



SMARTSEARCH
marketing

Online Marketing

Industry Facts & Data

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Consumer Behavior is Changing

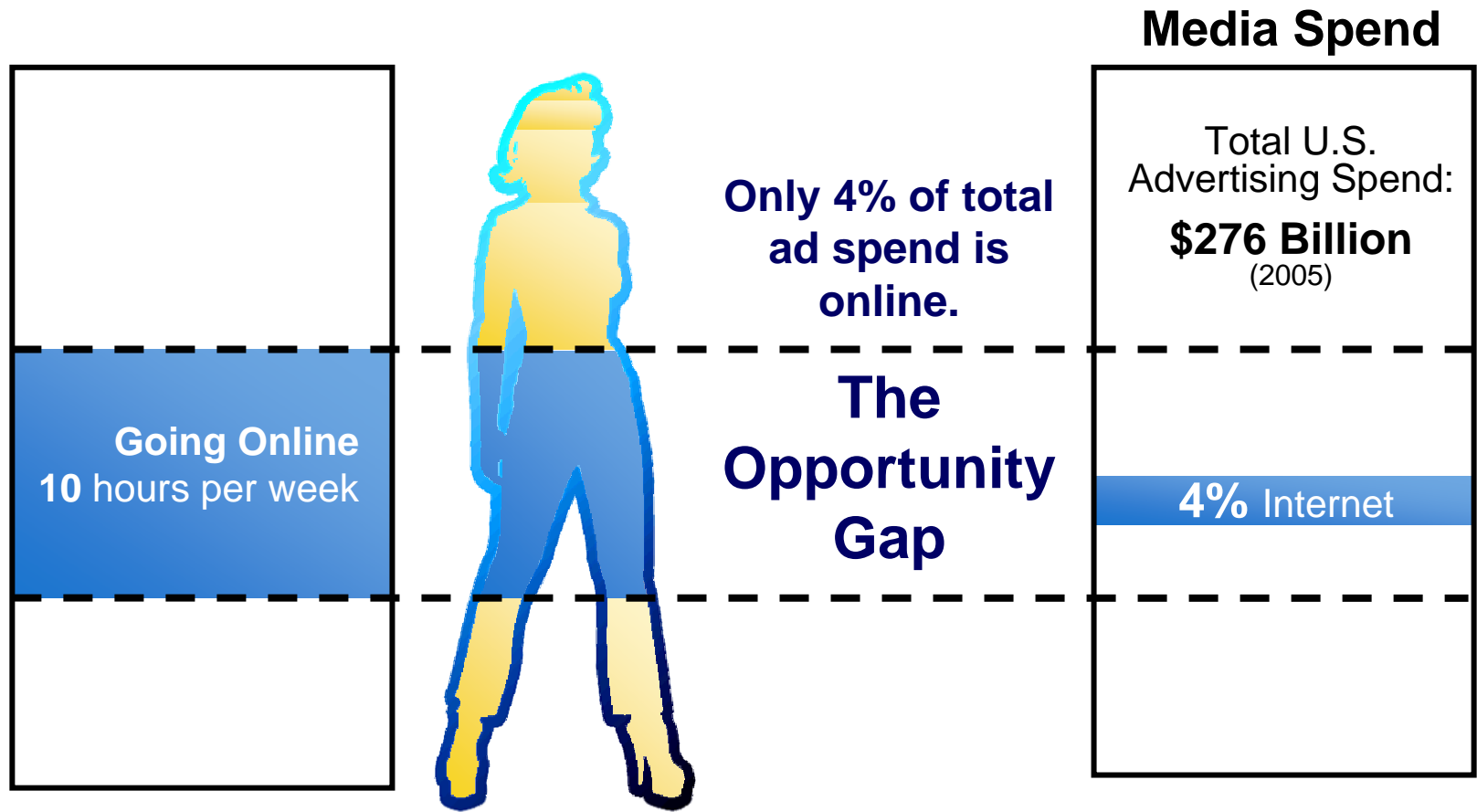
Media Consumption



People now spend just as much time online as watching TV

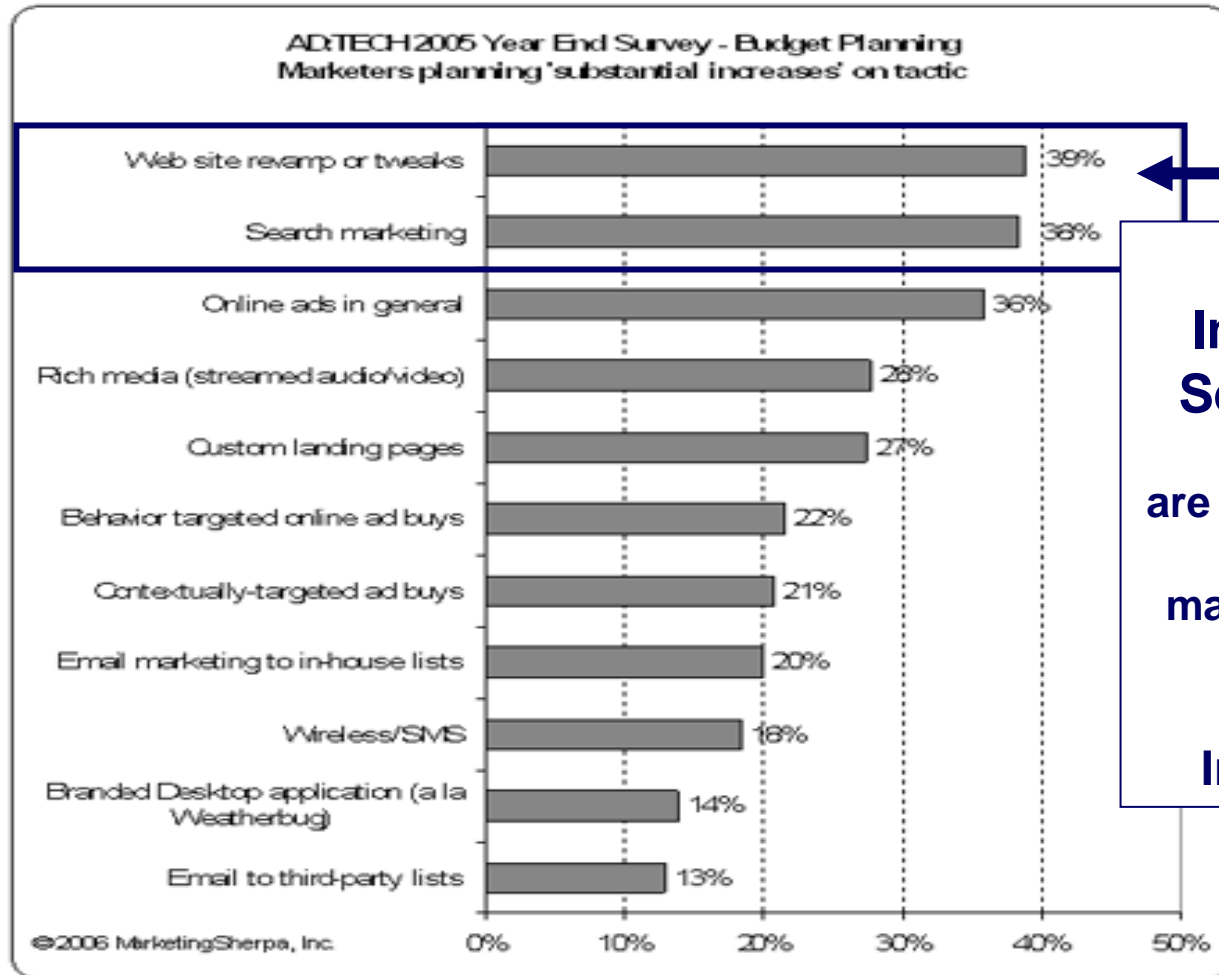
Source: Universal McCann & Jupiter Research

