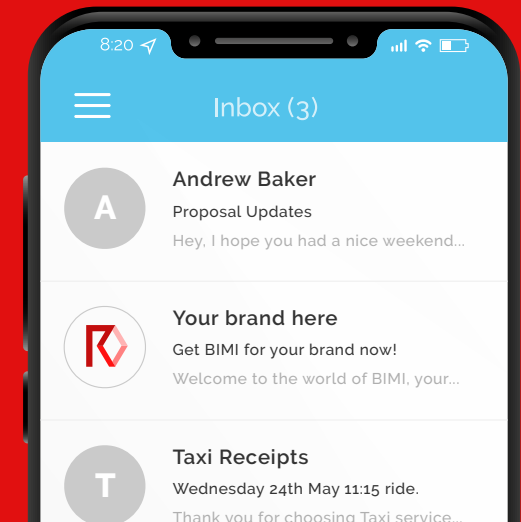# RED SIFT | ENTRUST

Consumer Interaction with Visual Brands in Email

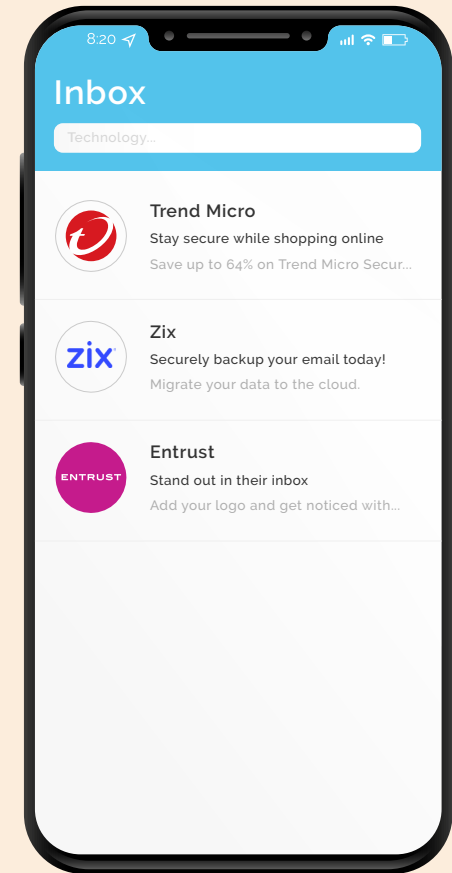**Does logo visibility translate into market value?**

Red Sift and Entrust have put this report together to highlight the key findings from our research into the impact of a visible logo in an email's avatar location on open rates, brand recall, and buying behavior. We assessed the impact that logo visibility and the new standard BIMI (Brand Indicators for Message Identification) has on consumer interaction and buying behavior, and how this could influence the use and success of verified logos in email going forward.

We hope you find it both interesting and useful!

Introduction

1. Email: the foundation of all ecommerce communications

2. BIMI: the new standard for logo visibility in email

3. The impact of logo visibility on email open rates

4. Does a logo make it easier for consumers to recall a brand?

5. Can seeing a logo make a consumer buy more?

6. Logo visibility and the Millennial market

7. How can you get BIMI certified and start using your logo on emails?

8:20

Inbox

Technology...

Trend Micro
Stay secure while shopping online
Save up to 64% on Trend Micro Secur...

Zix
Securely backup your email today!
Migrate your data to the cloud.

Entrust
Stand out in their inbox
Add your logo and get noticed with...

BIMI stands for **Brand Indicators for Message Identification** in email. This is a new standard that allows a company to display its registered trademark logo alongside the emails it sends.

Executive summary

Email recipient interaction increases when the sending organization's logo appears in the avatar slot, irrespective of brand strength or size.

Key findings

1 **BIMI increases consumer interaction** and companies need to get on board or risk losing market share

2 **Consumers do interact better with emails** when they have a visual logo attached, irrespective of brand strength or size

3 **BIMI will encourage businesses to adopt DMARC** as the global standard, something we should be doing already as a best practice

4 **The color and style of a logo does impact brand recall** and is something retailers may want to consider when implementing BIMI

5 **BIMI serves as a key indicator of authentication** enabling consumers to be sure that an email has come from a legitimate source (using DMARC)

6 **BIMI boosts market value** as every percentage of opens and purchases a logo generates translates into revenue

7 **Logo visibility in email has the greatest impact on the younger generations,** suggesting this technology-first demographic is more expectant of standards like BIMI for the future

We baselined responses to test emails across participants, covering transactional and promotional emails along with brand recall. We then compared the baseline to responses to the same emails with the inclusion of logos using BIMI.

User testing overview

We surveyed 1,026 participants across the US and UK to assess the impact that logo visibility has on email open rates, brand recall, and buying behavior.

626 UK participants

400 US participants

Grouped: 18-29, 30-39, 40-49, 50-59, 60+

Additional data collected

Gender

Education and income
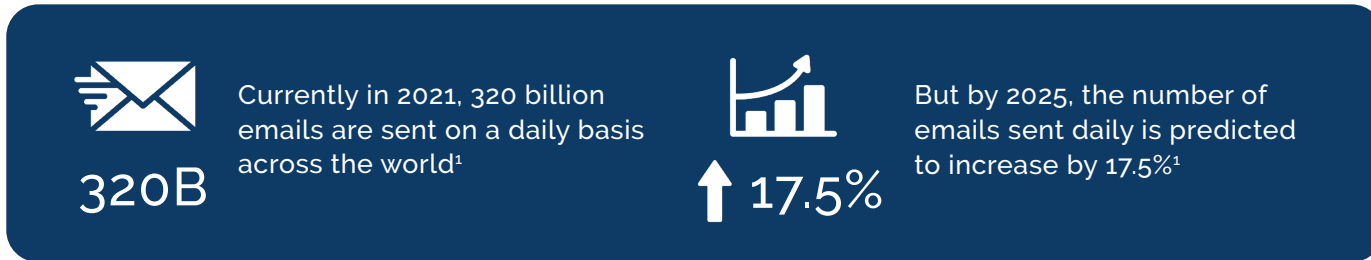
Employment including type and seniority

We assessed the impact logo visibility (enabled by BIMI) had on:

- Transactional email
- Promotional email
- Open rates
- Brand recall
- Buying choices

We also assessed participant awareness of BIMI.

1. Email - the foundation of all ecommerce communications

Email is a vital tool used by almost all ecommerce businesses in every capacity. From promoting new products and offers to sending tracking updates and invoices, email is the structural glue that underpins the key lines of communication between business and consumer.

320B Currently in 2021, 320 billion emails are sent on a daily basis across the world[1]

↑ **17.5%** But by 2025, the number of emails sent daily is predicted to increase by 17.5%[1]

Email isn't going anywhere. But as with anything, the evolution of how businesses use this channel is inevitable, making it work harder for their goals and needs. As part of this evolution comes BIMI.

