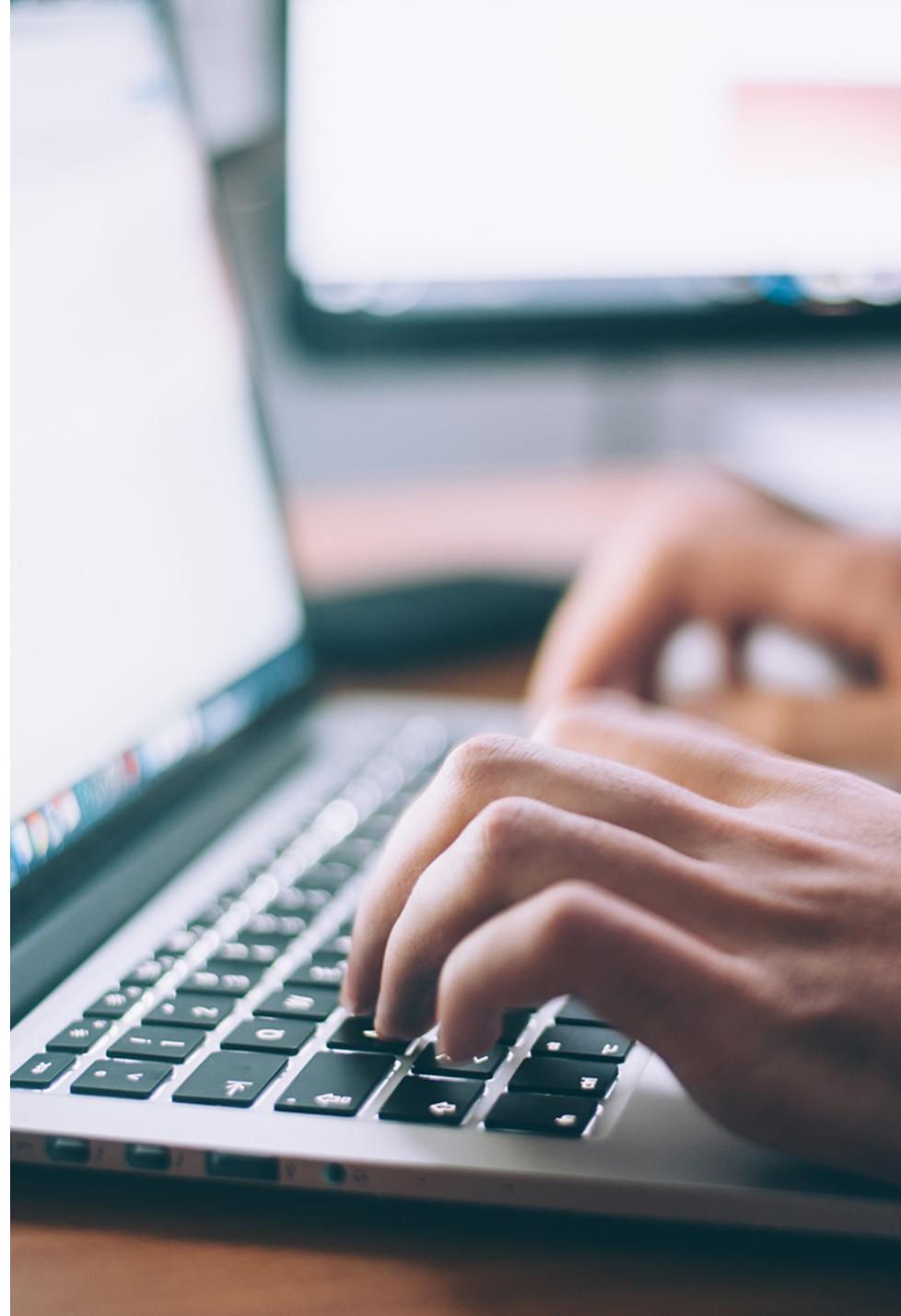
The Digital Communication Horizon

5 / What are the primary drivers of email usage?

Critical Email Influences

HOW DID WE GET HERE?