Media Budgets Are Lagging



Source: Universal McCann & Jupiter Research

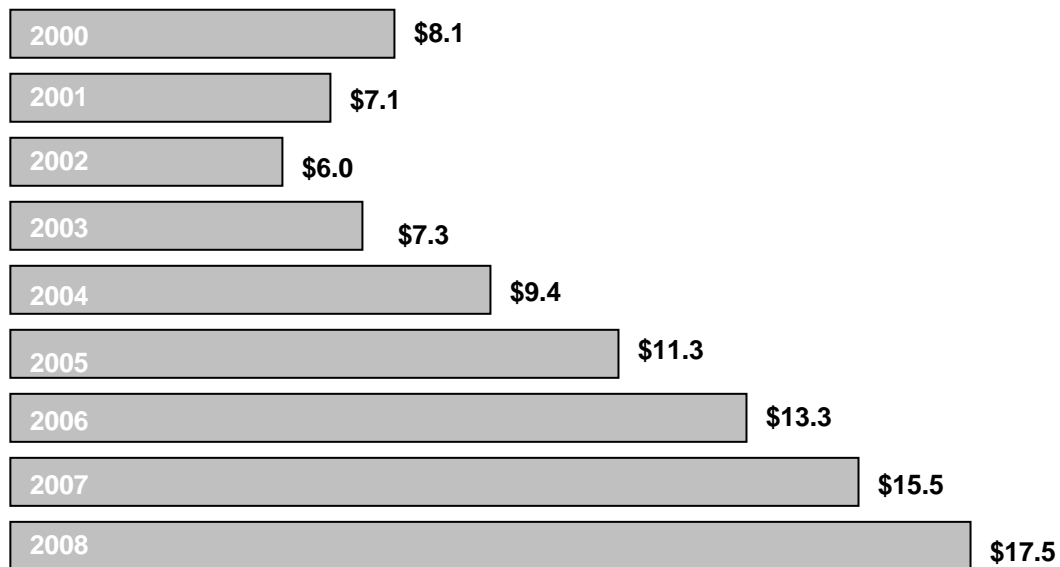
Budgets Are Starting to Shift



Website Improvements & Search Marketing
are the two most popular categories where marketers are planning
“Substantial Increases” in 2006

Online Advertising is Growing

US Online Ad Spending, 2000-2008 (in billions)



Source: eMarketer

After a downturn in 2001/2002 the online ad industry is booming.

Researchers, investment banks and media gurus all predict continued strong growth for the next three to four years.

Top Internet Advertisers

Top 10 Internet Advertisers by Monthly Media Value (December 2005)

1	Vonage	\$ 47,467,000
2	Classmates.com	\$ 9,481,000
3	eBay.com	\$ 7,730,000
4	Scottrade	\$ 7,651,000
5	Netflix.com	\$ 7,571,000
6	E*Trade Financial	\$6,935,000
7	Ameritrade Brokerage	\$ 6,789,000
8	DELL	\$ 6,715,000
9	ShareBuilder.com	\$ 5,475,000
10	Circuit City	\$ 5,396,000

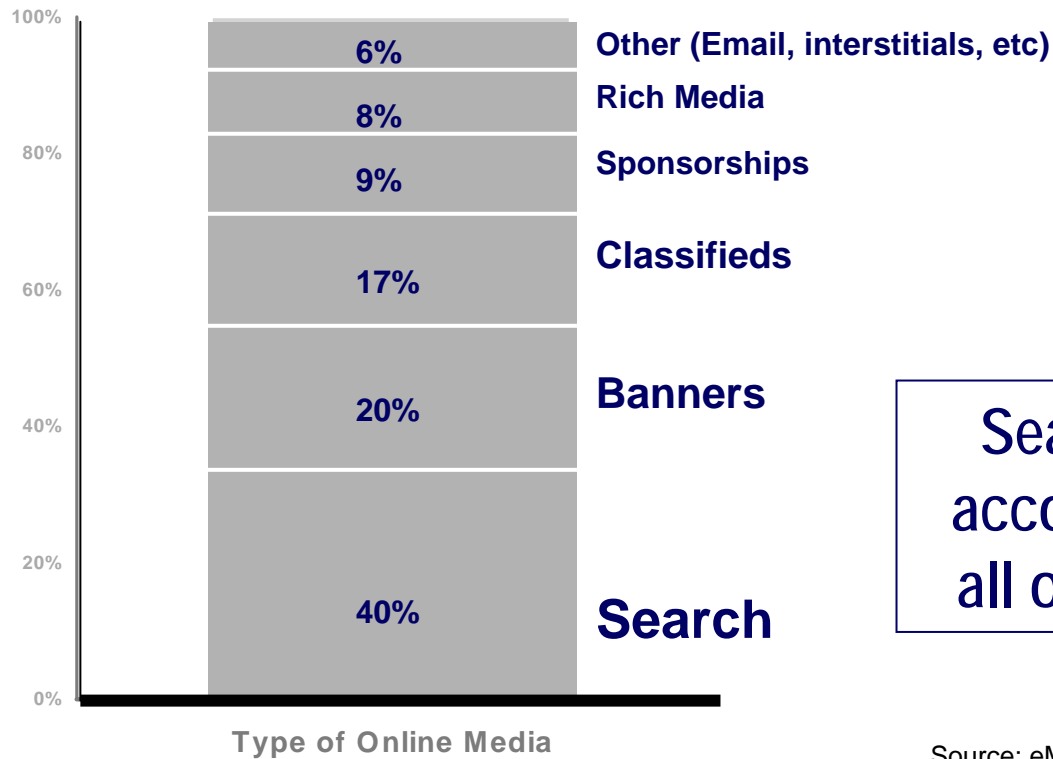
Top internet advertisers include mostly technology and finance companies.