[1]Statista

2. BIMI - the new standard for logo visibility in email

BIMI (Brand Indicators for Message Identification) is a new standard that enables senders to display validated, registered trademarked logos on every DMARC authenticated email they send.

As email continues to be the most popular medium for organizations and industries to communicate, BIMI is a brand-enhancing reward that DMARC authenticated senders can use to highlight the authenticity of their emails while increasing brand impressions. As much as BIMI could be a beneficial tool for improving ROI, it's important that it is viewed as an addition or reward for the security protocol which enables its use: DMARC.

What is DMARC?

DMARC (Domain-based Message Authentication, Reporting and Conformance) is a security protocol that protects businesses from exact domain impersonation and its harmful effects.
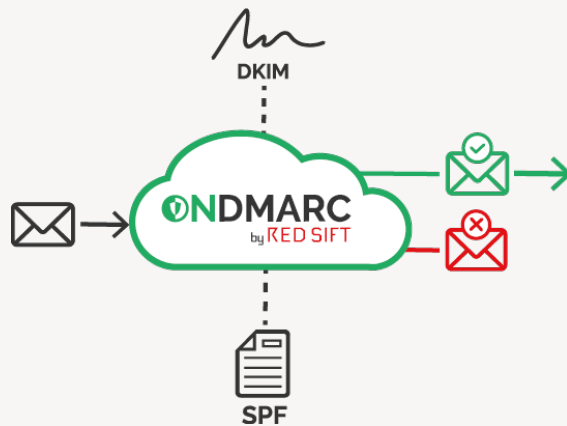
When correctly configured, it works using existing security protocols SPF and DKIM to tell any receiving servers that an email coming from your domain is legitimate. This stops hackers using your domain for phishing attempts against your customers, employees and suppliers and has also been shown to improve email deliverability and placement.


BIMI
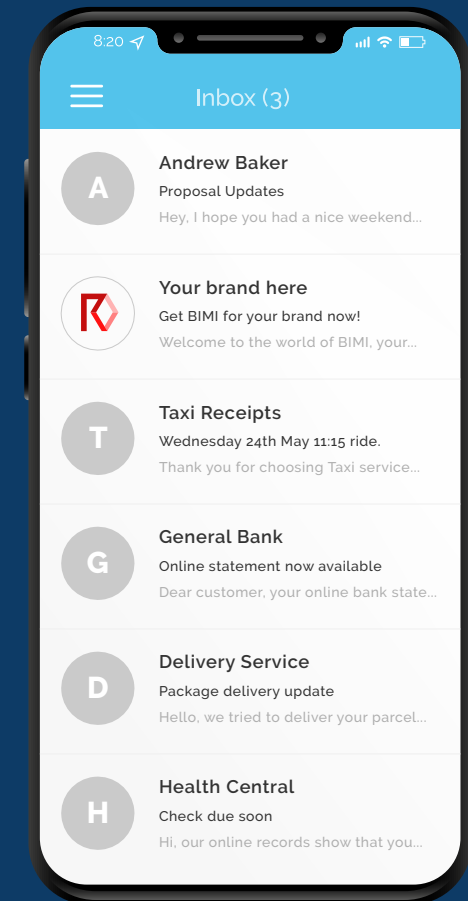
Brand **I**ndicators for **M**essage **I**dentification

3. The impact of logo visibility on email open rates

Depending on the figures, email open rates can be a digital marketer's dream - or nightmare. There are many ways a business can increase these numbers, but if something as theoretically simple as attaching a verified logo can make a positive impact, surely this should be every marketer's top priority to implement? In our research we looked at the impact of logo visibility, enabled by BIMI, on both transactional and promotional email open rates in the US and UK.
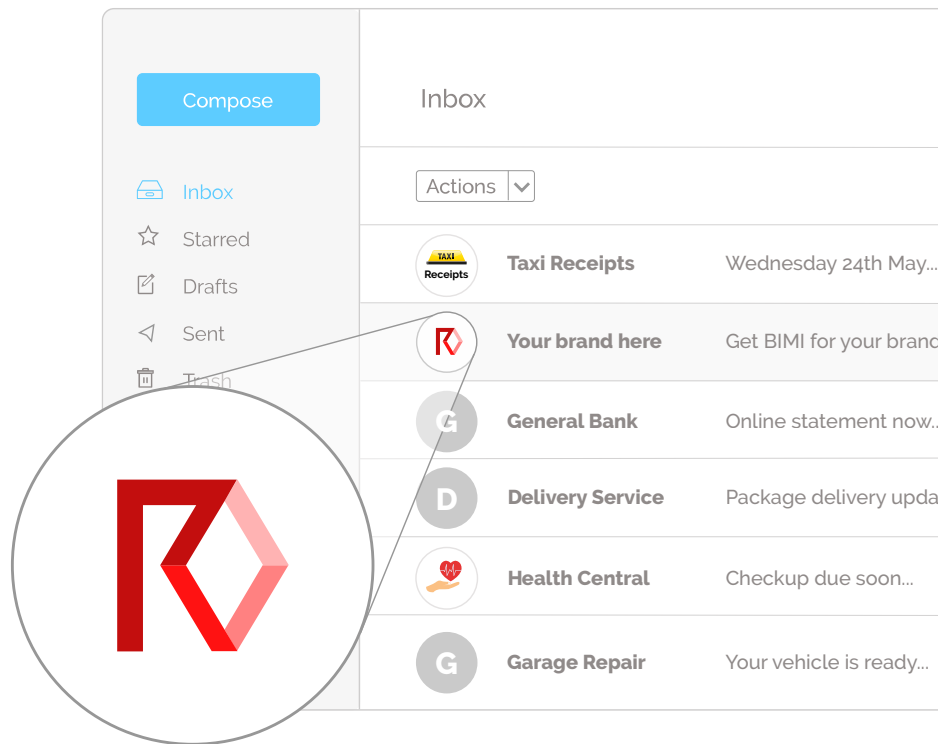
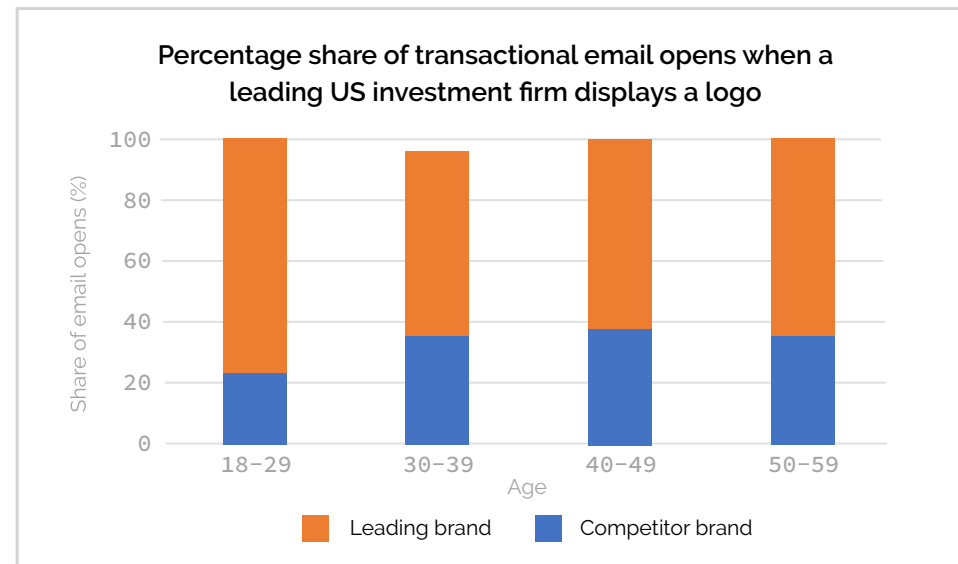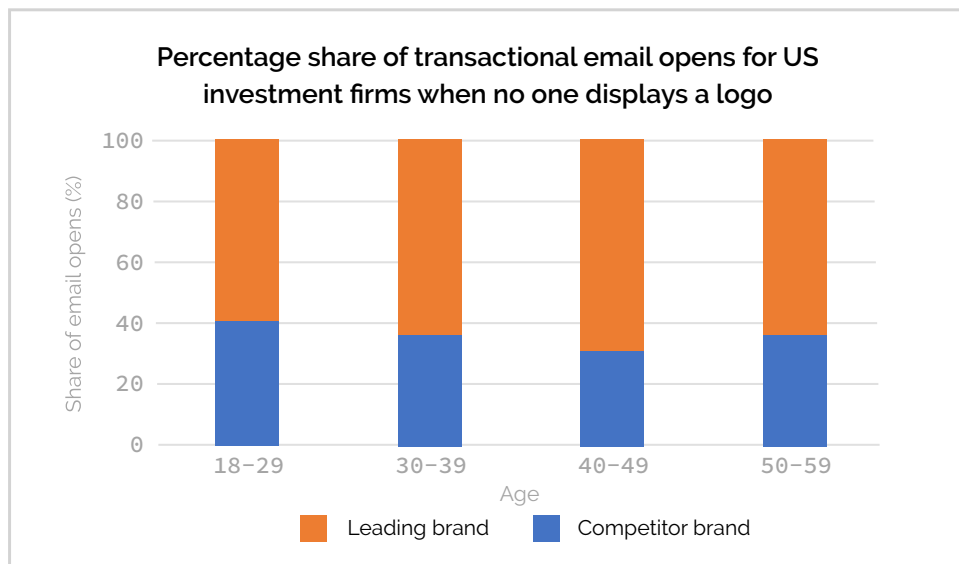What a logo looks like when placed in the avatar location in an email inbox.