Questionnaire Structure + Study Design

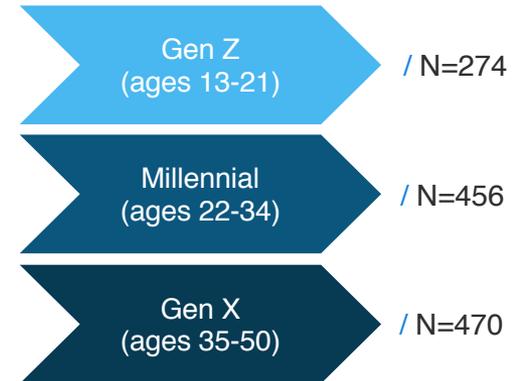




Overview of the Quantitative Phase

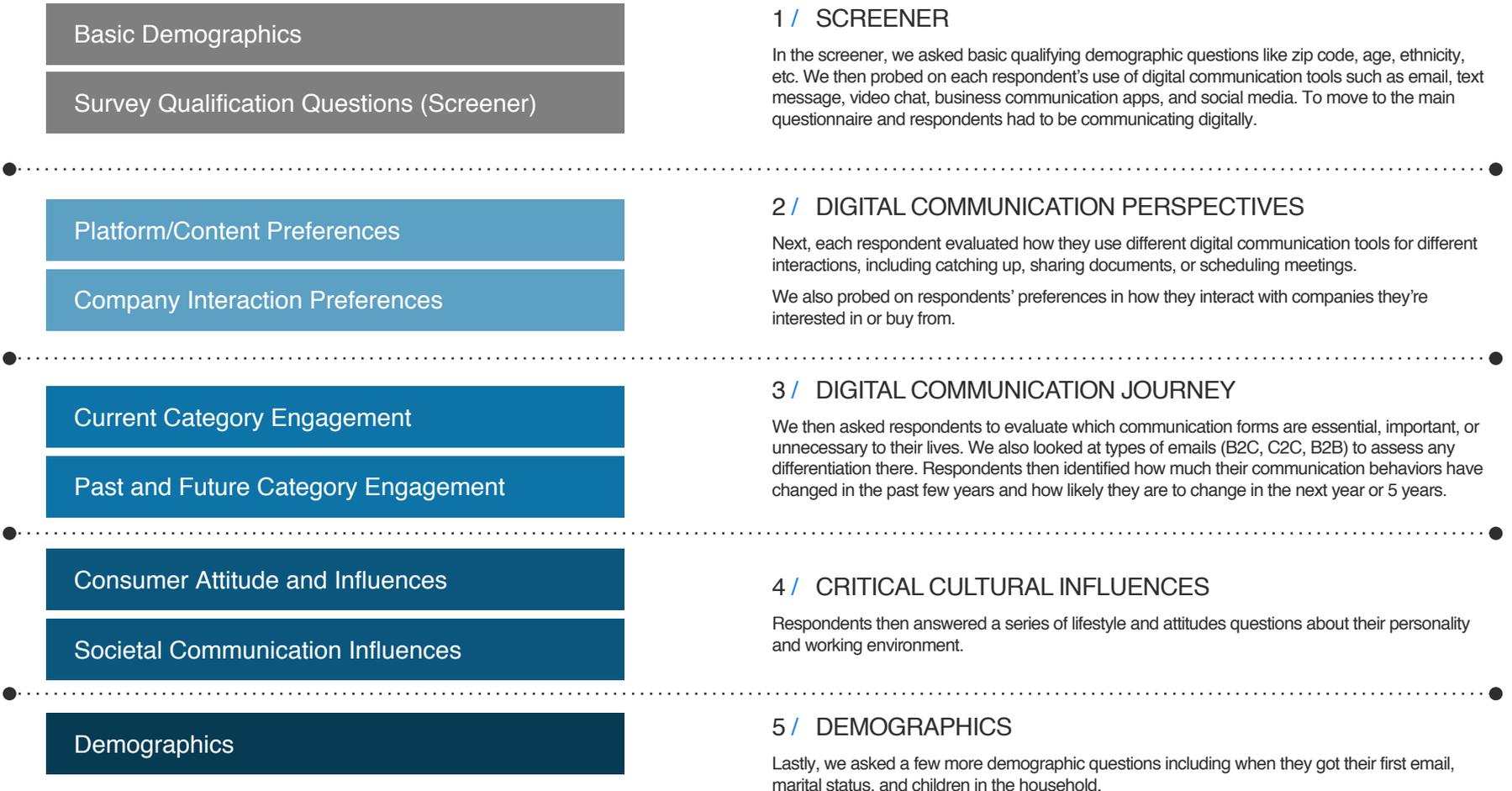
Sample & Survey Specs /

- N = 1,200 Digital Communication users



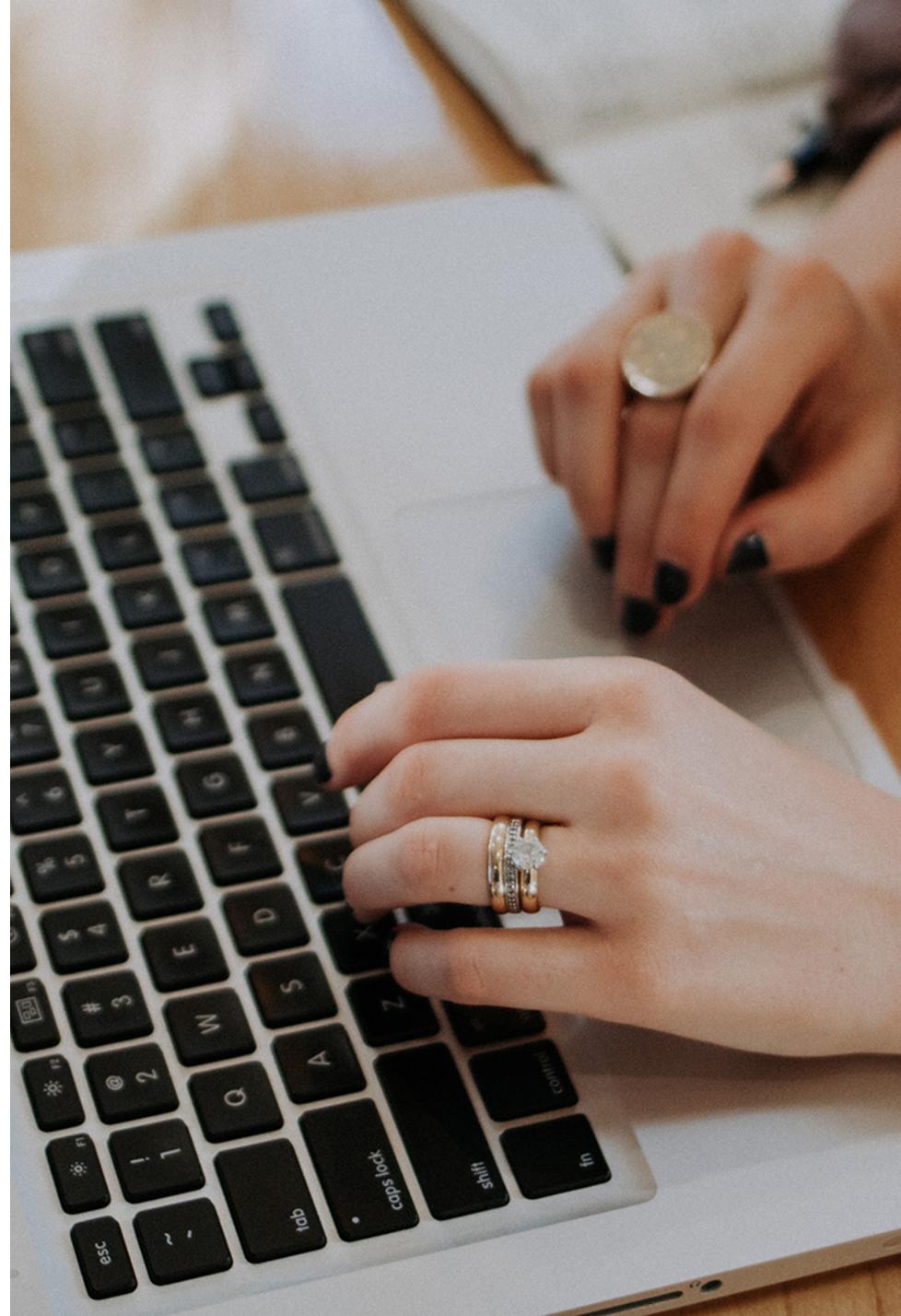
- 10-minute online survey
- US only respondents, representative mix of gender, ethnicity and age
- Survey fielded July 2017

We built a survey questionnaire that holistically evaluated people's relationship with digital communication.



WHAT ARE THE PRIORITY TAKEAWAYS?

Executive Summary



Executive Summary

- 1 / Email is essential, important and entrenched in the lives of people today across Generation Z, Millennials and Generation X.
- 2 / Over the next few years, Gen Z expects to increase their email usage the most of all generations.
- 3 / There is an overwhelming preference for email over all other communication forms when it comes to B2C interactions.
- 4 / Email is the channel where business is done from interactions inside a company to interactions between businesses and consumers to interactions between businesses.
- 5 / All personality types examined use email meaning it's a nearly universal channel. That isn't the case with other communications and social media tools.



“Email isn’t personal, it should be for business and retailers.”

FEMALE, GEN X

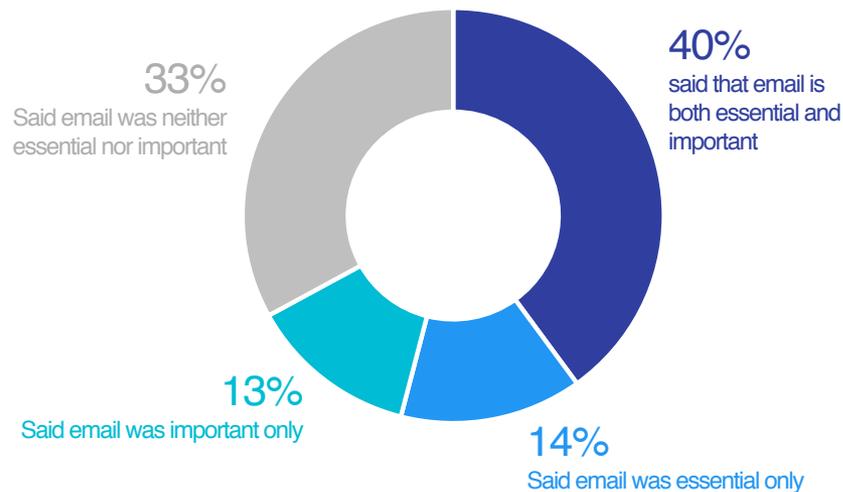
Fast Facts

Email is a staple form of communication today regardless of age or life stage.

Gen Z	Millennials	Gen X
85%	89%	92%

Of consumers use email at least monthly today.

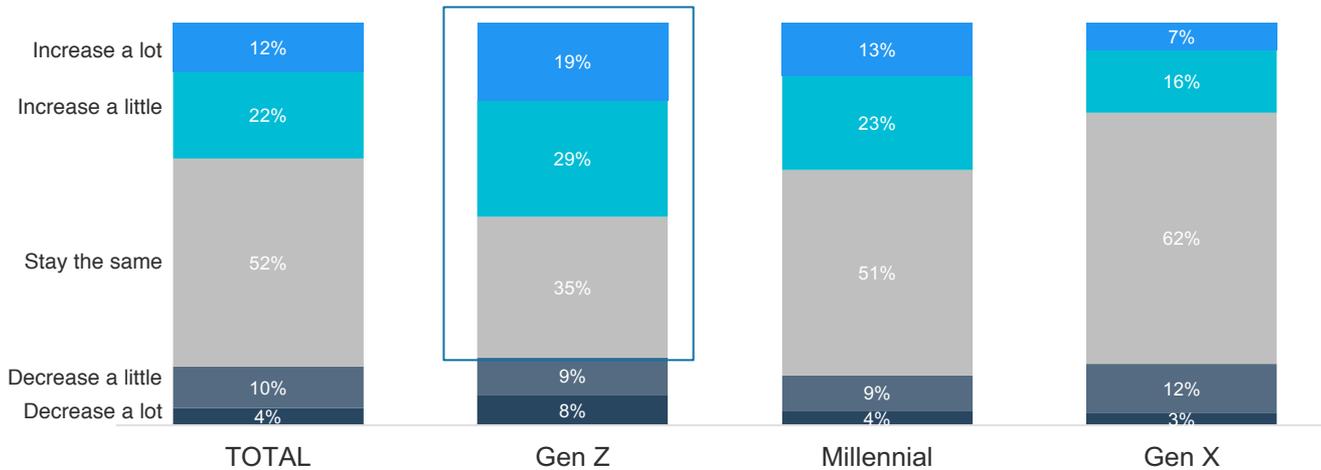
67% of people view email as essential and/or important to their lives!



CURRENT CATEGORY ENGAGEMENT

Q3A/Q4A / Which of the following forms of communication that you use is essential/important to your life?

83% of Gen Z believes their email usage will stay the same or increase in the next 5 years.



FUTURE CATEGORY ENGAGEMENT

Q10 / Thinking ahead, how much more or less do you think you'll be using each of these forms of communication in the next 5 years?

“Email is going to hang around for a while because it’s everybody’s first experience.”

MALE, GEN Z

74% of people chose email as their preferred communication method for companies or brands to interact with them.