These companies spent an average of \$11M in the month of December on internet advertising.

Source: TNS Media Intelligence, December 2005

Majority of Online Going to Search

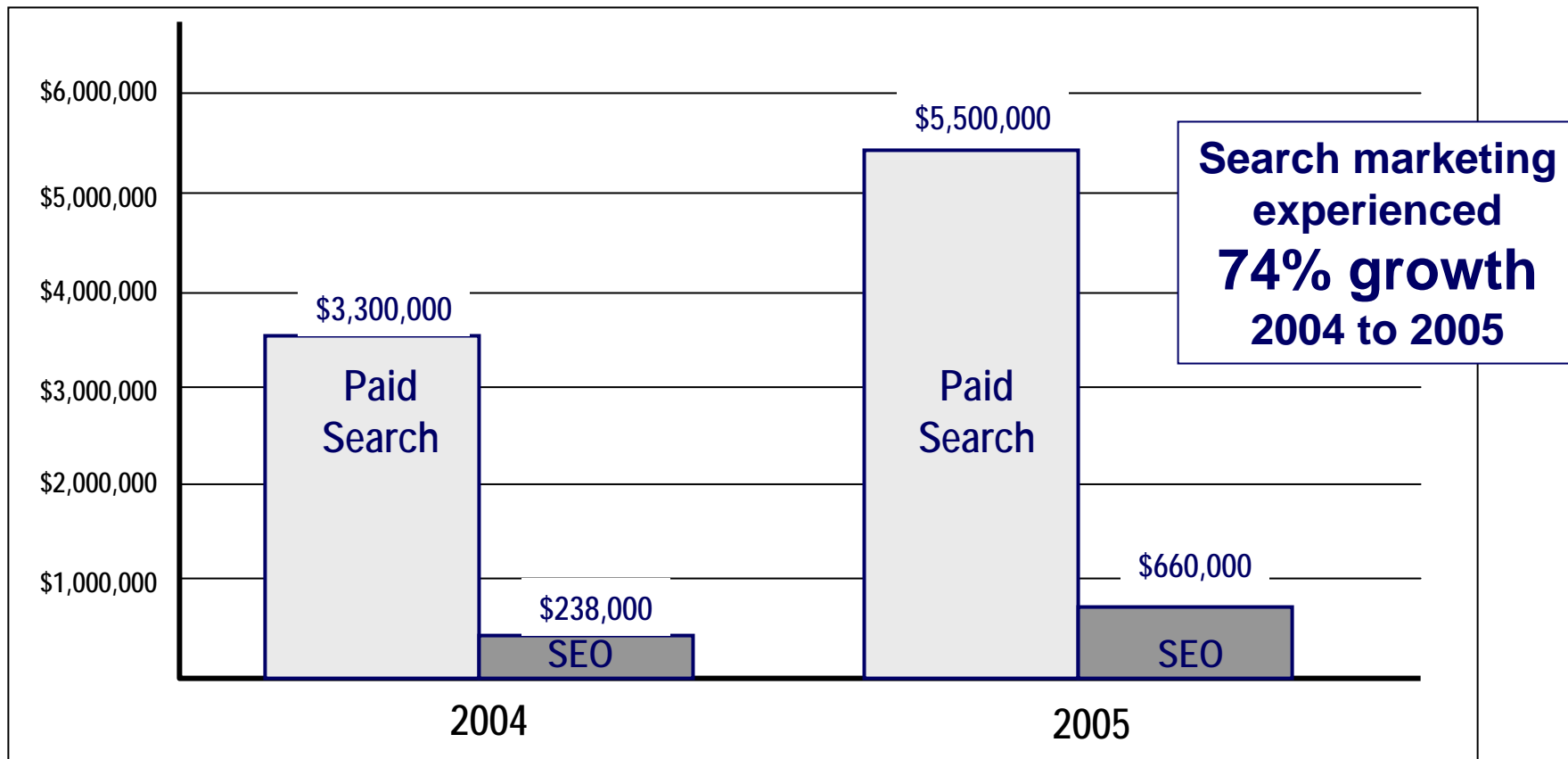
Online Advertising - By Channel



Search marketing
accounts for 40% of
all online ad spend.