If attaching a verified logo can have a positive impact on email open rates, surely this should be every marketer's top priority?

How does logo visibility impact transactional email opens?

Transactional email is the backbone medium of most customer communication strategies. In the US, we looked at how the open rates of transactional emails from two investment firms were impacted by displaying logos using BIMI. We found that when displaying a logo, **a leading financial investment organization saw a 6% increase** in its share of opens, while a competitor's **decreased by 10%**.

Percentage share of transactional email opens for US investment firms when no one displays a logo

Legend: ▇ Leading brand ▇ Competitor brand

Percentage share of transactional email opens when a leading US investment firm displays a logo
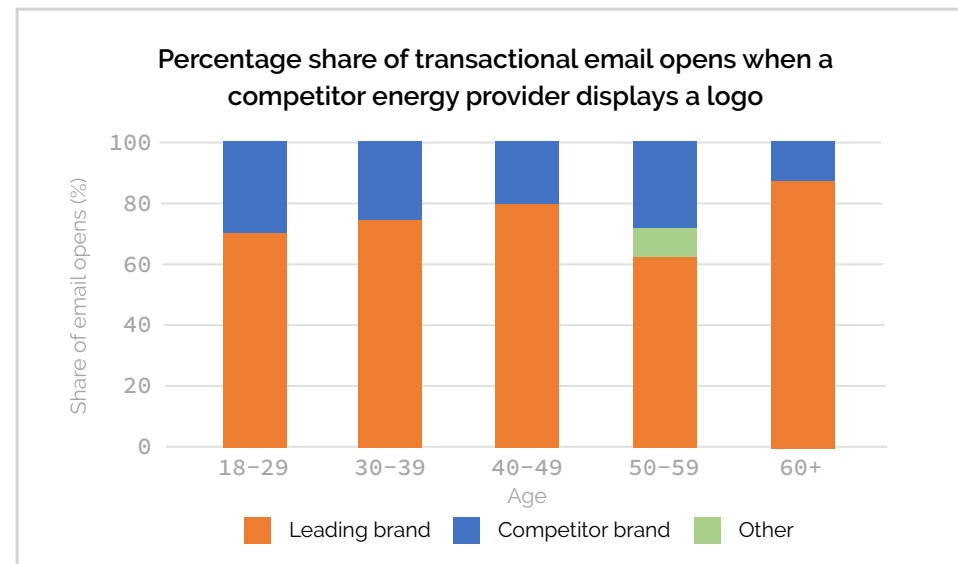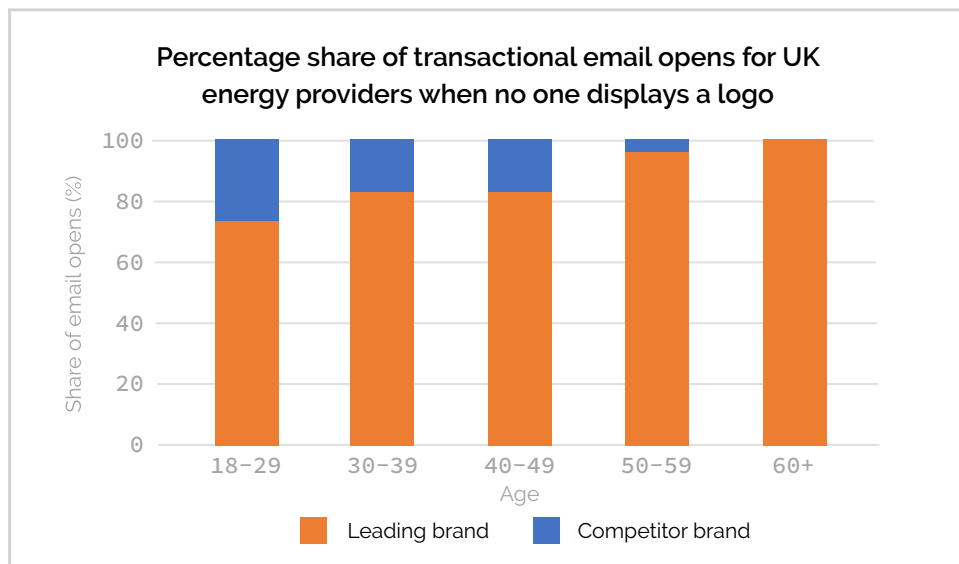

Legend: ▇ Leading brand ▇ Competitor brand

A leading US investment firm that displayed its logo saw a **6% increase in its share of opens** while a **competitor saw a 10% decrease.**

RED SIFT | **ENTRUST**

How does logo visibility impact transactional email opens?