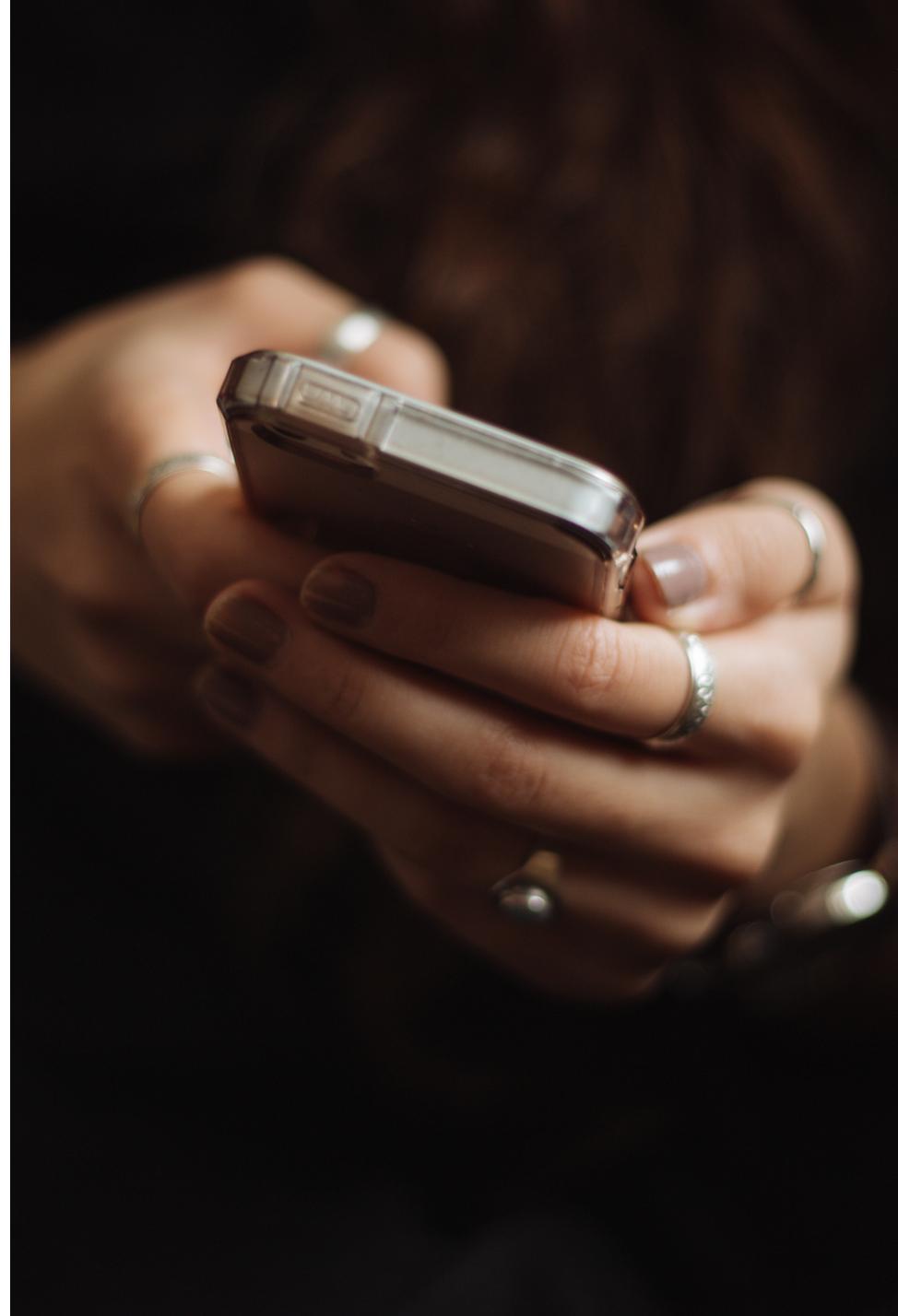


“With email, I can forward, I can search easily, I can organize things... I need it. It’s a necessary evil.”

FEMALE, MILLENNIAL

WHAT DO DIGITAL COMMUNICATION
BEHAVIORS LOOK LIKE TODAY?

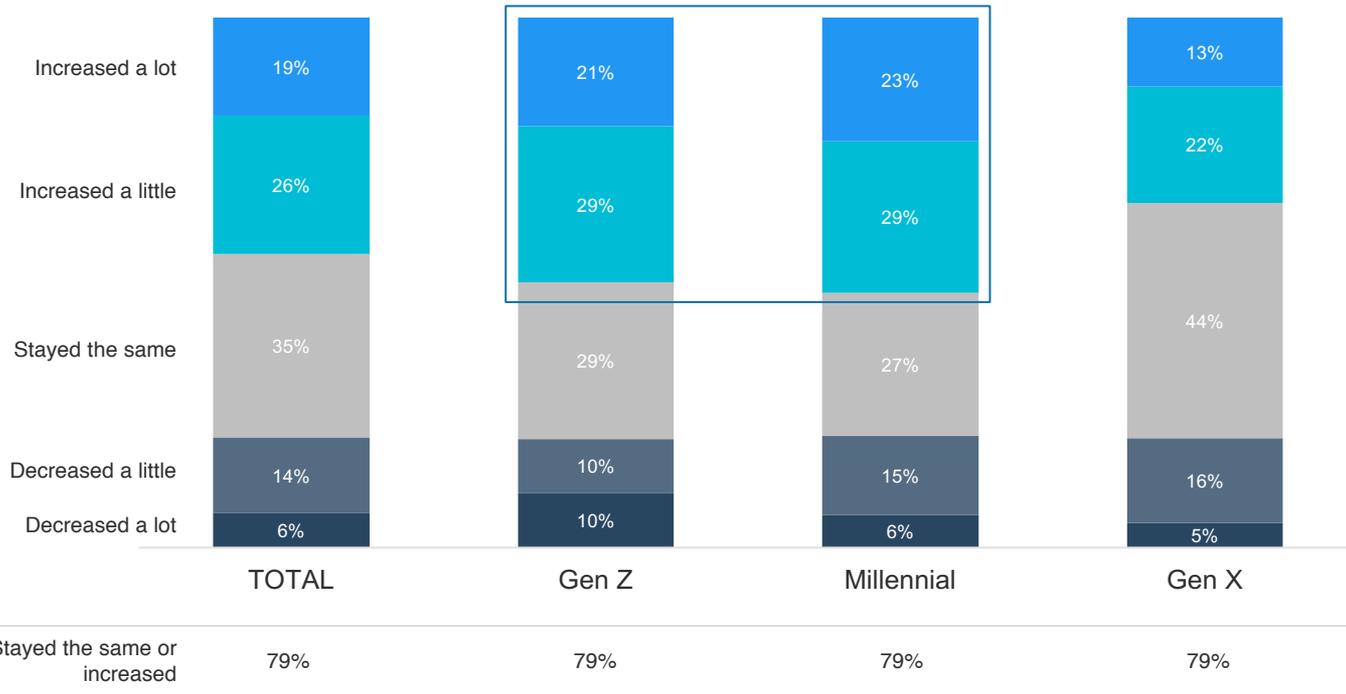
Current Communication Behaviors



“Since having a baby I’ve signed up for emails about baby products and newsletters.”

FEMALE, MILLENNIAL

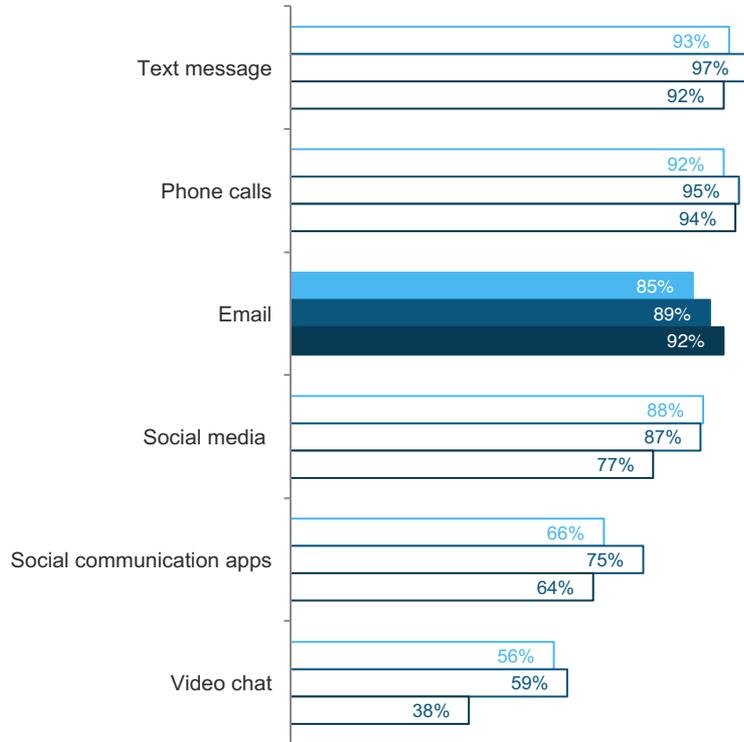
79% of consumers report that their email usage stayed steady or increased over the past 5 years. Email usage increase is even higher for younger generations.



PAST CATEGORY ENGAGEMENT

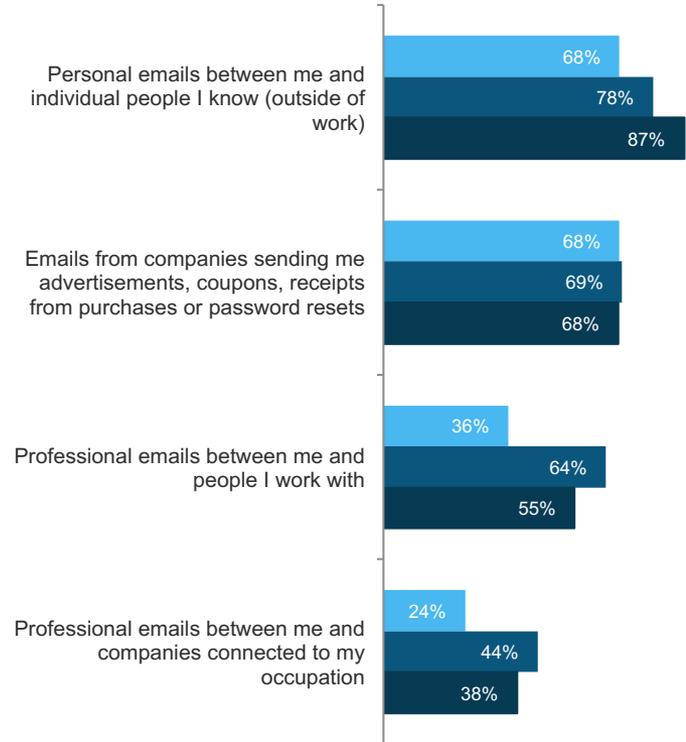
Q6 / Now we'd like to understand how your communication habits have changed over the past few years. For each communication tool, how much has your usage increased or decreased?

Regardless of generation, email of all types is an essential communication form today with incredibly high usage.



