

December 2004

www.doubleclick.com/emea

DoubleClick EMEA Q3 2004 Email Trend Report

Executive Summary

Q3 2004 DoubleClick DARTmail data shows continued stable email performance with delivery rates remaining constant quarter on quarter. A significant increase in interaction with emails by EMEA consumers in 2004 when compared to the same period last year is a sign of an ever maturing market for email marketing.

Overview of Data

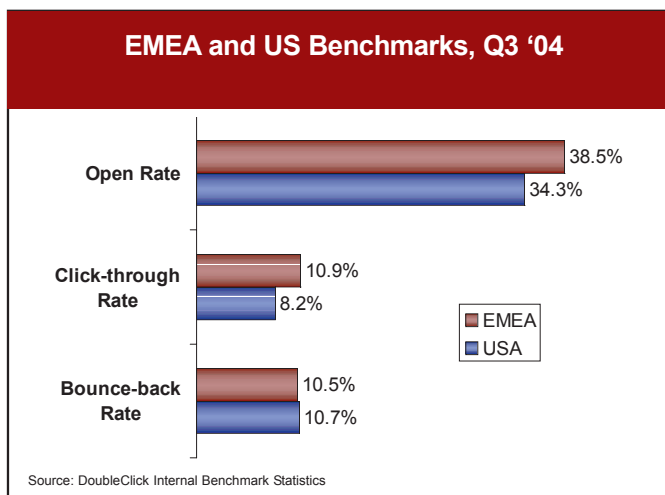
The DoubleClick Q3 2004 EMEA Email Trend Report contains aggregate data from DoubleClick's DARTmail email delivery technology. The data is compiled from over 2.5 billion emails sent through DARTmail in Q3 2004 across hundreds of clients. Results are presented US vs. EMEA and further broken down by country, (UK, France, Germany and Rest of EMEA).

Overall Performance

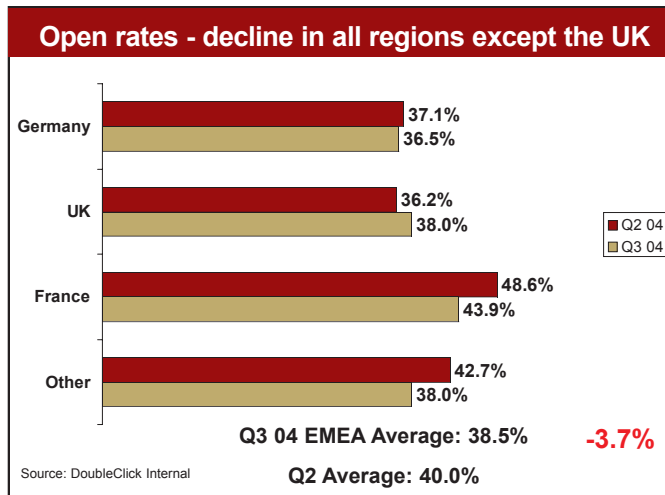
■ Despite a further drop in open rates across the region (-3.7% overall) EMEA marketers continue to achieve higher open rates than their US counterparts (38.5% vs. 34.3%). Year on year the decline in open rates in EMEA is more marked with a -8.8% decline (38.5% in 2004 versus 42.2% in 2003).

■ Click-through activity in the EMEA region is up +13.5 % (10.9% vs. 9.6%) against the same period in 2003. Results for Q3 2004 also showed that EMEA consumers interacted much more with emails this quarter than in Q2, with a quarter on quarter improvement of +12.4% (10.9% vs. 9.7%). This was mirrored in the US where rates were up 10% quarter on quarter. The US continues to exhibit lower click-through rates though than the EMEA region (8.2% vs. 10.9%).

■ EMEA delivery rates (emails sent minus the bounce-back rate) stayed the same



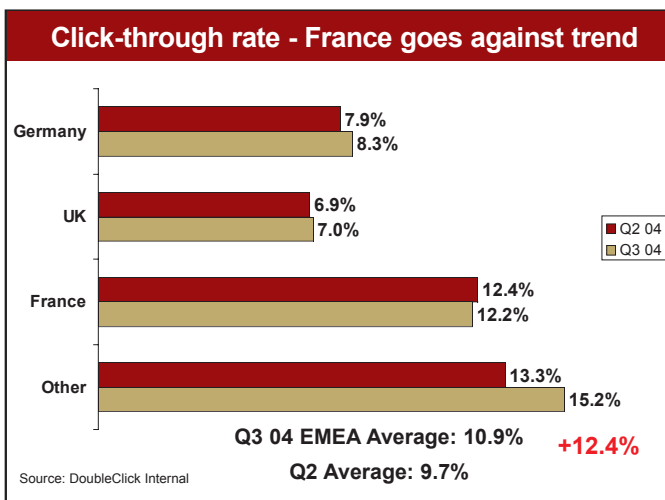
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quarter on quarter at 89.5%, but this was up 1.5% over the same period in 2003. US delivery rates grew only very slightly year on year to 89.3% an increase of 1.2% over Q3 2003.