In the UK there were similar findings. We conducted the same experiment using a leading energy provider and a competitor. This time, it was the competitor brand that displayed logos next to its emails in the inbox. Although the leader's email was at the top of the inbox, it lost out to its competitor who raised its own presence in the inbox (against itself with no logo) by 38%.

Percentage share of transactional email opens for UK energy providers when no one displays a logo

Percentage share of transactional email opens when a competitor energy provider displays a logo
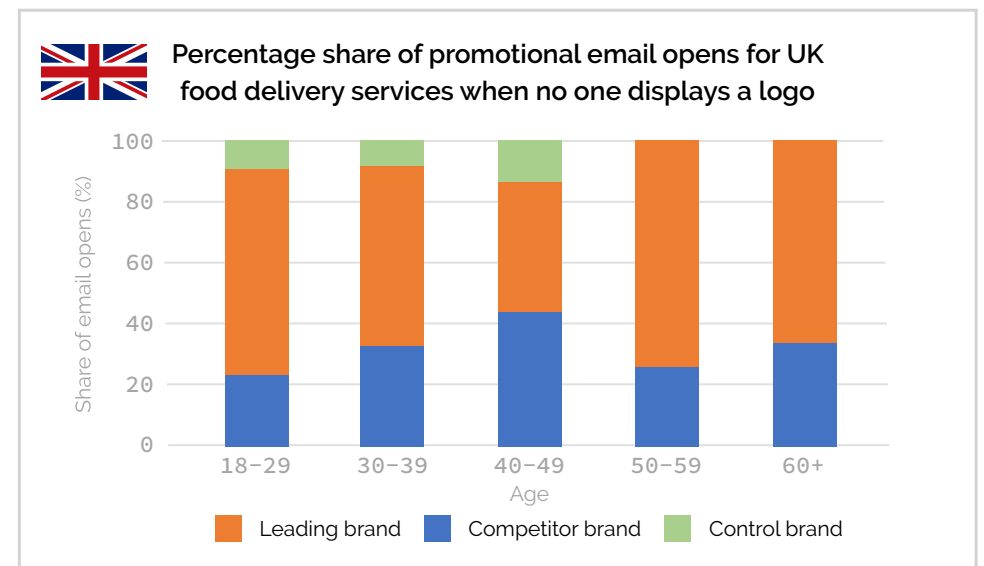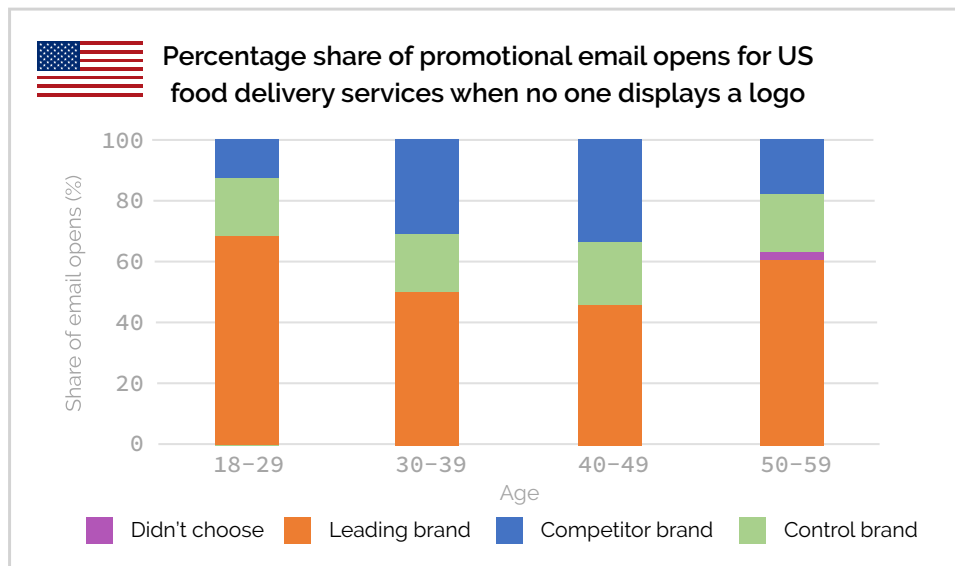
A UK competitor energy provider with just 6% market share **enjoyed an increase of 38%** share in opens thanks to logo visibility, while a **leading provider with no logo lost 11%**.

RED SIFT | ENTRUST

Does this trend translate into promotional email?

Transactional emails are vital for communicating with existing customers, but do we see the same results when businesses are trying to sell products and services? To test this, we measured how visible logos impacted the email open rates of some of the **most popular food delivery services brands in the US and UK** against their competitors.

When no brand displayed a logo

Percentage share of promotional email opens for US food delivery services when no one displays a logo

Legend: Didn't choose, Leading brand, Competitor brand, Control brand

Percentage share of promotional email opens for UK food delivery services when no one displays a logo

