

Mind the e-gap: consumers not getting a warm welcome from top brands

- New research from eCircle reveals brands are missing opportunities to create engaged buyers through email -

London, January 2011. eCircle, Europe's largest provider of email marketing services, released findings from the first two-part email marketing benchmark study today for the first time covering the four largest e-commerce markets in Europe: the UK, Germany, France and Italy. The unique piece of research reveals how 80 of the largest European e-commerce retailers fare in email registration best practice, including IKEA, OBI, Decathlon and Espirit. The two-part study produces a coherent picture as to how companies in the UK, Germany, France and Italy gain newsletter subscribers and welcome them to the brand. For key e-commerce decision makers, the study provides actionable insights to optimise consumer relationships, boost conversions and increase ROI from the initial email sign-up process.

The study was comprised of two components - The Newsletter Subscription Process and The Welcome Email, which respectively analysed the companies' newsletter registration process and the contents and design of the initial emails subsequently sent out.

Volker Wiewer, CEO of eCircle, commented: "First impressions are paramount to any relationship, and vital to the success of a brand's ongoing relationship with a consumer. Welcome emails in particular demonstrate the highest opening rates of all email campaigns, so we felt it was important to examine how the top e-commerce companies' are approaching their registration and welcome strategies. The results show that many top retailers are still not harnessing the potential of these crucially important first steps, with the main shortcomings found to be the design of the registration process, time left with communications, positioning of the sign-up area and use of customer data collected."

Whilst 100% of German companies, 65% of UK companies, 85% of Italian companies and 75% of French companies sent an initial confirmation or welcome email within 10 minutes, 25% of UK and French retailers had a response time of a week or more. In terms of the first newsletter being sent, the majority of companies sent it within 2 days, but in the most extreme cases, the waiting time for the first newsletter was up to 3 months.

There is also a discrepancy between the amount - and type - of data requested at registration that is then not used in personalisation of emails. Germany asks for the most information. In Italy the sign-up box is designed with an average of 2 fields, in UK and France the subscriber must complete 3 fields, and in Germany they must complete up to 4. But the UK and Germany are the best at using this data, with 70% and 65% of companies respectively doing so. Italian companies came in last at 50%, which leaves a lot of



initial emails being sent without personalisation. Customer preferences are most commonly asked for during registration in France at 60%, compared to 45% in UK, 35% in Germany and 25% in Italy.

Welcome programmes which contain special offers or links to particular services were only found in 5% of the German emails for new customers. The situation is better in the UK and Italy where at least 15% of emails were enhanced this way. This means the majority of companies are not taking advantage of the unique opportunity to make up for legal restrictions of the first email and convert the subscriber into a customer step-by-step.

Wiewer added: “Customer engagement is at its highest at the start of contact, so response times of severable days are unjustifiable. This time should be used to do a welcome programme; it’s the best strategy to turn a newsletter subscriber into a customer. Also, data collected at registration is crucial for later tailored design of email campaigns, but a large number of fields to be completed leads to increased interruptions during the registration. The earlier preferences are collected in the registration process, the more willing the customer is to provide the desired information.”

Additional findings about lack of optimisation include:

- A lot of companies are not highlighting the newsletter sign-up option on their website in the first place, with 44% of UK retailers analysed placing the sign-up link or sign-up box in fairly obscure places that made them only able to be found after an explicit search.
- 40% of French, 30% of Italian, 35% of UK and 40% of German companies did not put their name in email subject line. This is a big oversight, considering it has been previously proven that doing so significantly increases open rates compared to non-branded subject lines.
- Names are not always used for personally addressing customers, even though both first names and surnames were requested by most e-commerce retailers at registration. Italy comes out top, with 60% using first names, of which 75% of them requested. Only 15% of German companies, however, used the names that 70% of them requested.
- Specific information in the first email, such as a reference to suitable products, is only used to a noteworthy degree in the UK and France, with 40% of UK companies and 20% of French doing so, compared to 0% of German companies, making Germany the most careful in terms of incorporating initial advertising.

Wiewer concluded: “The study shows that there is still a need for action with regards to the design and implementation of appealing welcome programmes in the time period between registration and the first newsletter. The potential for overall improvement is significant, but the issues highlighted in this research can be easily resolved in order to improve overall email marketing success.”

The study was based on 320 registrations to the largest e-commerce retailers in France, Germany, Italy and the UK. 20 large e-commerce retailers and their websites were analysed in each country.





For the full report please contact Katy Bergson: katy@limelightpr.co.uk

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About eCircle

eCircle is one of the leading providers of online marketing services, providing state-of-the-art technology, permission marketing databases and professional services for email marketing to the world's biggest brands. Since 1999 eCircle has stood for innovative and efficient email marketing for customer acquisition and retention.

Leading organisations including Asda, HBOS and Samsung trust eCircle's consistent customer care, long-term experience and, not least, its highly motivated and professional workforce. The company has more than 200 employees, with headquarters in Munich and additional offices in London, Paris and Milan.

eCircle will be hosting its biggest conference to date, **ConnectEurope2011**, on the 17th March 2011. Hosted at The Grange Hotel in the heart of the City of London's financial district, the event will offer delegates from across Europe the opportunity to hear some of the industry's most influential and inspiring speakers. The future of marketing is undeniably digital, making **ConnectEurope2011** a must for any online marketer.

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