CURRENT COMMUNICATION USE

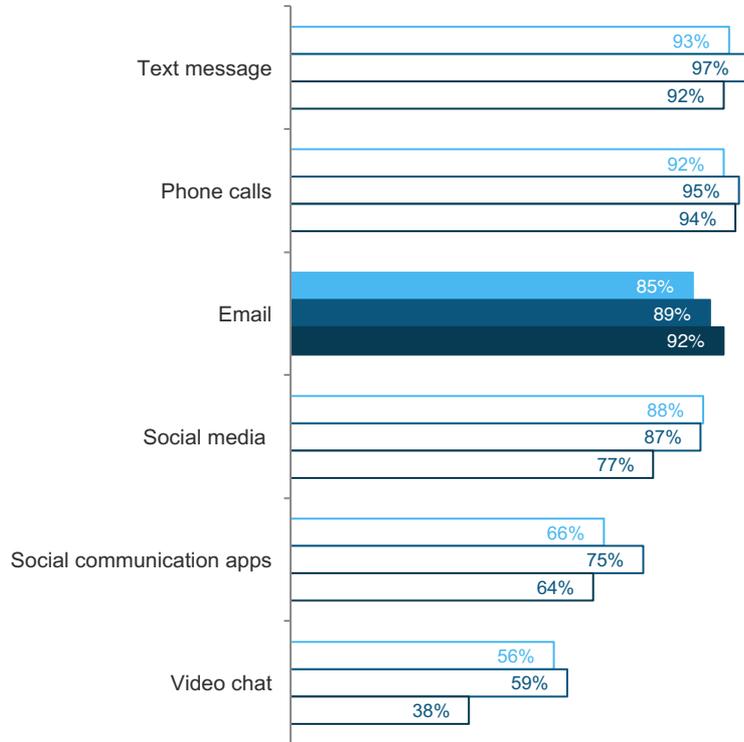
S7 / On the list below, please select which of these you've used in the past month.



CURRENT EMAIL COMMUNICATION USE

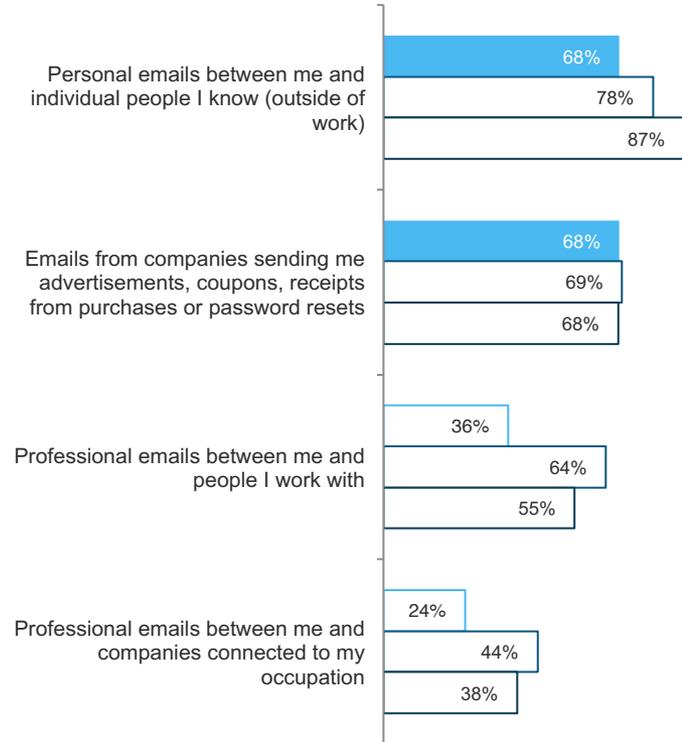
S8 / You mentioned that you currently use email to communicate with other people. Which of the following best describes the types of emails you send and receive?

For Gen Z, email’s primary use today is exchanging personal emails and receiving emails from companies, although this could shift as they enter the work force in the near future.



CURRENT COMMUNICATION USE

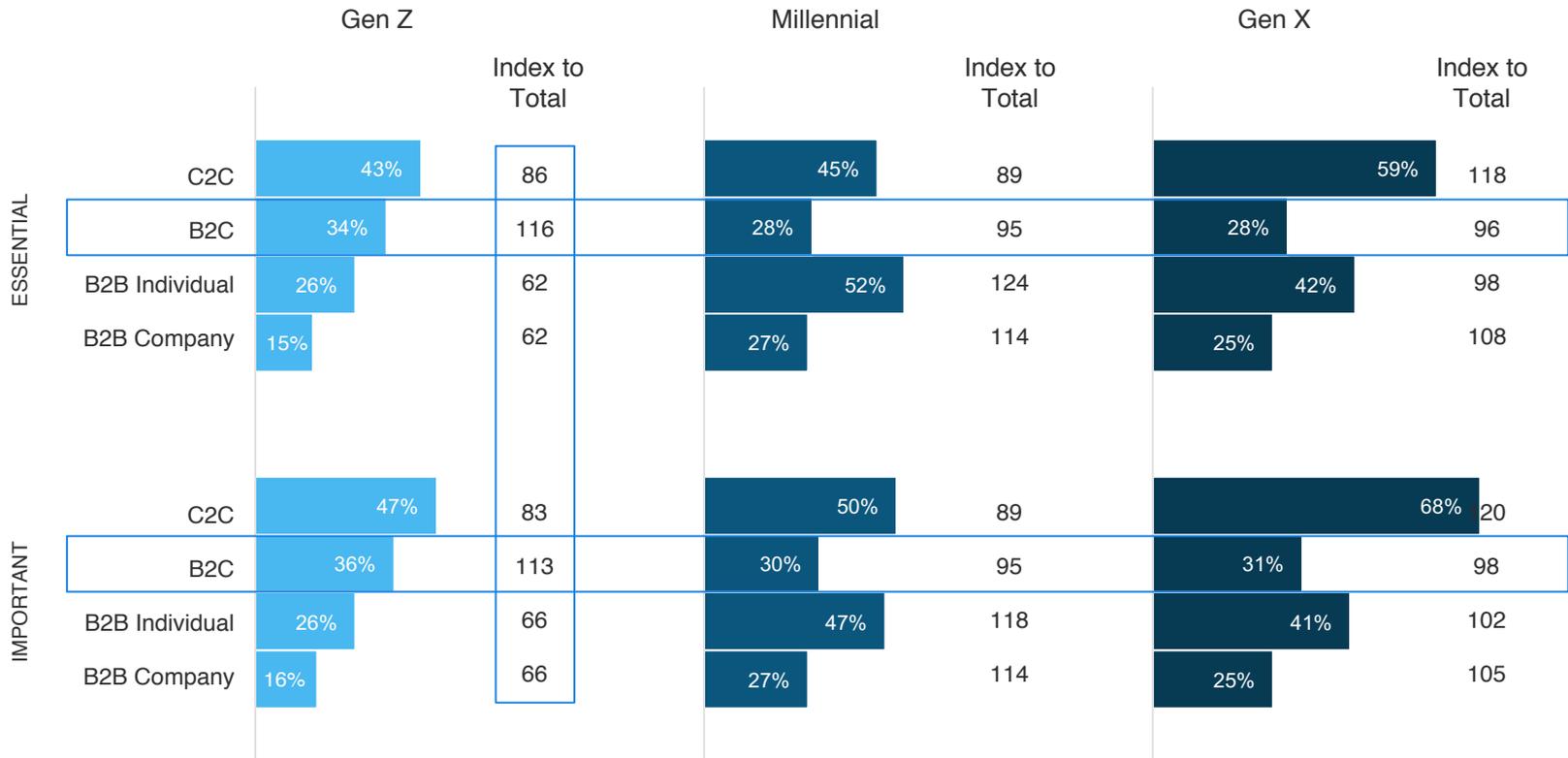
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CURRENT EMAIL COMMUNICATION USE

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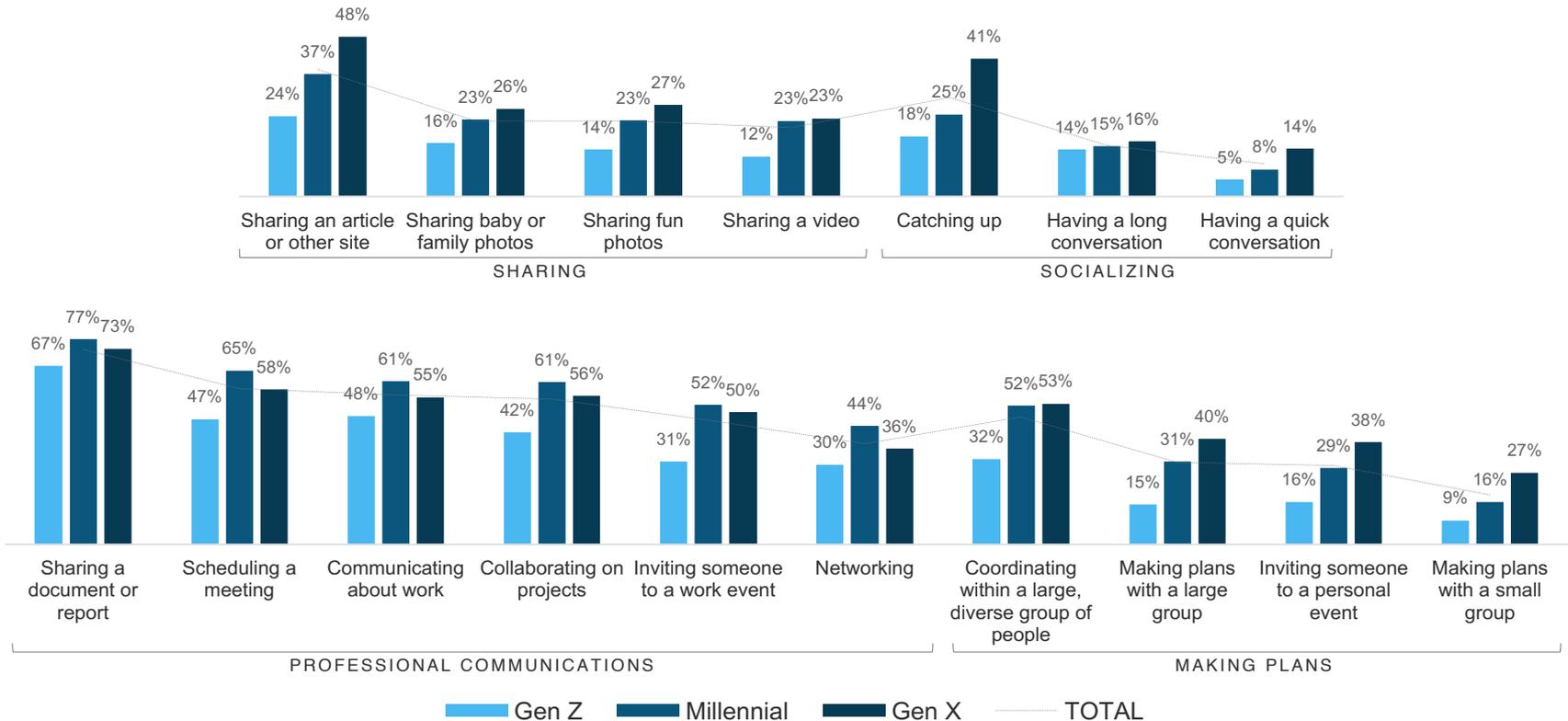
Yet, younger participants place relatively high value on B2C emails compared to older generations and compared to all other types of email communication.