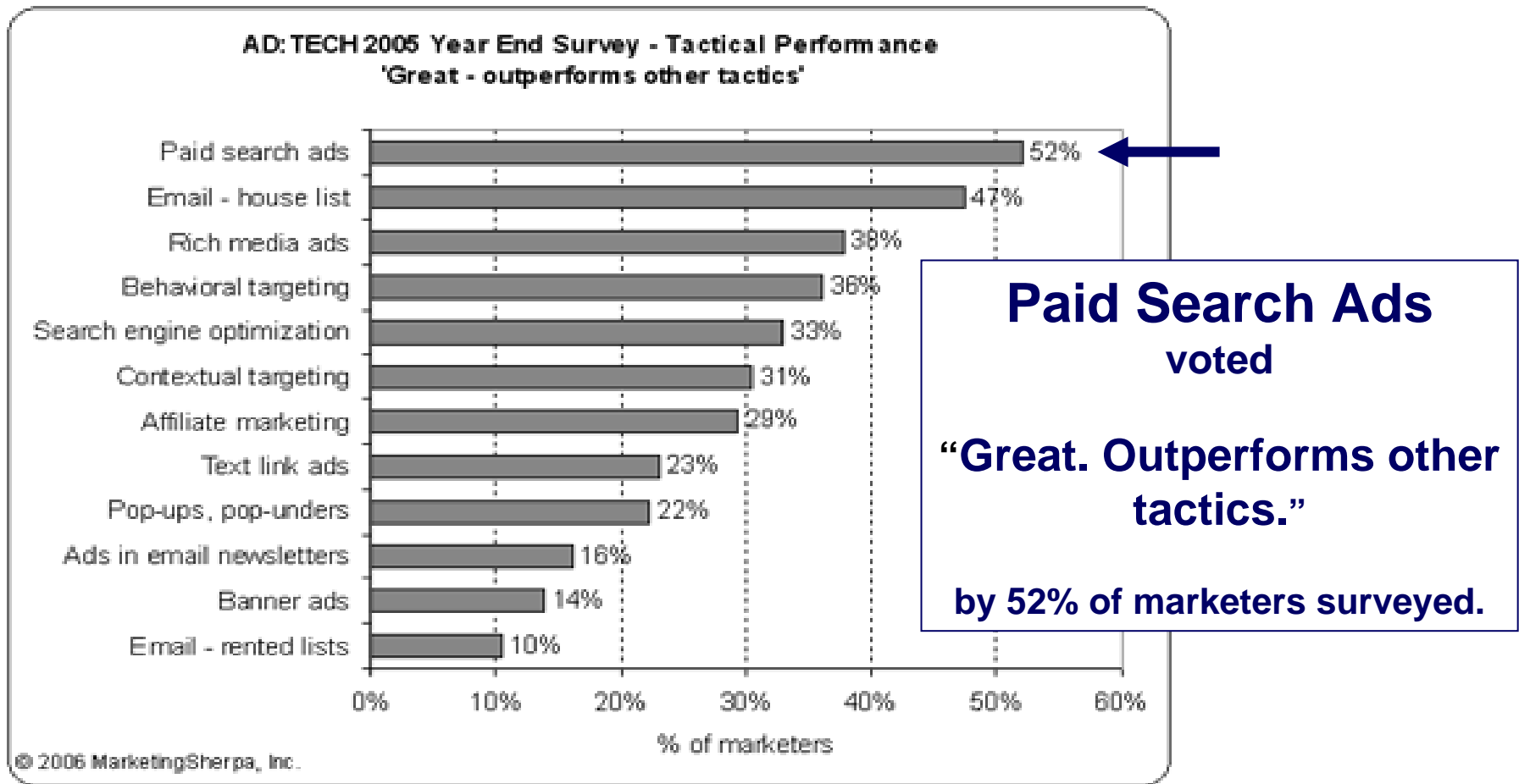
Source: eMarketer

Search Marketing Growth



Source: Marketing Sherpa. Search Marketing Benchmark Survey, Aug 2005 and Merrill Lynch, Internet Advertising Report, June 2005

