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E-mail trumps other direct marketing channels for driving sales conversions in the UK

Research shows that e-mail positively influences shopping choices of young consumers more than social media

LONDON, June 8 2009 – The vast majority of UK consumers (63%) said that receiving a promotion through e-mail would prompt them to make an impulse online purchase, compared to offers advertised on web sites (47%) and through social networks (11%).

According to the 2009 European E-mail Attitudes Survey from e-Dialog, the e-mail marketing service provider, which has polled the views of a representative sample of 5,008 European consumers, e-mail plays a crucial role in generating sales among all ages and interestingly, contrary to popular belief, even among the youth audience.

Integrating on and offline DM crucial to sales

In addition to the 63 per cent who cited e-mail, the research also revealed that direct mail (43%) and catalogues (45%) both featured highly in terms of driving consumers to make impulse purchases online.

Simone Barratt, managing director of e-Dialog EMEA commented: “For the UK market in particular, e-mail is by far the medium of choice for consumers, but at e-Dialog we have seen that across the European markets there is strong correlation between e-mail and traditional direct mail marketing. This correlation presents marketers with a clear opportunity to generate high response rates. Using consistent presentation, languages and imagery in e-mail and direct mail or catalogues can reinforce the messaging between these channels. Similarly, an e-mail campaign a few days before the launch of a new catalogue, making consumers aware that one is shortly to be mailed, can dramatically increase sales conversions once it arrives.”

E-mail key to converting offline and abandoned sales

One trend that the research showed very clearly was the impact of online activity on offline sales. Sixty per cent of UK consumers claimed they would be more likely to buy something in a high street shop after receiving an e-mail about it.

Barratt commented: “Brands should leverage the conversion of online to offline significantly more. UK consumers are clearly affected to buy offline by the promotional e-mails they receive, so by highlighting exactly where brands have a physical presence through an e-mail could have a profound effect.”

In addition, 46 per cent of consumers claimed that they would be more likely to complete an online transaction if they received an e-mail reminding them of items they had not purchased from their shopping baskets in a previous session.

Barratt added: “Across Europe, our research and experience has shown that nearly a third of consumers say that reminder e-mails would make them convert a previously abandoned sale. Connecting e-mail to the relevance of what consumers are actually doing online must

be a key priority for marketers. Mailing consumers who've left items in their baskets and incentivising them with offers such as 'come back and buy these products in 24 hours for a five per cent discount' will make a considerable difference to sales."

E-mail's purchasing influence on youth beats social media.

Interestingly, the age group most likely to complete an abandoned online purchase based on an e-mail reminder was 18-24 year olds (66%). Barratt commented: "It is fascinating to see the 18-24 year old bracket being the most responsive to messaging alerting them to abandoned purchases. The popular industry belief is that this age group is traditionally the hardest group to reach by e-mail. But while our research revealed that 72 per cent would not give their e-mail to a company because they feel they will receive irrelevant marketing messages, it is clear that it is still possible to reach them if your message is targeted, particularly based on behaviour."

The survey revealed that more than three in four (76%) young consumers are still using e-mail to inform their purchasing decisions while only 24 per cent are influenced by social networks.

Barratt continued: "Even with the young, e-mail's influence still leads the pack on other marketing channels. The message is clear, by making your e-mails relevant to this group you stand to make a considerable return on investment."

Limited time offers the key to impulse purchases but what?

When asked which type of e-mail content they most appreciate, more than two thirds (70%) of UK consumers cited special offers and promotions while 42 per cent said that seeing a limited time offer in an e-mail would prompt them to make an impulse online purchase. However, when asked which industries send them the most relevant emails, the great percentage (28%) of consumers claimed that they either did not know or felt that no industry sent them relevant e-mails.

Barratt concluded: "It is clear that particularly during the tighter economic climate, U.K. consumers most appreciate e-mails alerting them to discounts and promotions, with our research showing that limited time offers are most likely to prompt an online purchase. That said, consumers still feel that the majority of e-mails they receive are irrelevant in spite of the increased number of discounts brands are releasing. This illustrates that marketers are not using e-mail effectively to communicate these discounts and drive consumers to act via their preferred channel.

"At e-Dialog we have seen more and more multi-national organisations coming to us to help them manage their disparate needs across the EU. The truly multichannel nature of modern business can be seen in the fact that the influence of e-mail, across Europe, spreads beyond online sales. E-mail could be described as the thread that ties all other channels together."

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Research methodology

This survey has been conducted independently using an online interview administered to members of the Lightspeed Research panel who have agreed to take part in surveys. All figures, unless otherwise stated, are from Lightspeed Research. Total sample size was 5008 consumers across The Netherlands, Germany, France, UK and Sweden. Fieldwork was undertaken between 23rd April – 1st May 2009.

About e-Dialog

Established in 1997, e-Dialog is a proven provider of intelligent e-mail marketing solutions. Through a unique combination of strategic services and relevance enabling technologies, e-Dialog empowers marketers to take meaningful action on their data in order to deliver contextually targeted communications to customers. Some of the world's most recognized brands, including AirTran Airways, American Eagle Outfitters, Avis, Boots, British Airways, CBS, Nintendo, the NFL, Reuters, the Royal Bank of Scotland group of companies, and The TJX Companies, have partnered with e-Dialog to enhance their permission-based e-mail marketing efforts and maximize long-term customer value.

e-Dialog is one of the only e-mail service providers consistently recognized by top analyst firms for both outstanding service and first-class technology. In September 2006, e-Dialog was the first e-mail service provider to achieve certification for ISO 27001:2005, the global information security standard. e-Dialog, with offices in Boston, London, New York, and Seattle, is a wholly owned subsidiary of GSI Commerce Inc. (Nasdaq: GSIC). For more information, visit www.e-dialog.com.

About Lightspeed Research

Through proprietary global panels and research products and services, Lightspeed Research delivers valuable research to help businesses make informed decisions. From recruitment, to activity level, to ongoing profiling, Lightspeed Research's panels are actively managed to provide engaged survey respondents and support studies that range in scope and complexity across industry sectors. Deeply profiled specialty panels including automotive, B2B, beverage, family and household, finance, health and wellness, media consumption, mobile phone, beauty and personal care, sports and hobbies, and travel and leisure, provide quick access to target audiences. As a leader in quality, Lightspeed Research has implemented extensive market leading quality measures.

Lightspeed Research is part of the Kantar Group, the information, insight and consultancy division of WPP (NASDAQ: WPPGY), one of the world's leading communications services companies. For more information, please visit www.lightspeedresearch.com

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