Legend: Leading brand, Competitor brand, Control brand
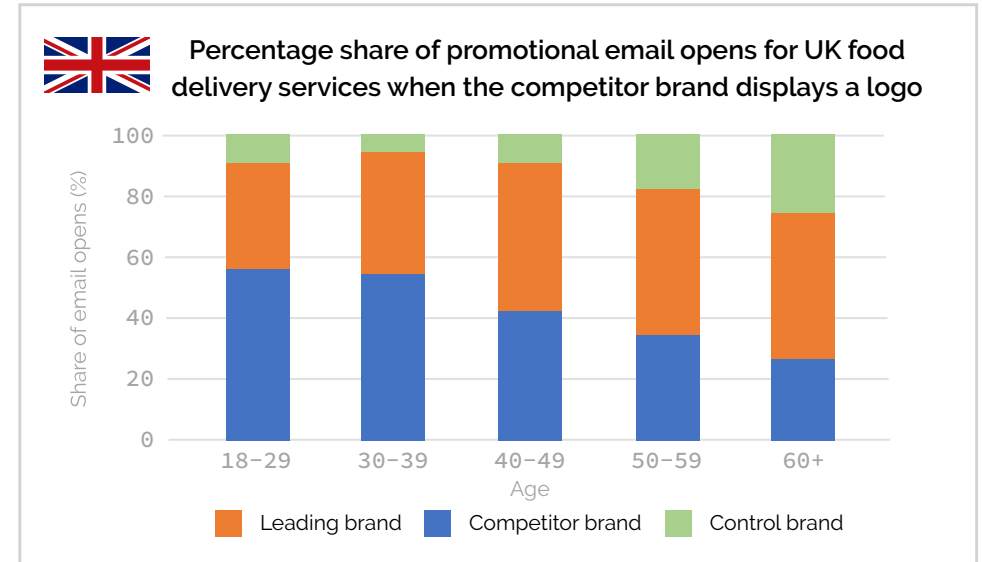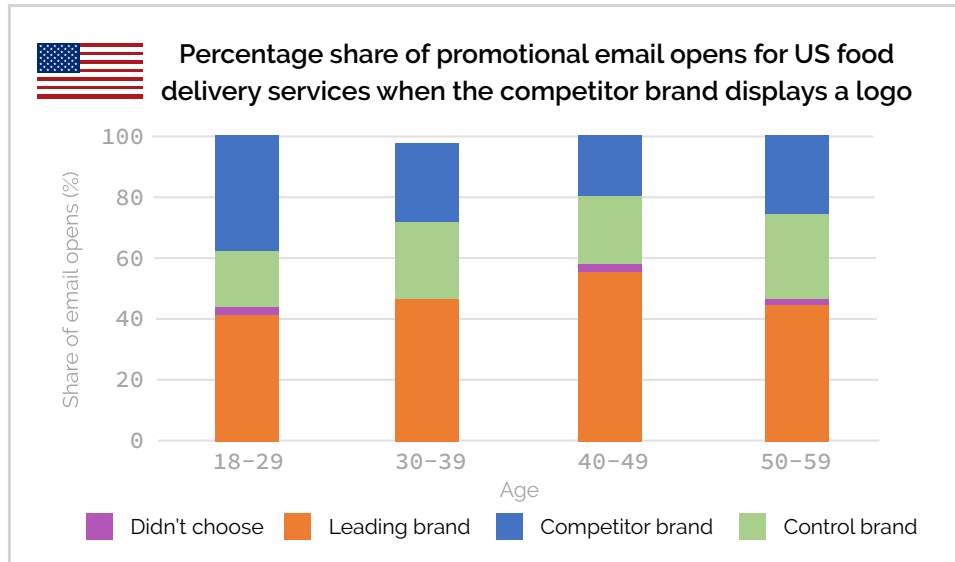
When emails were sent with no logo for any of the brands, unsurprisingly the leading names saw the highest open rates. A leading US brand in this instance had a baseline of 56%, while a leading UK brand enjoyed 61% (compared to 25% and 31% for competitors). It's evident that even without visible logos, their popularity within their target base is strong.

RED SIFT | ENTRUST

Does this trend translate into promotional email?

When the competitor brand displayed a logo

Percentage share of promotional email opens for US food delivery services when the competitor brand displays a logo

Share of email opens (%)

100
80
60
40
20
0

18–29   30–39   40–49   50–59

Age

■ Didn't choose   ■ Leading brand   ■ Competitor brand   ■ Control brand

Percentage share of promotional email opens for UK food delivery services when the competitor brand displays a logo

Share of email opens (%)

100
80
60
40
20
0

18–29   30–39   40–49   50–59   60+

Age

■ Leading brand   ■ Competitor brand   ■ Control brand

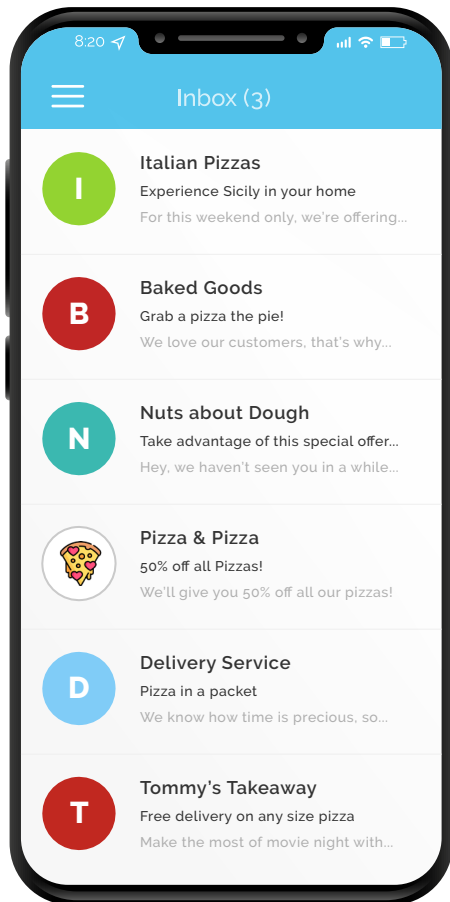However, when logos were displayed on emails from the competitor businesses and not the leading players, we saw that the leading **US and UK businesses lost 15% and 18% share of opens**, while the **competitors saw uplifts of 14% and 39%**. This is evidence that logo visibility does correlate with an increase in consumer interaction with promotional emails in the form of opens.

RED SIFT | **ENTRUST**

Can seeing a logo for the first time still encourage opens?

By including a completely unknown brand as a "control", the impact of displaying a logo alongside a promotional email could be truly evaluated. For this, we used a business with no market share or pre-existing brand reputation, and perhaps what was most surprising about this outcome was the interaction this "control" brand received. When its logo was displayed it **gained 21% share of promotional email opens in the US and 62% in the UK** (when compared to itself without a logo).

Inbox (3)

Italian Pizzas
Experience Sicily in your home
For this weekend only, we're offering...

Baked Goods
Grab a pizza the pie!
We love our customers, that's why...

Nuts about Dough
Take advantage of this special offer...
Hey, we haven't seen you in a while...

Pizza & Pizza
50% off all Pizzas!
We'll give you 50% off all our pizzas!

Delivery Service
Pizza in a packet
We know how time is precious, so...

Tommy's Takeaway
Free delivery on any size pizza
Make the most of movie night with...

What do these findings tell us about the impact of visual logos on email open rates?

Looking at the data alone, we can be confident that the inclusion of logos on both transactional and promotional emails does positively impact open rates. We found that overall, when a brand's emails had a logo but a competitor's did not, **opens increased by 21% in the US and 39% in the UK**. What's perhaps most interesting is that these findings appear to be irrespective of market share or brand size.
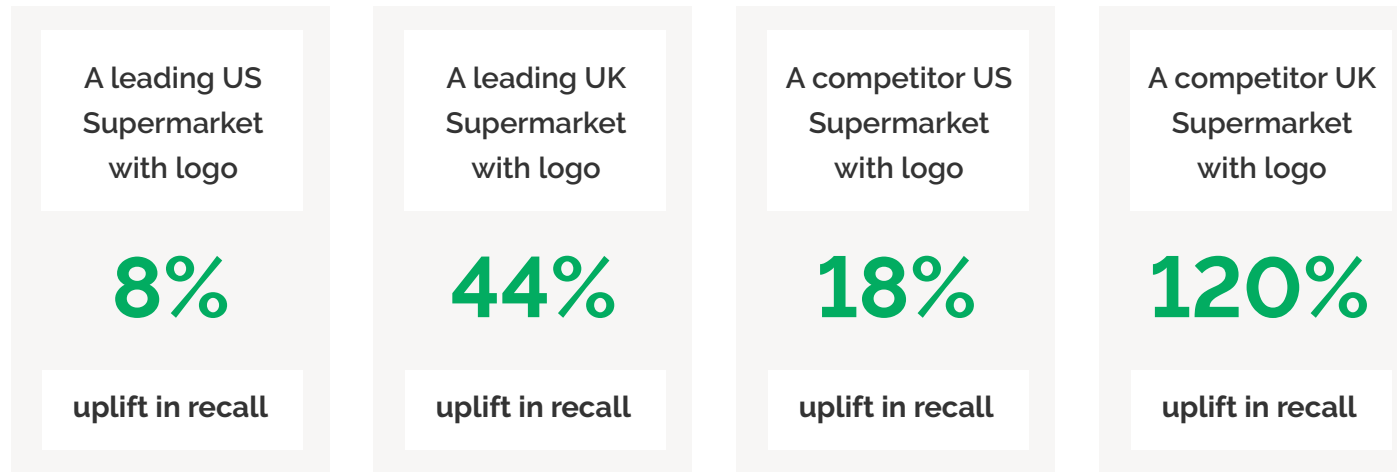
62% increase in open rate share for the "control" brand Pizza & Pizza when a logo was displayed on its emails.