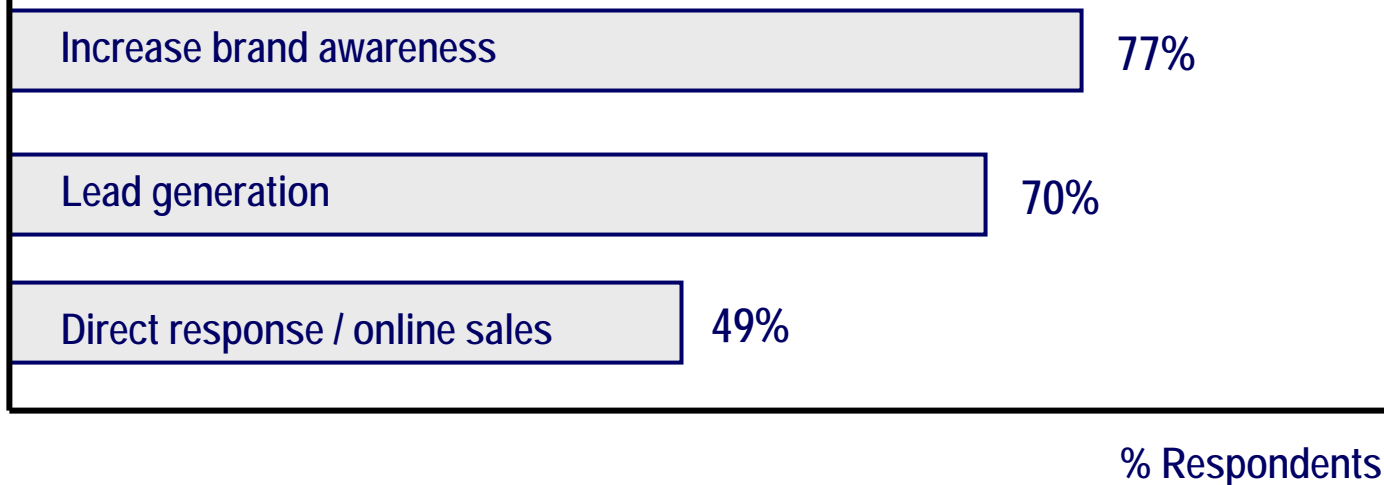
Paid Search – Top of the “Great Performers”



