A SUPPLEMENT TO

Advertising Age

DIGITAL MARKETING & MEDIA

FACT PACK

IN ASSOCIATION WITH

eMarketer

THE FIRST PLACE TO LOOK

crain

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DIGITAL MARKETING AND MEDIA

DATA ON THE DIGITAL WORLD

LET'S FACE IT. It's becoming critical to stay atop the digital media and marketing space, but the pace of technological change is making it increasingly difficult. That's why we've again pulled together the important data and trends to serve as a guide to marketing in this space. This, our second annual Digital Fact Pack, is full of fascinating numbers. Some highlights:

Big players continue to dominate online advertising, thanks to both their audience scale and their ability to re-aggregate smaller, disparate audiences. The top 10 online properties took in 99% of 2006 gross online ad revenue. Net online ad revenue is a slightly less stilted story, but continues to illustrate that when it comes to online ad revenue, the Long Tail of the web has a big, fat head (Page 11).

48.3% of Americans will be hooked up to a broadband connection this year and $243.1 billion will be spent in U.S. online retail sales.

After breaking onto the scene a few years ago, social networking is flourishing. MySpace and Facebook continue to defy gravity, growing 72.5% and 59.2% (Feb. '07 versus Feb. '06), respectively, and, depending on what surveys you use, advertisers are set to spend between 4.7% and 7.7% of their online ad budgets on the space (Pages 20 and 46).

While new mobile applications are picking up steam, consumers they have not yet warmed to the idea of advertising. In fact, more than half of consumers are not at all willing to watch ads on their phones in return for free mobile phone applications (Page 42).

That's just a taste of what's inside. We slice ad spending by category and take an in-depth look at the different areas in which marketers are spending their online dollars. It's important to note the interactive realm is monitored by dozens of companies, media and trade groups. Since their methodologies vary, totals do, too..

Oh, and speaking of the ever-changing digital space, since last year's Fact Pack we've doubled the frequency of our dedicated digital section in the print version of Ad Age and launched a weekly newsletter that rounds up the best of our digital coverage. So use this Digital Marketing & Media Fact Pack as a guide, but visit **AdAge.com/digital** for continuous coverage of the space.

—ABBEY KLAASSEN

COVER PHOTO BY PAUL COOKLIN

EMERGING MEDIA

Data from American Advertising Federation (AAF), November 2006, via eMarketer. Shows the percentage of media budgets allocated to select emerging media according to U.S. advertising executives.

MEDIA	% OF BUDGET
Search	27.0%
Online video	14.9
Blogs	8.4
Podcasts	8.0
Social networking	7.7
RSS	5.5
Mobile	5.2
Video games	3.6

CONTENTS

OVERVIEW

U.S. ONLINE AD SPENDING BY FORMAT

Data from eMarketer, February 2007, which benchmarks its U.S. online advertising spending projections against the Interactive Advertising Bureau (IAB)/PricewaterhouseCoopers (PwC) data, for which the last full year measured was 2005; online ad data include categories as defined by IAB/PwC benchmark–display ads (such as banners), paid search ads (including contextual text-links), rich media (including video), classified ads, sponsorships, referrals/lead generation, e-mail (embedded third-party ads in emails, not email marketing) and slotting fees. Dollars in millions.

		PROJECTED ANNUAL REVENUE IN BILLIONS						'06-'11
FORMAT	2005	2006	2007	2008	2009	2010	2011	% CHANGE
Paid search	$5,142	$6,970	$8,288	$10,234	$12,224	$14,212	$16,151	131.7
Rich media/video	1,003	1,476	2,145	2,916	3,794	5,007	6,205	320.4
Display ads	2,634	3,444	3,900	4,522	5,058	5,491	5,840	69.6
Classified	2,132	2,788	3,315	4,046	4,637	5,168	5,840	109.5
Referrals	753	902	975	1,071	1,265	1,292	1,278	41.7
Sponsorships	502	492	488	536	562	485	456	–7.3
E-mail	251	164	195	238	281	323	365	122.6
Slotting fees	125	164	195	238	281	323	365	122.6
Total	12,542	16,400	19,500	23,800	28,100	32,300	36,500	122.6

BEHAVIORAL TARGETING: REACHING POTENTIAL BUYERS

Data from Forrester Research's NACTAS 2006 Benchmark Survey.