CURRENT CATEGORY ENGAGEMENT (EMAIL TYPE)

Q3B/Q4B / Thinking specifically about email, which of the following forms that you use is essential/important to your life?

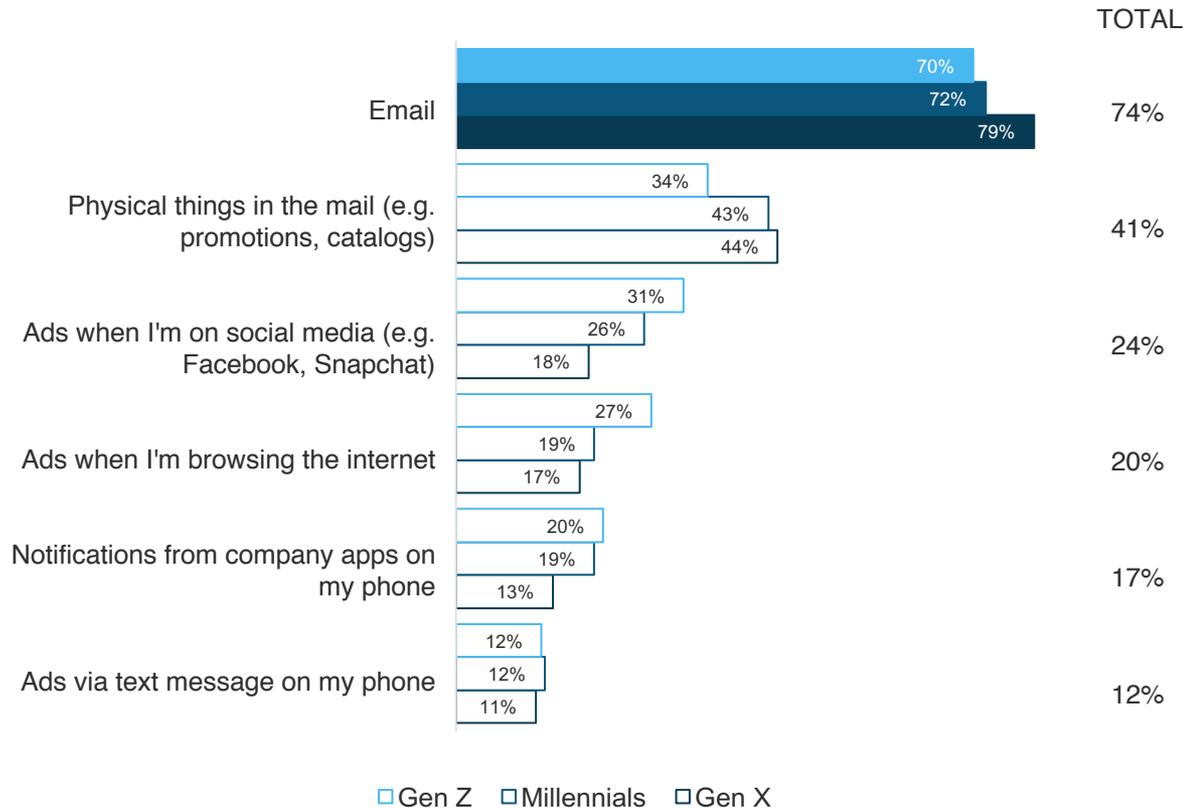
Email is primarily a vehicle for work exchanges, particularly for sharing documents, scheduling meetings and communicating about work generally.



PLATFORM/CONTENT PREFERENCES FOR EMAIL

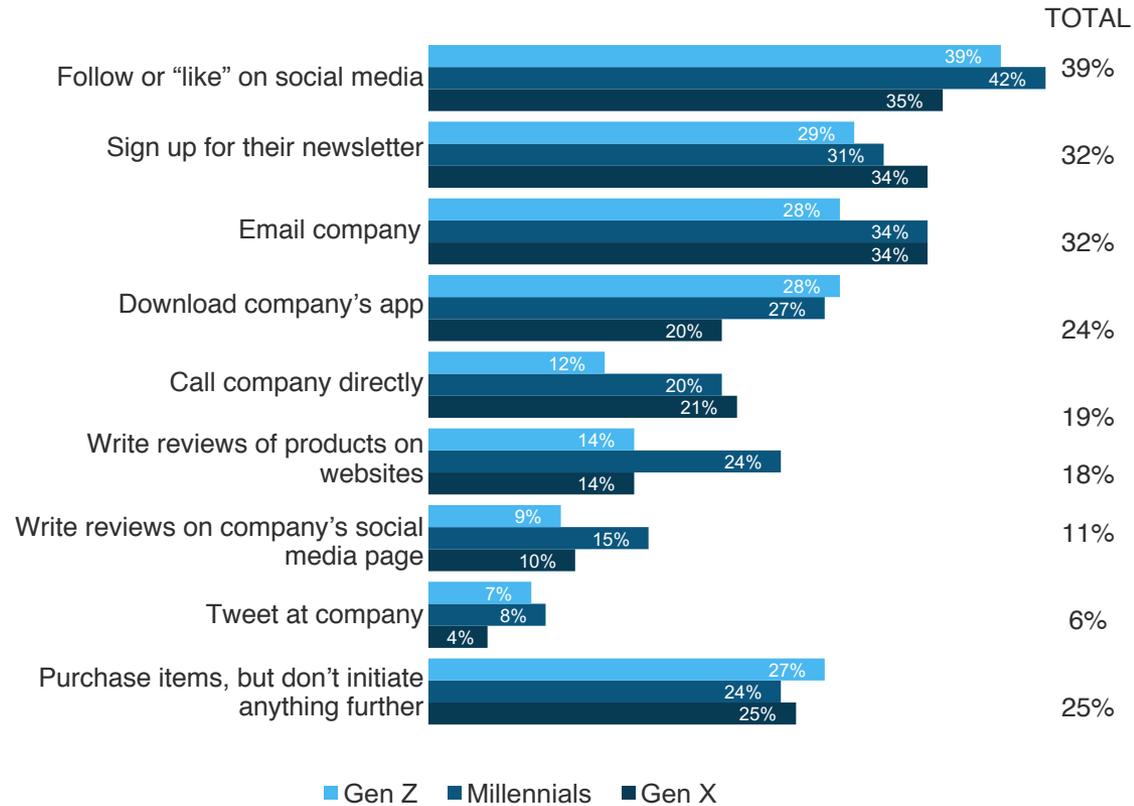
Q1A / Below is a list of different reasons you might communicate with others. For each one, please indicate which tool you use.

There is also an overwhelming preference for email when used for company-to-consumer interactions.



COMPANY TO CONSUMER INTERACTION PREFERENCES
 Q2B / Which of these are your preferred methods for a company to interact with you?

For consumer-to-company interactions, people prefer to follow companies on social media, receive newsletters, or email them directly.



CONSUMER TO COMPANY INTERACTION PREFERENCES
 Q2A / How do you interact with companies you're interested in or buy from?

“My job requires a lot of email use to communicate with my team and other departments where I work. I also use it to get sales flyers/promotional info from companies I have purchased from more recently. I like that form of communication from companies I buy from.”

MALE, MILLENNIAL

WHAT MIGHT DIGITAL COMMUNICATION
BEHAVIORS LOOK LIKE TOMORROW?

