

Transactional Email Report

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Introduction:

We are tasked with finding a vendor to handle traditional and transactional email systems. Some of these vendors we can look at include but are not limited to Amazon SES, Mailchimp Transactional, Mailgun, MailerSend, Postmark, Twilio SendGrid, and ZeptoMail. We have decided on doing a hybrid approach which includes using a transactional email service provider for outbound mail and an inbox ingestion pipeline for inbound mail. We have narrowed it down to two options. These options are using SendGrid for our transactional email as well as their inbound parse webhook for internal mail or Amazon SES for transactional mail and their AWS SES inbound email rules for internal mail.

Amazon SES

Amazon SES is designed for high scalability. It leverages AWS's infrastructure to handle millions of emails per day without capacity issues. Along with high scalability, they also ensure high deliverability by enforcing best practices like domain authentication (SPF/DKIM) and feedback loops. SES offers both shared IP pools (managed by AWS) and dedicated IP addresses for senders who need more control over it. Amazon provides tools for monitoring delivery metrics using Amazon CloudWatch and Virtual Deliverability Manager. Amazon SES provides users with reliable throughput and inbox placement for large volumes of transactional email.

SendGrid

SendGrid's email platform is built for scale and offers a 99% deliverability rate. SendGrid maintains strong ISP relationships and provides deliverability support which includes tools like Deliverability insights, validation services, and guidance from their email experts. Similar to Amazon SES, they use shared IP pools but with higher plans, users can use dedicated IPs. SendGrid also supports DKIM and SPF. Overall, they have a major focus on deliverability. They provide the infrastructure needed to keep large-scale transactional emails out of spam.

Developer Integration

Both of these platforms offer SMTP and API-based email sending. SES supports AWS SDKs and integrations with other AWS tools. SendGrid simplifies things with its APIs, client libraries, and an inbound email webhook. This webhook makes handling replies and user generated content simpler and faster than SES more AWS specific setup.

Cost Comparison

Amazon SES is more affordable:

SES: \$.10 per 1,000 emails sent

Estimated cost for 5 million emails a month is \$500 per month.

SendGrid: Tiered pricing model.

1 million emails a month is \$400

5 million can exceed \$1,500 a month (depending on features like dedicated IPs and support).

In a year, SES could cost only a few hundred dollars total, while SendGrid could cost several thousand dollars.

Pros and Cons Comparison

Feature	Amazon SES	SendGrid
Cost	Very low	Higher, especially at large volumes.
Developer Tools	Basic APIs, AWS SDKs	Feature-rich SDKs, intuitive UI
Inbound Email	S3 + Lambda setup	Simple HTTP Webhook
Analytics	Basic (unless built manually)	Advanced, built-in engagement tracking
IP Management	Optional dedicated IPs	Shared or dedicated (with higher plans)
Scalability	Excellent (AWS-backed)	Excellent, but more expensive at scale

Ease of Use	Developer-oriented, AWS focused	Polished UX, easy onboarding
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Final Recommendation

After comparing both Amazon SES and SendGrid, we have decided that the better option would be Amazon SES. It's affordable, scalable, and tight integration with AWS. These make it ideal for our application that is supposed to rapidly grow to 50,000 users in a year. Even though SendGrid offers a more user-friendly interface and advanced analytics, the cost difference just doesn't support our decision in choosing them. We can develop a basic monitoring tool that can achieve the same function of SendGrid's analytics page for a fraction of the cost. Amazon SES just has the best value and performance balance compared to SendGrid and why we have chosen them as we move forward with the project.

Sources

[AWS SES vs SendGrid: An Email Provider Comparison \[2025\]](#)

[Amazon SES vs SendGrid: Which One Helps Sender Reputation?](#)

[12 Pros and Cons of Amazon SES – Is It Right for You?](#)

[SendGrid Review: Features, Pricing, Pros & Cons \[2025\]](#)

<https://aws.amazon.com/ses/pricing>

<https://docs.aws.amazon.com/ses/latest/dg/>

<https://sendgrid.com/pricing/>