NEW APPLICATION	TECHNOLOGY OWNERSHIP TO IDENTIFY ENABLED CONSUMERS	ONLINE BEHAVIOR TO IDENTIFY POTENTIAL BUYERS	INTENSITY OF BEHAVIOR TO IDENTIFY EARLY ADOPTERS
VIDEO STREAMING SERVICES	Has broadband and a home network	Downloads video or music today	Top quartile of time spent with video
	15% of market	8% of market	2% of market
MUSIC ON CELL PHONES	Uses mobile data service	Downloads music or listens to internet radio	Does these at least a few times weekly
	15% of market	7% of market	3% of market
ONLINE CONSUMER-DIRECTED HEALTH PLAN	Has broadband	Ever done research into a disease, drug or doctor	Top quartile of time spent online
	40% of market	26% of market	11% of market

WEBSITES

TOP FIVE PORTAL SITE COS. BY UNIQUE VISITORS

Ranking based on data from comScore Media Metrix. Sales and earnings from public documents. Ad spending is U.S. measured media ad spending from TNS Media Intelligence. *Fiscal year ends June 30. ** Yahoo '05 net income included about $1 billion in special gains and tax benefits; '06 net income reduced $222 million by accounting change.

Yahoo yahoo.com; Sunnyvale, Calif.

128.6 million unique visitors a month averaged 281.5 minutes on the sites.

NUMBERS	2006	2005	% CHG
Revenue (billions)	$6.43	$5.26	22.2
Net income (billions)**	0.75	1.90	-60.4
Ad spending (millions)	35.3	36.6	-3.6

EXECUTIVES

11,400 employees led by Terry S. Semel, chmn & CEO; Jerry Yang, co-founder & chief Yahoo; David Filo, co-founder & chief Yahoo; TOP MKTG EXEC: Cammie Dunaway, chief mktg officer

Time Warner aol.com, cnn.com, multiple media sites; New York

117.9 million unique visitors a month averaged 269.8 minutes on the sites.

NUMBERS	2006	2005	% CHG
Revenue (billions)	$44.22	$42.40	4.3
Net income (billions)	6.55	2.67	145.3
Ad spending (millions)	1,837.2	2,074.4	-11.4

EXECUTIVES

92,700 employees led by Richard D. Parsons, chmn & CEO-Time Warner; Randy Falco, chmn & CEO-AOL; TOP MKTG EXEC: John Partilla, pres-Time Warner Global Mktg

Google google.com, youtube.com; Mountain View, Calif.

114.7 million unique visitors a month averaged 79.5 minutes on the sites.

NUMBERS	2006	2005	% CHG
Revenue (billions)	$10.60	$6.14	72.8
Net income (billions)	3.08	1.47	110.1
Ad spending (millions)	20.5	8.1	152.8

EXECUTIVES

10,674 employees led by Eric E. Schmidt, chmn & CEO; Larry Page, co-founder & pres-products; Sergey Brin, co-founder & pres-tech; TOP MKTG EXEC: David Lawee, VP-mktg

Microsoft Corp. msn.com, msnbc.com (joint venture), microsoft.com; Redmond, Wash.

114.2 million unique visitors a month averaged 167.0 minutes on the sites.

NUMBERS	2006	2005	% CHG
Revenue (billions)*	$44.28	$39.79	11.3
Net income (billions)*	12.60	12.25	2.8
Ad spending (millions)	447.0	461.9	-3.2

EXECUTIVES

71,000 employees led by William H. Gates III, chmn; Steven A. Ballmer, CEO; TOP MKTG EXEC: Mich Mathews, senior VP-central mktg group.

eBay ebay.com; San Jose, Calif.

79.6 million unique visitors a month averaged 73.9 minutes on the site.

NUMBERS	2006	2005	% CHG
Revenue (billions)	$5.97	$4.55	31.1
Net income (billions)	1.13	1.08	4.0
Ad spending (millions)	144.4	158.2	-8.8

EXECUTIVES

13,200 employees led by Pierre M. Omidyar, chmn; Margaret C. Whitman, pres & CEO; TOP MKTG EXEC: John Donahoe, pres-eBay Marketplace

TOP 25 PARENT WEB SITES BY UNIQUE VISITORS

Source: comScore Media Metrix. Unique visitors in thousands for 175,653,000 total visits in February 2007 versus 166,966,000 visits in February 2006. ComScore defines unique visitors as "the estimated number of different individuals that visited any content of a website, a category, a channel, or an application during the reporting period." This is a measure of visitors, not the number of registered users, subscribers, or videos streamed. *Percentage increase due to the inclusion of numerous Fox acquisitions, including MySpace, which was added to Fox data in August 2006. Rankings by category continue on Pages 16 through 21. Average minutes are per visitor.