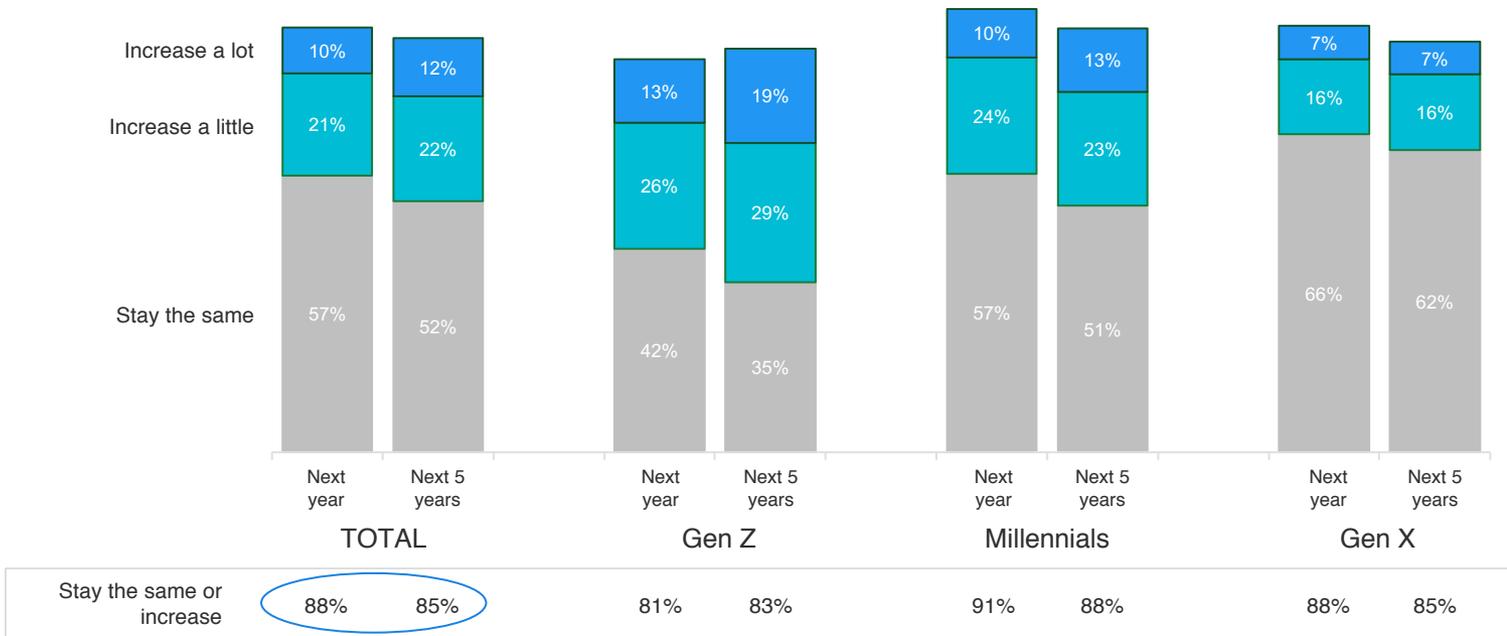
The Digital Communication Horizon



“Previously an email was for communicating with teachers in college, now it is used for work communication, rapid spreading of information for work, and communication with companies I purchase from.”

FEMALE, MILLENNIAL

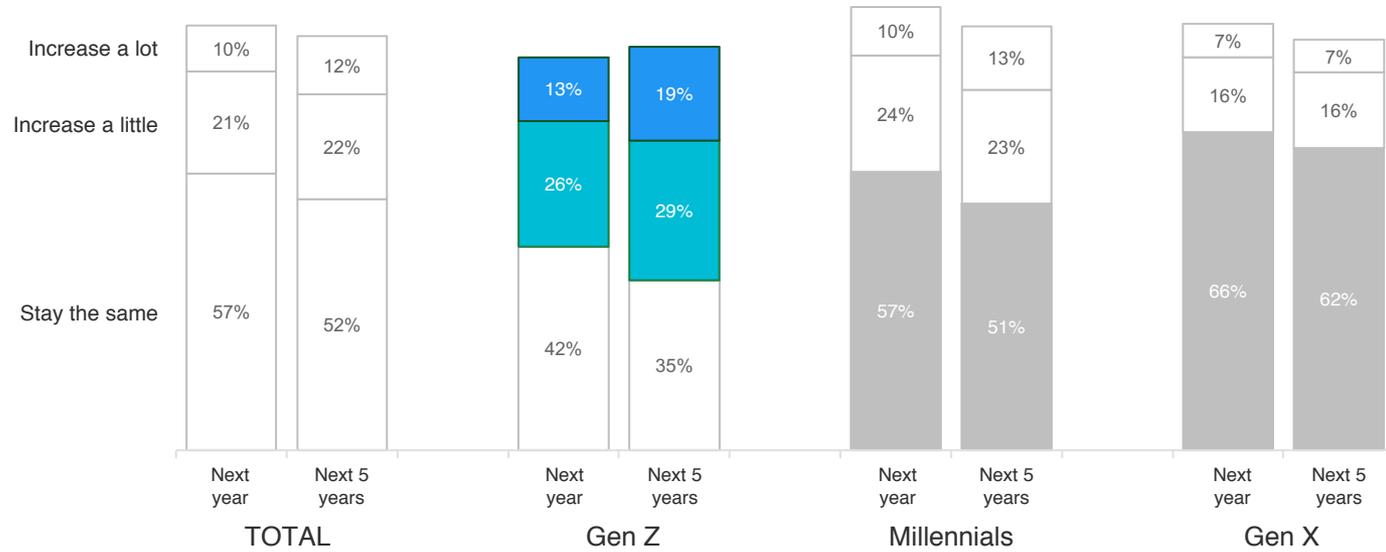
The vast majority of people – 88% and 85%, respectively – believe that their email usage will stay the same or increase in the next year and 5 years.



FUTURE CATEGORY ENGAGEMENT

Q7/Q8 / Thinking ahead, how much more or less do you think you'll be using each of these forms of communication in the next year/next 5 years?

Email usage is expected to continue to increase the most among Gen Z while email usage among Millennials and Gen X appears to approach saturation.

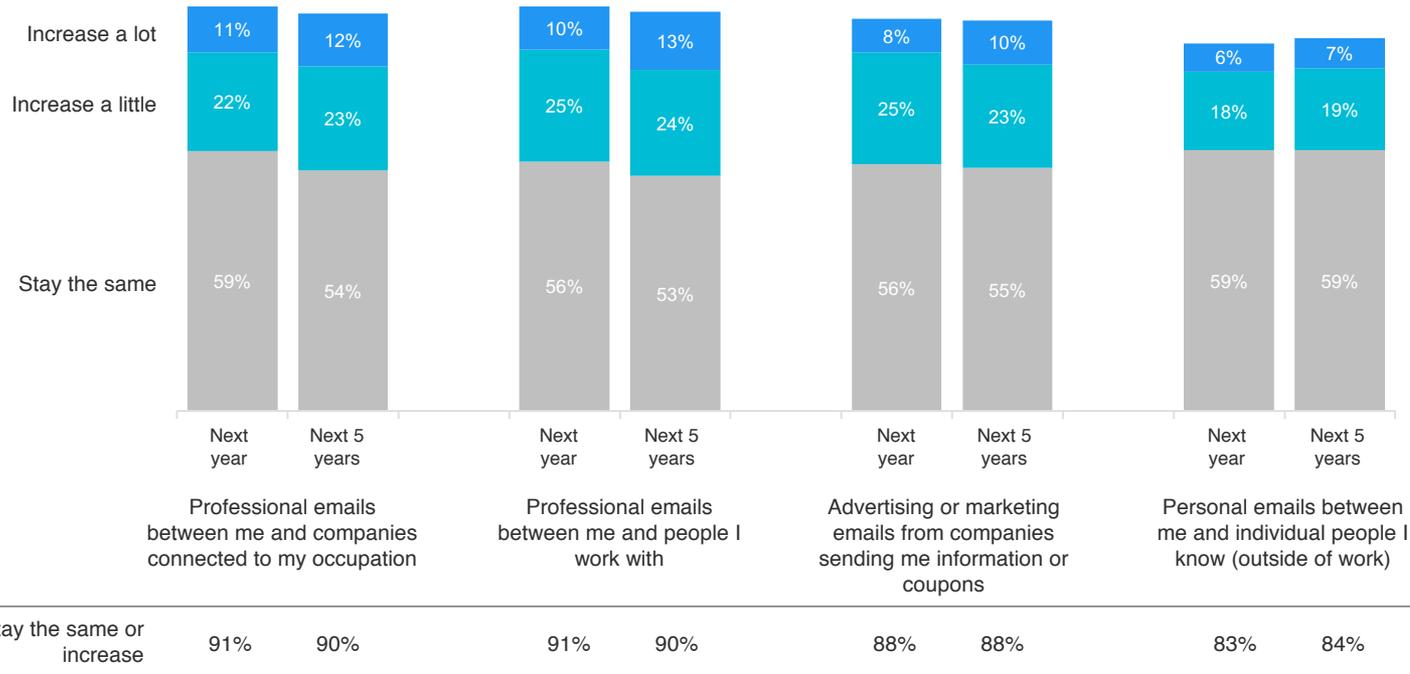


Stay the same or increase	Next year	Next 5 years
TOTAL	88%	85%
Gen Z	81%	83%
Millennials	91%	88%
Gen X	88%	85%

FUTURE CATEGORY ENGAGEMENT

Q7/Q8 / Thinking ahead, how much more or less do you think you'll be using each of these forms of communication in the next year/next 5 years?

Email communications of all types exhibit strong staying power! The vast majority of respondents believe their email usage (regardless of type) is going to stay the same or increase in the near future.



FUTURE CATEGORY ENGAGEMENT

Q9/Q10 / Thinking ahead, how much more or less do you think you'll be using each of these forms of communication in the next year/next 5 years?

Specifically, Gen Z is more confident than any other generation that their email communication will increase next year.

In the next year									
	Gen Z			Millennial			Gen X		
	Decrease	Stay the same	Increase	Decrease	Stay the same	Increase	Decrease	Stay the same	Increase
Professional emails between me and companies connected to my occupation	8%	46%	46%	7%	56%	36%	11%	68%	21%
Professional emails between me and people I work with	9%	40%	51%	7%	54%	38%	11%	67%	22%
Advertising or marketing emails from companies sending me information or coupons	14%	47%	39%	10%	55%	34%	12%	60%	28%
Personal emails between me and individual people I know (outside of work)	19%	51%	30%	16%	58%	26%	18%	63%	19%

FUTURE CATEGORY ENGAGEMENT

Q9/Q10 / Thinking ahead, how much more or less do you think you'll be using each of these forms of communication in the next year/next 5 years?