Search Engine Marketing Goals

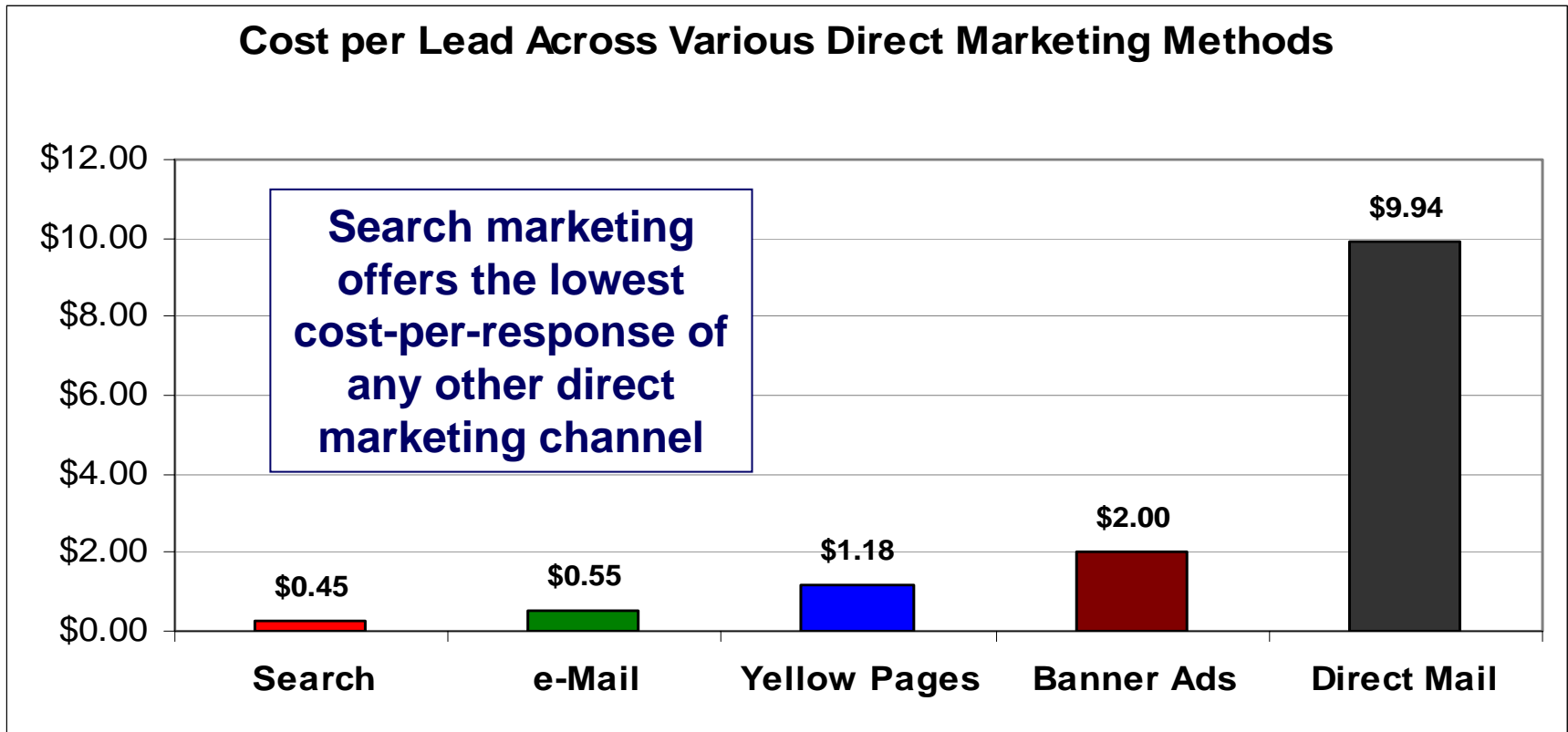
Branding and lead generation are the primary search marketing goals followed by direct online selling (at companies with over 500 employees).

Marketing Goal



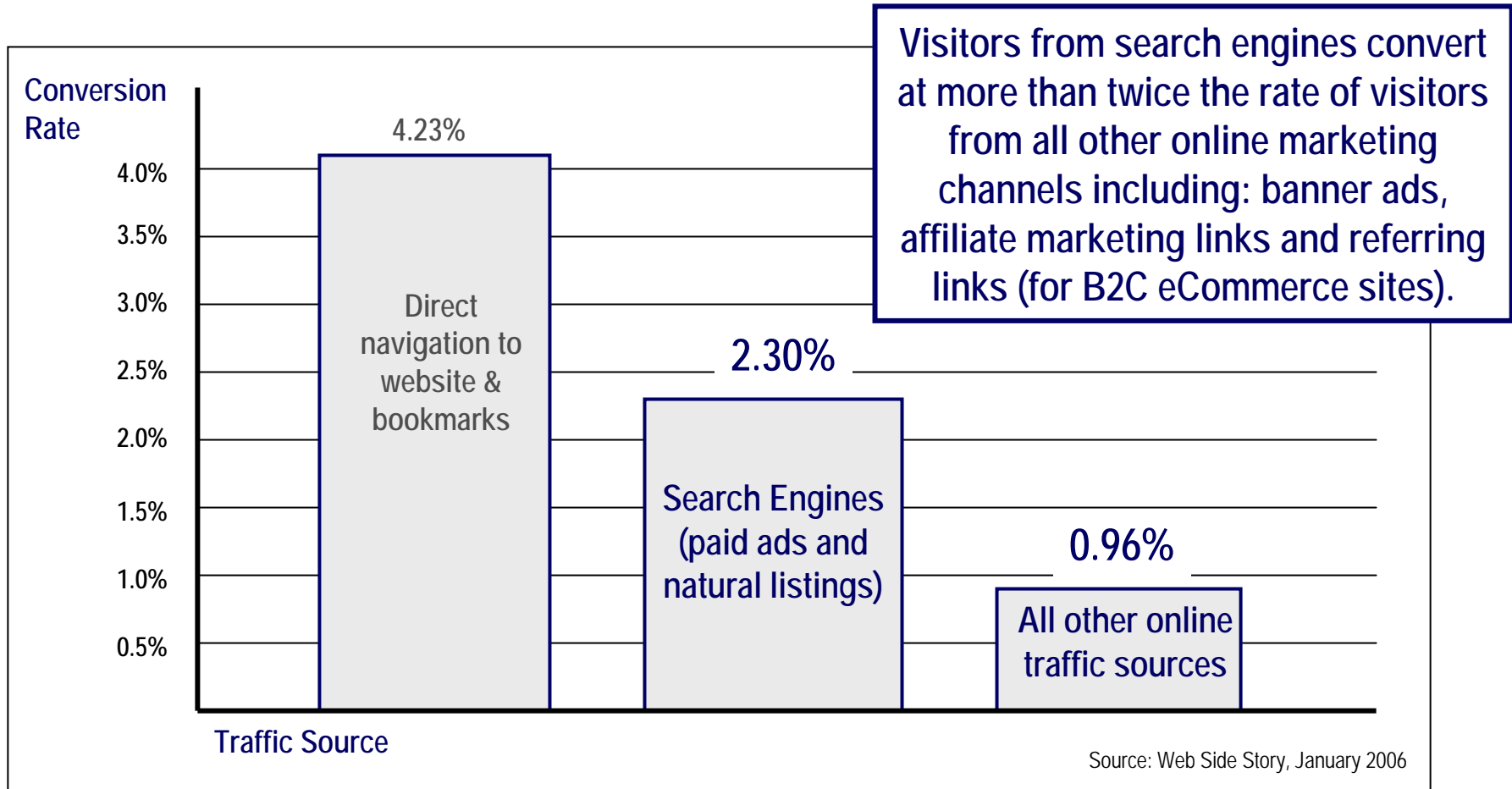
Source: Search Engine Marketing Professional Organization (SEMPO) 2005