When a brand's emails had a logo but a competitor's did not, **opens increased by 21% in the US and 39% in the UK**

4. Does a logo make it easier for consumers to recall a brand?

Brand recall is a valuable metric for any business. The better your target market remembers you, the more likely they are to buy from you. But does having a visible logo on an email impact how well a consumer remembers your brand? We exposed our participants to a series of emails from popular supermarket brands for 5 seconds and measured which were best recalled based on logo visibility or absence.

A leading US Supermarket with logo	A leading UK Supermarket with logo	A competitor US Supermarket with logo	A competitor UK Supermarket with logo
8%	**44%**	**18%**	**120%**
uplift in recall	uplift in recall	uplift in recall	uplift in recall

While there are some questions around what type and color of logo best encourages recall, the use of visible logos next to these emails had clear positive results.
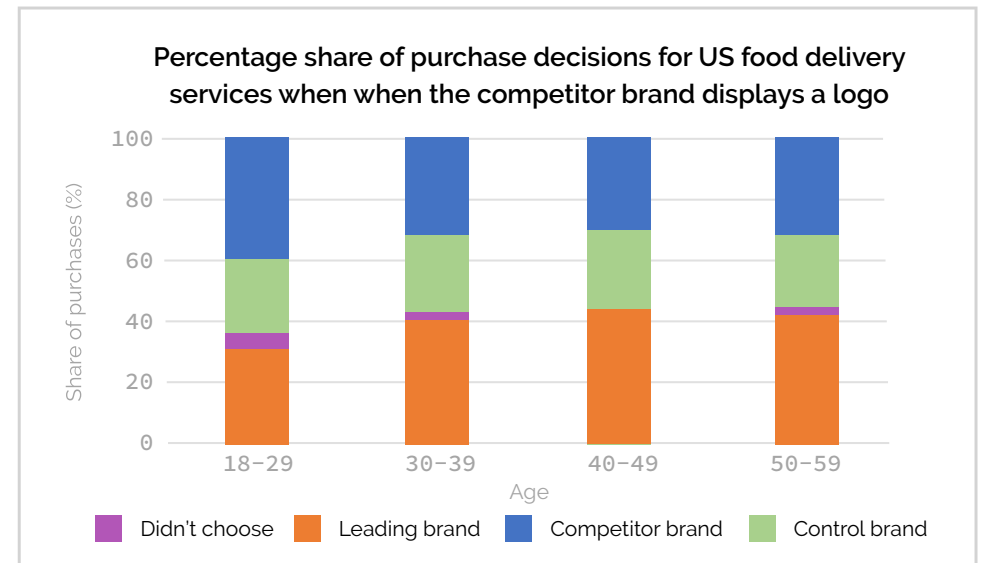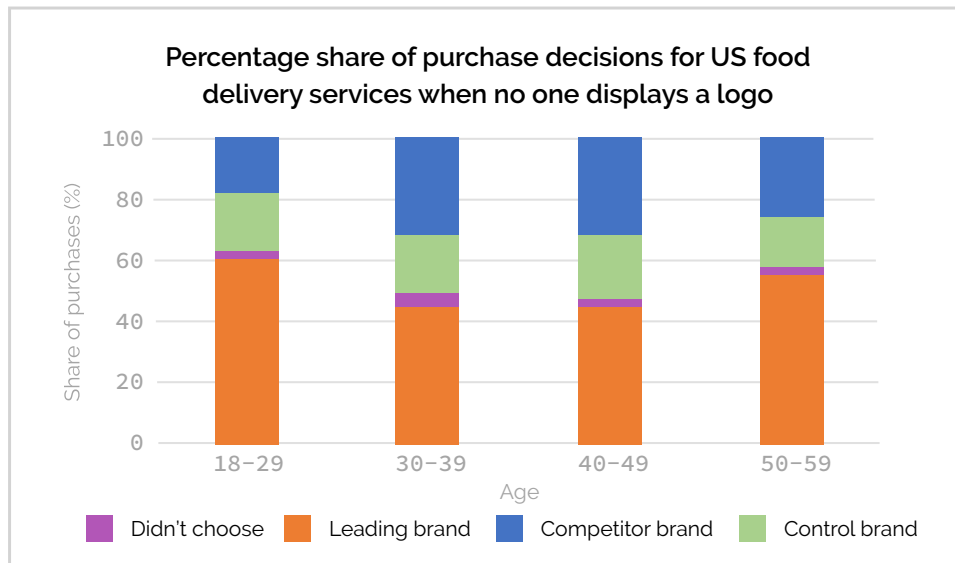
5. Can seeing a logo make a consumer buy more?

For BIMI and the logo visibility it enables to translate into true commercial value, we need to look at whether the presence of a logo on an authenticated email actually increases buying behavior. In both the US and UK, we compared how logo visibility impacted purchasing decisions on emails from a selection of leading and competitor food delivery services brands.
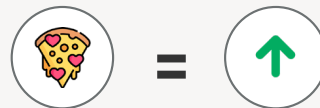
Impact of a visible logo on buying behavior in the US

In the US, a leading food delivery services brand with more than half the market share and **no logo lost 24% of business**. Meanwhile, the competitor who **did display a logo gained 34%**.