Open Rates

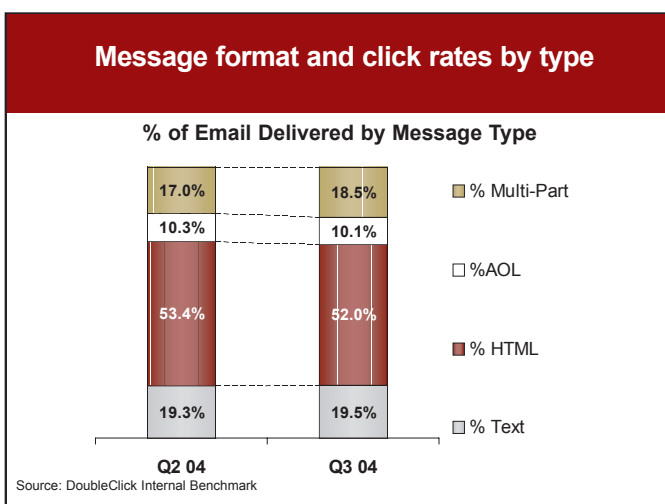
The third quarter sees open rates in EMEA decline -3.7% from 40% in Q2 2004 to 38.5% in Q3 2004. Germany and the UK continue to see open rates less than the EMEA average though there was a 5% improvement quarter on quarter in the UK, up from 36.2% in Q2 2004 to 38.0% in Q3 2004.



The UK was the only EMEA country to show an improved open rate. Despite a 9.7% drop from Q2 2004 to Q3 2004, French open rates of 43.9% continue to exceed the average for the region.

A plausible reason for falling open rates is that email clients are increasingly blocking images by default e.g. AOL, Outlook 2003 and Outlook Express with SP2.

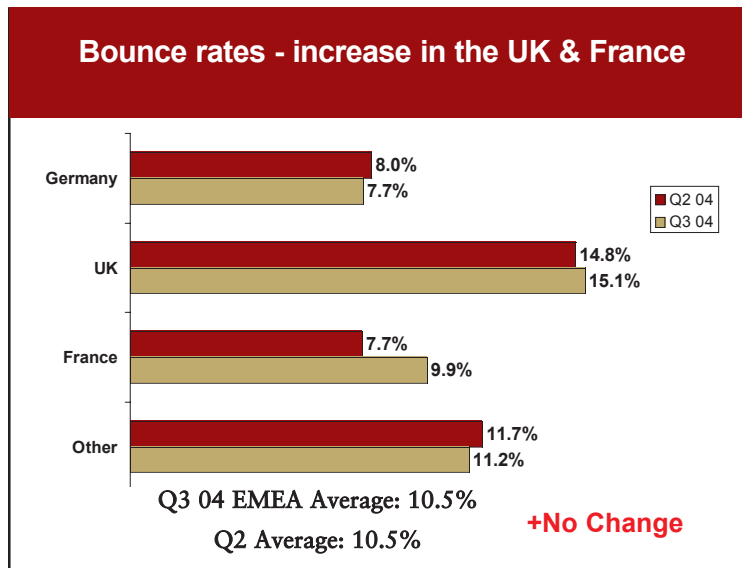
In addition, subscribers are increasingly unmotivated to open emails and this is a factor as email lists mature in age, however, the increasing click-through rates by those that do open emails mitigates against this.



Click-through Rate

France was the only region to see a decline in click-throughs from the previous quarter - from 12.4% to 12.2%, a 1.6% decrease. However, average click-through rates were up 12.4% from 9.7% in Q2 2004 to 10.9% in Q3 2004 with the Rest of EMEA seeing a 12.5% increase (15.2% in Q3 2004 vs. 13.3% in Q2 2004). In Germany click-through rates were up 4.8% and in UK 1.4%.

DoubleClick Q3 2004 Email Trend Report



Conclusions

For email marketers this latest trend report highlights some key areas of change in overall performance over the past 4 quarters, with year-on-year figures showing relative stability in deliverability and despite a decline in the numbers of recipients opening email there are significant improvements in interaction evidenced through click-throughs.

Content

This quarter sees increases in the use of Text (19.5% in Q3 2004 vs. 19.3% in Q2 2004) and Multi-Part formatted emails (18.5% in Q3 2004 vs. 17.0% in Q2 2004) with AOL and HTML both showing a slight decline.

Higher click-through rates continue to be achieved by formatted content this quarter with both HTML (13.6%) and Multi-Part (11.9%) performing well above the overall average of 10.9% for all types. Overall click-through rates are up for all message types quarter on quarter with Text continuing to perform least well, though there is a marked improvement of +11.9% for this message type in Q3 2004 (5.9%) when compared Q2 2004 (5.2%).

Deliverability

As in the previous quarter, on average, 89.5% of all emails deployed in Q3 2004 are delivered. Both the UK and France see their bounce rates increase with 84.9% and 90.1% of all emails reaching in-boxes respectively. Germany improved its bounce rate to 92.3% as did the Rest of EMEA to 88.8%.

For information on DoubleClick's email marketing solutions, please call: +44 (0)800 912 1344 or email sdeegan@doubleclick.net

DoubleClick clients receive a quarterly account review, which includes access to this data.

The DoubleClick Strategic Services Group is available for email marketing audits that include benchmarking your own results against category performance. For more information, contact: strategicservicesemea@doubleclick.net

Methodology/Data included:

1. Delivery rates are calculated by deducting the bounce-back rate from the number of emails sent.
2. Bounce backs are a combination of soft (unsuccessful delivery for reasons such as full inbox) and hard bounces (received when an email address is no longer valid, often reflecting a switch to a different email address due to a change of job or ISP).
3. Open Rate is defined as HTML Opens divided by (HTML Delivered + Multi-Part).
4. Click-Through Rate is Total Clicks divided by Emails Delivered. Bounce Rate is Soft Bounces plus Hard Bounces divided by Emails Sent.
5. EMEA = Europe, Middle East and Africa.

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