Search Offers Lowest Cost-Per-Lead



Source: Safa Rashtchy, US Bancorp Piper Jaffray

Conversion Rate By Traffic Source

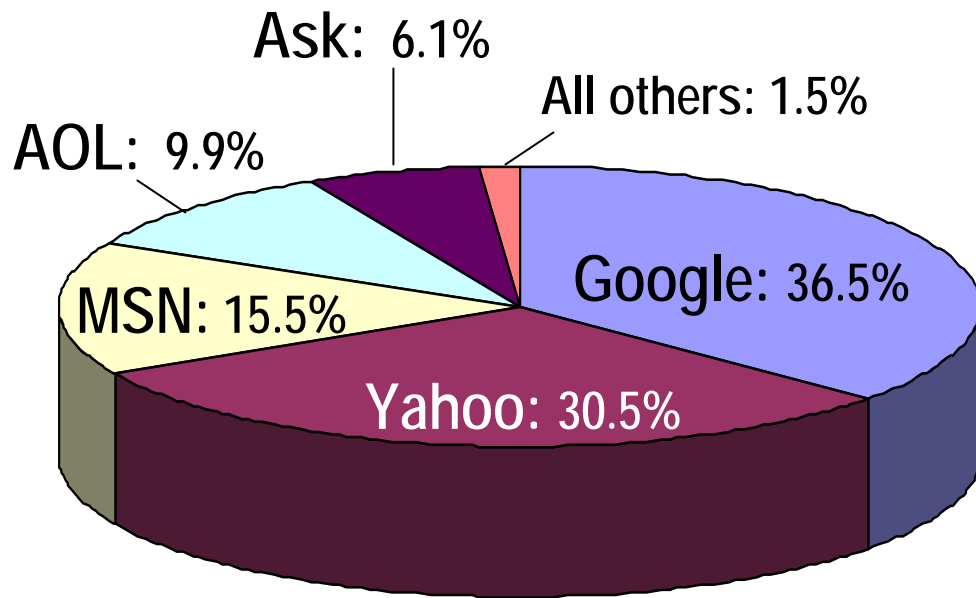


How Do People Search?

- Search is the second most popular online activity, behind email.
- 53% of US online adults use search engines most or every time they are online.
- Top search activities:
 - Research specific topics
 - Get directions and maps
 - Look for news or current events.
 - Shop: Compare pricing. Research products. Find a retailer.
 - Entertainment information: Find show times. Download music/videos.

Source: iCrossing 2005

Where Do People Search?



2005 Search Engine Marketing Share

Source: comScore Media Metrix 2005

The top 5 search networks

Google, Yahoo,
MSN, AOL & Ask

reach 98.5% of
the total US
search market.

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