Percentage share of purchase decisions for US food delivery services when no one displays a logo

Share of purchases (%) vs Age

Legend: Didn't choose, Leading brand, Competitor brand, Control brand

Percentage share of purchase decisions for US food delivery services when when the competitor brand displays a logo

Share of purchases (%) vs Age

Legend: Didn't choose, Leading brand, Competitor brand, Control brand

---

24% sales share lost by a leading US food delivery services brand **with no logo**

25% sales share gained by a "control" food delivery services brand **with a logo but no pre-existing reputation**
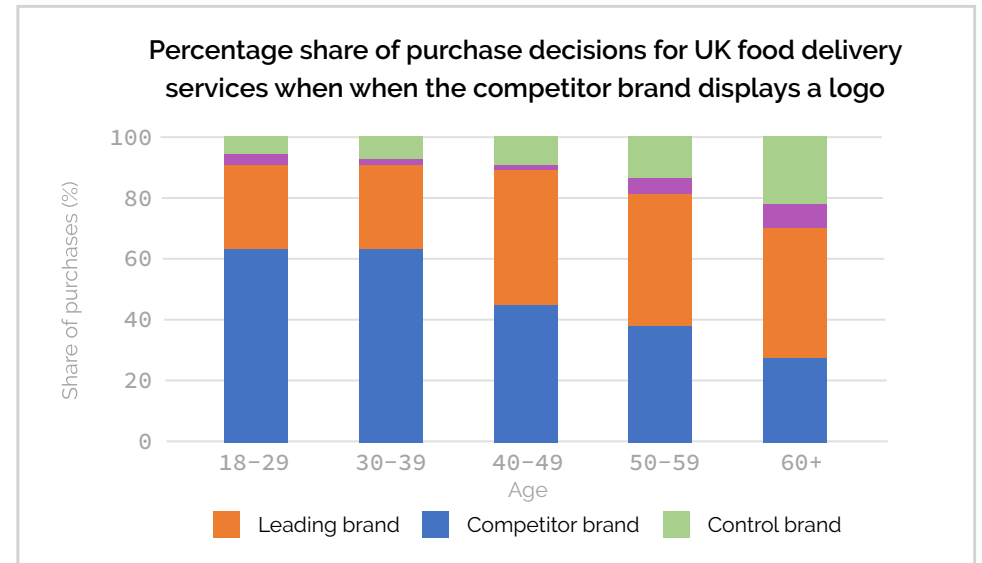
34% sales share gained by a competitor US food delivery services brand **with a logo**

RED SIFT | ENTRUST

Impact of a visible logo on buying behavior in the UK

In the UK, we saw similar findings. Without the benefit of a visible logo, a **leading brand lost 39% sales** share while its competitor with a visible logo **took an impressive 32%**.

Percentage share of purchase decisions for UK food delivery services when no one displays a logo

Share of purchases (%)

Legend: Didn't choose | Leading brand | Competitor brand | Control brand

Age: 18-29, 30-39, 40-49, 50-59, 60+

Percentage share of purchase decisions for UK food delivery services when when the competitor brand displays a logo

Share of purchases (%)

Legend: Leading brand | Competitor brand | Control brand

Age: 18-29, 30-39, 40-49, 50-59, 60+

39% sales share lost by a leading UK food delivery services brand **with no logo**

38% sales share gained by a "control" food delivery services brand **with a logo but no pre-existing reputation**
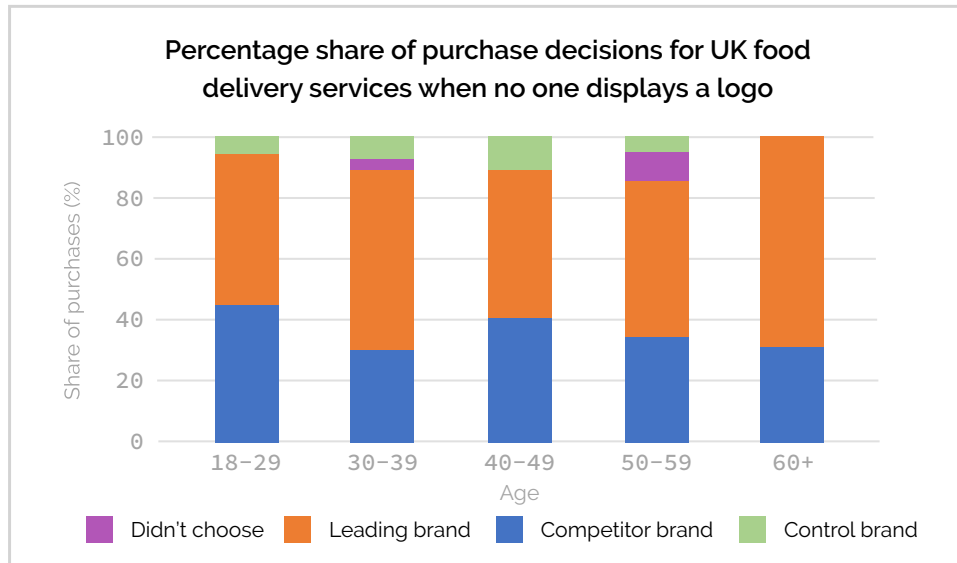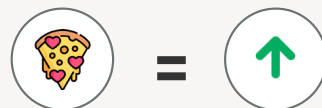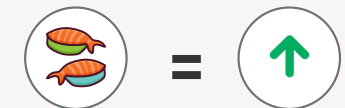
32% sales share gained by a competitor UK food delivery services brand **with a logo**

These results signpost the impact that the adoption of BIMI and subsequent logo visibility in email is likely to have on the market. If companies don't implement DMARC and BIMI to improve their email messaging now, then losing market share to competitors who do is a real possibility.

RED SIFT | ENTRUST

6. Logo visibility and the Millennial (and Gen Z) market

Despite the rise in social media and messaging apps, email is still used by 78% of teenagers[2]. Google is predominantly used by 18-44 year olds[3], and throughout our research, we found that logo visibility in email had the biggest impact on interaction in these younger age groups, particularly Millennials and Gen Z.

Affecting the buyer's choice

Having no logo visible on emails negatively impacted Gen Z purchasing decisions by **28%**

Impacting critical decisions

In critical financial decisions, brands with a visible logo attached to their emails saw **18%** more Gen Z opens, while those with no logo fell by **10%**
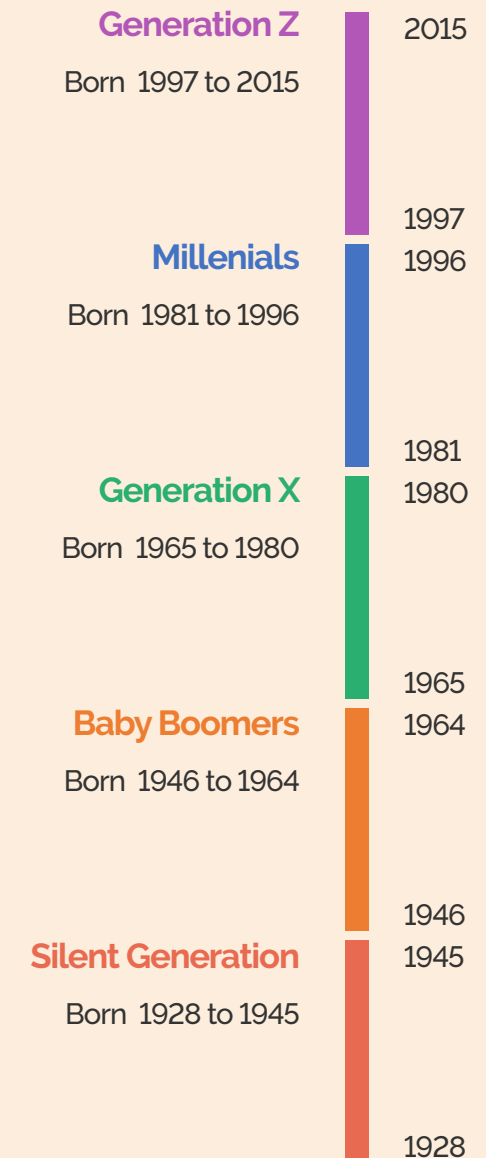
Influencing open rates

In lower involvement decisions, open rates of emails with no logo dropped by **14%**, while those that did have a logo saw gains of **28%**

What does this mean for businesses?