This increase is anticipated to be even greater when looking ahead 5 years from now. Gen Z – more than Millennials or Gen X – believes that B2B and B2C email usage will continue to grow.

In the next 5 years									
	Gen Z			Millennial			Gen X		
	Decrease	Stay the same	Increase	Decrease	Stay the same	Increase	Decrease	Stay the same	Increase
Professional emails between me and companies connected to my occupation	11%	34%	55%	9%	53%	38%	12%	67%	21%
Professional emails between me and people I work with	9%	34%	57%	9%	51%	40%	11%	66%	23%
Advertising or marketing emails from companies sending me information or coupons	13%	45%	42%	11%	54%	35%	12%	61%	27%
Personal emails between me and individual people I know (outside of work)	17%	48%	35%	16%	59%	25%	16%	65%	19%

FUTURE CATEGORY ENGAGEMENT

Q9/Q10 / Thinking ahead, how much more or less do you think you'll be using each of these forms of communication in the next year/next 5 years?

“I work remotely and have to coordinate a lot more with coworkers and colleagues, and [email] is the preferred and most professional way we communicate.”

MALE, GEN X

WHAT ARE THE PRIMARY DRIVERS OF
EMAIL USAGE?

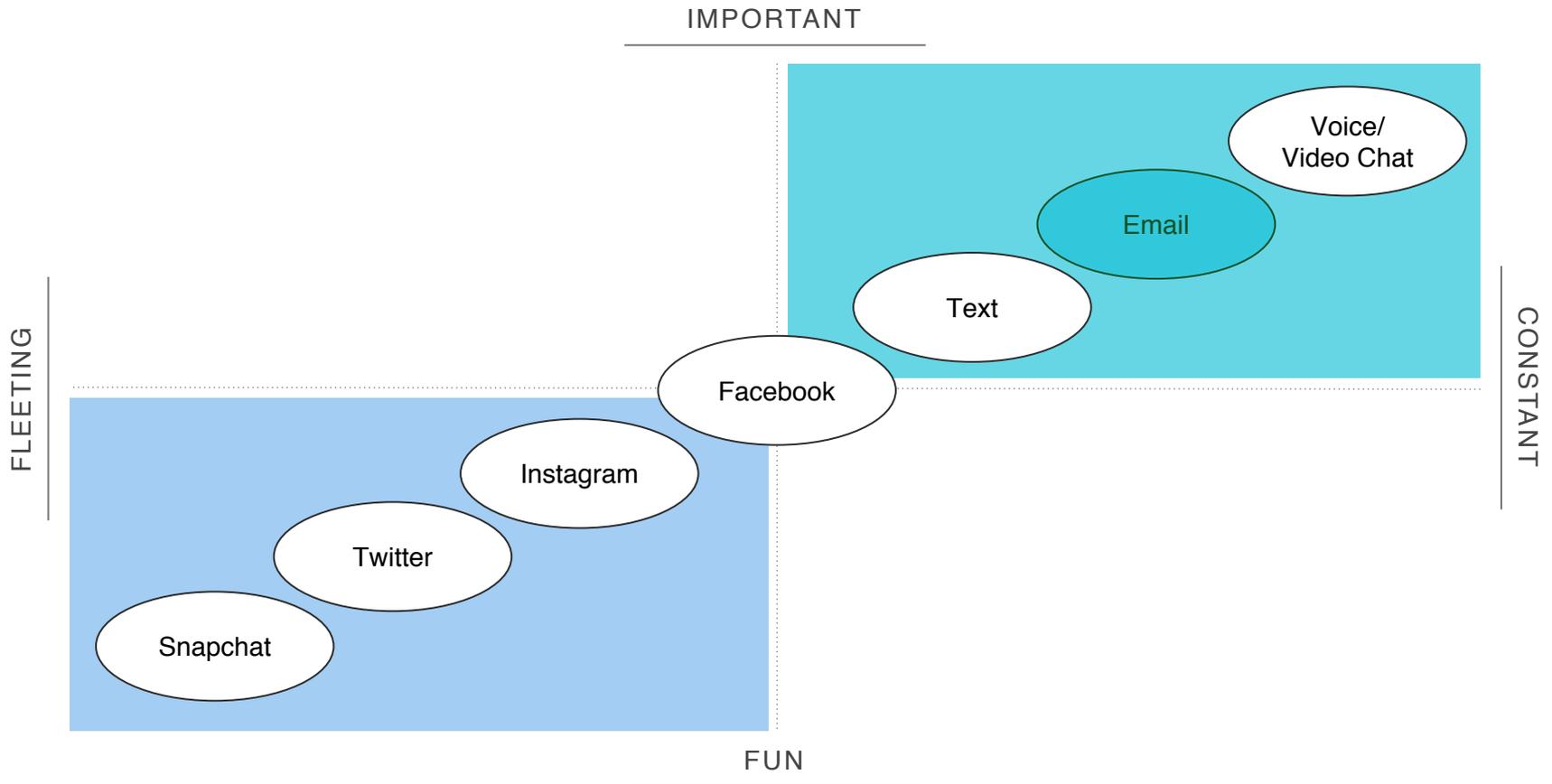
Critical Email Influences



“I started high-school recently and now email is a great way to communicate about work efficiently with peers and teachers.”

MALE, GEN Z

In our qualitative immersion, we captured longevity of digital communications and discovered that email is constant and important, while various social media apps are perceived as fleeting.



LONGEVITY OF DIGITAL COMMUNICATION BEHAVIORS
Qualitative Consumer Immersion

We confirmed this insight when we isolated the attitudes that people are likely to have across various digital communication forms.



Email

PREDICTORS

- ▶ I place a lot of value on having time to myself

PROHIBITORS

- ▶ I like to forge my own path, free from the influence of others
- ▶ I prefer to keep my opinions to myself
- ▶ I rely on social media to stay current



Instagram

PREDICTORS

- ▶ I place a lot of value on having time to myself
- ▶ I have a large network of friends that I hang out with
- ▶ I rely on social media to stay current

PROHIBITORS

- ▶ Basic technology is all I need, the super high-tech stuff isn't for me



Twitter

PREDICTORS

- ▶ I place a lot of value on having time to myself
- ▶ I have a large network of friends I hang out with
- ▶ I write online reviews about things or experiences I've tried
- ▶ I rely on social media to stay current
- ▶ I pride myself on being in the know about the latest and greatest technology out there

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Snapchat

PREDICTORS

- ▶ I place a lot of value on having time to myself
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PROHIBITORS

- ▶ I prefer to relax at home than go out on weekends
- ▶ I write online reviews about things or experiences I've tried
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ATTITUDES ASSOCIATED WITH CURRENT DIGITAL COMMUNICATION BEHAVIORS

Apps that are perceived as more fleeting are defined by narrower, transient and more life stage-centric attitudes that are likely to change over time.



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Snapchat

PREDICTORS

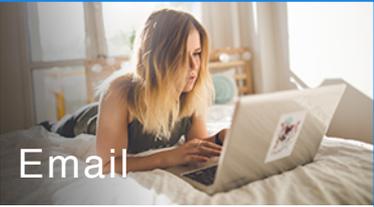
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ATTITUDES ASSOCIATED WITH CURRENT DIGITAL COMMUNICATION BEHAVIORS

On the other hand, the email user is broad and undefined – an indication that email is a ubiquitous communication form inherent across people with many attitudes.



Email

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ATTITUDES ASSOCIATED WITH CURRENT DIGITAL COMMUNICATION BEHAVIORS

A person wearing a hooded jacket is sitting on a metal bench at night. They are looking down at a smartphone in their hands. The background is a paved area with a grid pattern of tiles. The scene is dimly lit, with some light reflecting off the tiles and the person's jacket.

“I started college and email is essential in college. I've had a few different jobs since starting school and some of those jobs require email for communication. I have also taken on several leadership roles in a large organization, which requires email to communicate with members throughout the country.”

FEMALE, GEN Z

“Previously an email was for communicating with teachers in college, now it is used for work communication, rapid spreading of information for work, and communication with companies I purchase from.”

FEMALE, MILLENNIAL

All personality types use email, but those who work in a traditional office or are entering / exiting school are most likely to send email more in the future.



Life stage

CURRENT USAGE

- ▶ Started a new job / started college
- ▶ Got promoted
- ▶ Moved to a new city / state
- ▶ Bought a house or condo

NEXT YEAR

- ▶ Opened my own business
- ▶ Graduated high school

NEXT FIVE YEARS

- ▶ Opened my own business
- ▶ Finished graduate school



Attitudes

CURRENT USAGE

- ▶ I place a lot of value on having time to myself

NEXT YEAR

- ▶ I place a lot of value on having time to myself
- ▶ I have a large network of friends I hang out with
- ▶ I pride myself on being in the know about the latest and greatest technology out there

NEXT FIVE YEARS

- ▶ I pride myself on being in the know about the latest and greatest technology out there



Work Environment

CURRENT USAGE

- ▶ In current position 5-10 years

NEXT YEAR

- ▶ Currently employed
- ▶ Work in an office / job requires a lot of time on the computer
- ▶ Less than one year at current position

NEXT FIVE YEARS

- ▶ Less than one year at current position

Respondents told us that increased email usage results mostly from their jobs and school. They also indicated that B2C emails are driving usage.

“I’m using my emails more for business as my career progresses.”

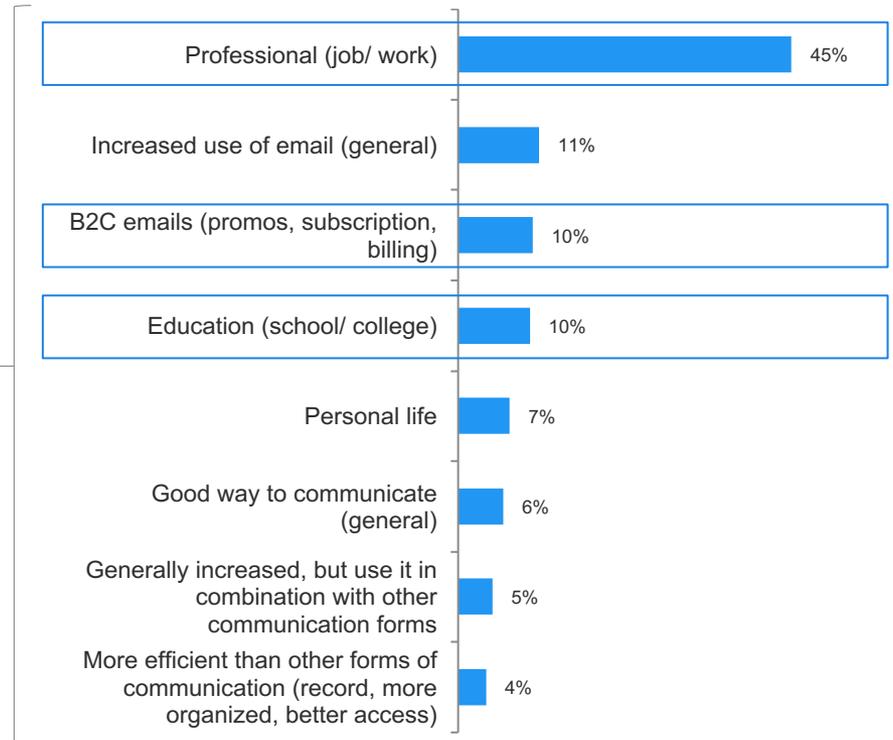
MILLENNIAL

“I’ve started interacting with companies (like survey companies) that email me things such as rewards or offers.”

GEN Z

“I returned to school for my PhD, and email is essential in communicating with my professors, my advisory board, and often my family to be quick about getting in touch and updating them on things, rather than making phone calls, which I don’t enjoy.”

GEN X



REASON FOR EMAIL INCREASE

Q6A / You mentioned that your use of email has increased, what is the reason for that? (Coded open-ended response)

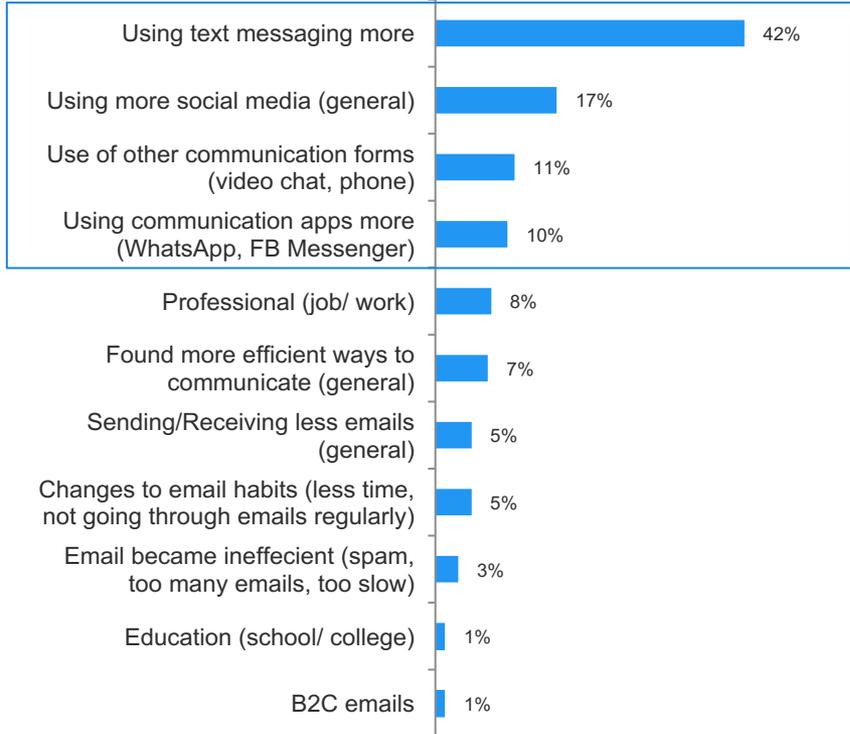
Though email’s pervasiveness and growth overall is clear, that trend doesn’t hold for every single person. Among that minority, the greatest reasons are people turning to text, social media and other communication forms.

“I use e-mail a lot more to get notifications from stores or real estate sites and such. But with family and friends, most of my e-mail conversations seem to be drifting to text.”

GEN X

“Everyone has some sort of social media account and it's easy to find them on there. I mainly use my email for promos at stores.”

MILLENNIAL



REASON FOR EMAIL DECREASE

Q6A / You mentioned that your use of email has decreased, what is the reason for that? (Coded open-ended response)

Digital communication behaviors are rapidly changing, in large part due to demand for convenience and more visual communication.

“With my smartphone, it is easier for me to communicate online. Therefore, I spend more time on social media platforms.”

GEN Z

“I have gone from a person who does not snapchat to one who loves it more than any other form of communication. I was once almost all iMessage but the visual photo as a part of the message is so much better than any regular text.”

GEN Z

“I got a smart phone which allows me to use messenger and snapchat and other apps.”

GEN Z

“Increased text and use of social media, I.e. Instagram. People share more pictures and videos with each other digitally and communicate with each other in person less.”

MILLENNIAL

“The biggest change in my digital communication is probably my ability to communicate using multiple methods of communication - phone, text, FB messenger, etc. I don't prefer just one, I use them all because they're all needed for different uses.”

MILLENNIAL

“It's faster and more reliable to send emails and much easier to communicate online than in the past.”

GEN X

BIGGEST CHANGE TO COMMUNICATING DIGITALLY

Q6B / What would you say the biggest change has been in the way you communicate digitally in the past few years?

Regardless, all generations view email as an integral part of their digital communication portfolio that won't waver.

"I definitely communicate more professionally through email."

GEN Z

"The use of email. The transition from high school to college had me using email once a week to a couple times a day."

GEN Z

"Using my phone for more, even email. More on the go format."

MILLENNIAL

"Communication with my co-workers at my current job is primarily through email. I also started a graduate program where a lot of communication is through email."

MILLENNIAL

"More email and texting, less talking on the phone. Also advertising my own business (social media posts)."

GEN X

"I handle a lot more of my communication needs by email instead of phone call, which is what I used to do."

GEN X

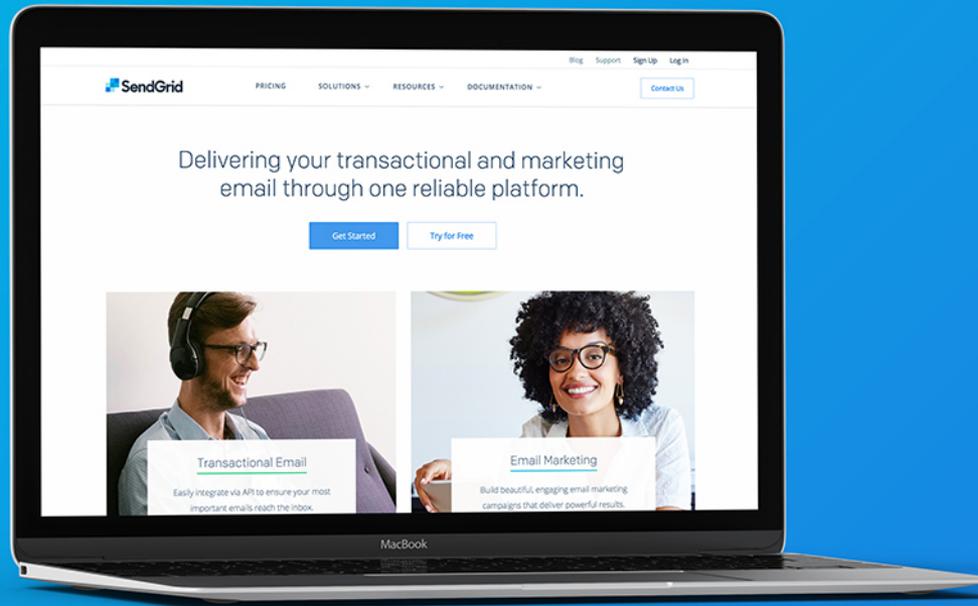
BIGGEST CHANGE TO COMMUNICATING DIGITALLY

Q6B / What would you say the biggest change has been in the way you communicate digitally in the past few years?



“I communicate with companies and businesses a lot more through e-mail. Everything from getting coupons, to tracking shipments, billing notifications, scheduling and I even make inquiries by e-mail rather than phone if I can.”

FEMALE, GEN X



About SendGrid

SendGrid helps you focus on your business without the cost and complexity of owning and maintaining an email infrastructure. We help with all technical details (from whitelabeling to DKIM) and offer world-class deliverability expertise to help your emails reach the inbox. And with a full-featured marketing email service that offers an intuitive workflow, effortless list segmentation, and actionable analytics, all of your email needs are met in one simple platform.

A photograph of two business women sitting at a table, shaking hands. The woman on the right is wearing a dark blazer over a white t-shirt and a necklace. The woman on the left is wearing a dark blazer. There are coffee cups and a laptop on the table. The background is slightly blurred.

Thank You.

 SendGrid +  eggstrategy™