Generation Z will represent 50% of the US workforce by 2040[4] and even now there are many businesses that cater solely to this demographic. The younger generations are digital natives, they've grown up with technology and have always benefited from the convenience and accessibility it affords them. Ultimately these findings support the likelihood that moving forward, initiatives like BIMI will be what the younger generation expects as standard from the organizations and corporations they choose to buy from.

[2]Lifewire.com   [3]Further.co.uk   [4]World Wealth Report

The generations defined

Generation Z
Born 1997 to 2015

2015

1997

Millenials
Born 1981 to 1996

1996

1981

Generation X
Born 1965 to 1980

1980

1965

Baby Boomers
Born 1946 to 1964

1964

1946

Silent Generation
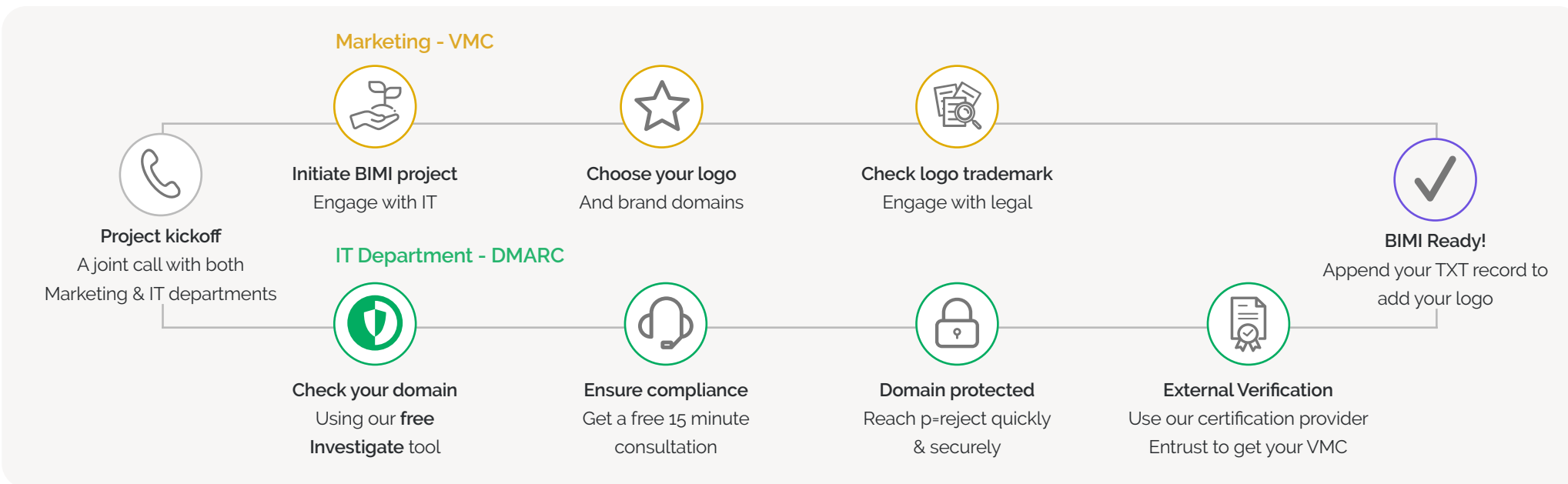Born 1928 to 1945

1945

1928

7. How can you get BIMI certified and start using your logo on emails?

Email continues to be the most popular and relied-upon way that brands use to communicate with their customers. That's why it's also popular with fraudsters who impersonate brands to steal personal information from unwitting consumers.

About the Red Sift and Entrust Partnership

Red Sift and Entrust mobilize brands to improve their email security strategy and create a more consistent email experience for email recipients – it's a win-win for both InfoSec and Marketing teams. Red Sift's award-winning product OnDMARC, which helps brands block phishing attempts using their domain, combined with Entrust's new Verified Mark Certificate, brings together best of breed technologies. For the first time enterprises have a proven method for showing a registered brand logo on their email communications – a simple and cost-effective way for organizations to boost their outbound email strategy and brand presence.

Together we've already successfully supported a number of global businesses through the BIMI certification process with Entrust shown below, as well as helping them achieve p=reject with OnDMARC.

Marketing - VMC

Initiate BIMI project
Engage with IT

Choose your logo
And brand domains

Check logo trademark
Engage with legal

Project kickoff
A joint call with both
Marketing & IT departments

IT Department - DMARC

Check your domain
Using our **free**
Investigate tool

Ensure compliance
Get a free 15 minute
consultation

Domain protected
Reach p=reject quickly
& securely

External Verification
Use our certification provider
Entrust to get your VMC

BIMI Ready!
Append your TXT record to
add your logo

Get in touch to kickstart your BIMI journey today!

Contact us

About Red Sift

The Red Sift Open Cloud is a data analysis platform that is purpose-built for the challenges of cybersecurity. By harnessing the power of AI we can securely collate, compute and visualize data from thousands of individual signals to help organizations to optimize their cybersecurity.

Founded in 2015, Red Sift is a global organization with international offices in North America, UK, Spain and Australia. It boasts a client base of all sizes and across all industries, including Wise, Telefonica, Pipedrive, ITV, and top global law firms. For more information visit redsift.com.

About Entrust Corporation

Entrust keeps the world moving safely by enabling trusted identities, payments and data protection. Today more than ever, people demand seamless, secure experiences, whether they're crossing borders, making a purchase, accessing e-government services or logging into corporate networks.

Entrust offers an unmatched breadth of digital security and credential issuance solutions at the very heart of all these interactions. With more than 2,500 colleagues, a network of global partners, and customers in over 150 countries, it's no wonder the world's most entrusted organizations trust us. For more information, visit www.entrust.com.

Sources

[1]*Statista - https://www.statista.com/statistics/456500/daily-number-of-e-mails-worldwide/*

[2]*Lifewire.com - https://www.lifewire.com/how-many-emails-are-sent-every-day-1171210*

[3]*Further.co.uk - https://www.further.co.uk/blog/who-what-and-when-profiling-google-yahoo-and-bing-search-demographics/*

[4]*World Wealth Report, July 2020*