RANK	SITE	UNIQUE VISITORS (000)	% CHG VS. 2/06	AVERAGE MINUTES
1	Yahoo sites	128,559	7.1	281.5
2	Time Warner network	117,942	6.8	269.8
3	Google sites	114,694	21.2	79.5
4	Microsoft sites	114,155	3.0	167.0
5	eBay	79,559	19.4	73.9
6	Fox Interactive Media (incl. MySpace)*	77,969	461.5	162.3
7	Amazon sites	48,905	14.6	16.5
8	Ask network	48,722	13.2	17.4
9	Wikipedia sites	43,656	122.3	12.5
10	New York Times Digital	39,769	14.1	10.8
11	Viacom Digital	39,128	NA	47.0
12	The Weather Channel	37,374	34.0	11.9
13	Apple	36,767	51.5	8.7
14	CNET networks	29,881	12.8	17.8
15	Gorilla Nation	29,098	40.1	13.9
16	AT&T	27,391	22.5	34.7
17	Adobe Sites	26,035	18.9	3.4
18	Wal-Mart	25,125	19.7	15.2
19	Expedia	25,060	−1.3	15.9
20	United Online	24,773	−0.2	25.3
21	CBS Corp.	23,045	22.7	20.9
22	Target Corp.	23,038	15.9	11.1
23	Monster Worldwide	22,794	−5.2	13.9
24	Lycos	22,341	−4.7	7.2
25	Disney Online	21,959	NA	48.9
	Total visits across all categories	175,653	0.0	1,721.9

U.S. ONLINE ADVERTISING MARKET

Data from IAB/PricewaterhouseCoopers, Piper Jaffray, company reports, via Marketspace. Share includes intercompany transactions.

RANK	SITE	ALL AD REVENUE IN 2006 GROSS	NET	SHARE OF TOTAL IN 2006 GROSS	NET
1	Google	$6.0	$4.1	36.1%	24.7%
2	Yahoo	4.6	3.0	27.7	18.1
3	AOL	1.9	1.3	11.6	7.8
4	MSN	1.5	1.1	9.2	6.8
5	IAC	0.5	0.4	3.2	2.6
6	CNET	0.4	0.4	2.6	2.3
6	Fox Interactive	0.4	0.4	2.6	2.3
8	Viacom	0.4	0.4	2.6	2.3
9	Disney Internet Group	0.3	0.3	2.0	1.7
10	New York Times Digital	0.3	0.2	2.0	1.4
	Top 4	14.2	9.6	85.0	57.0
	Top 10	16.7	11.8	99.0	70.0
	Total U.S. online advertising	16.8			

TOP 50 U.S. PARENT WEB SITES BY DISPLAY AD REVENUE

Data from TNS Media Intelligence on more than 2,800 sites. Dollars are in millions for calendar 2006, represent only display advertising; excludes search and broadband video. Percent change computed versus 2005 data, not shown.

RANK	SITE	U.S. AD SPENDING	% CHANGE
1	Yahoo	$1,157.9	5.8
2	Microsoft Network	939.4	21.6
3	AOL Media Network	778.9	-14.7
4	Time Warner	326.6	16.2
5	New York Times and About.com	239.7	16.5
6	Lycos Network & Terra Lycos	207.3	-4.2
7	AT&T	205.2	3.5
8	CNET	198.7	12.1
9	ABC Internet Group	188.8	16.8
10	ESPN Internet Group	182.5	77.7
11	Fox and News Corp.	176.8	52.5
12	Excite Network	172.2	2.8
13	Dow Jones	163.7	9.2
14	American Greetings	118.0	-5.5
15	ZDnet	109.3	120.5
16	USA Today & Gannett Co.	104.5	43.2
17	Weather.com	73.0	-25.0
18	Cox Enterprises	72.7	16.0
19	E.W. Scripps	69.7	23.5
20	Viacom	69.2	15.4
21	Tradetrek.com	67.7	160.7
22	Washington Post	66.4	-22.7
23	Gay.com	65.8	59.3
24	Condenet/Conde Nast	61.5	38.9
25	IDG.net	59.3	97.3
26	Playboy	59.3	17.5
27	Orbitz	58.7	46.7
28	TheStreet.com	58.3	44.7
29	Travelocity.com	57.3	44.8
30	TV Guide Online	56.2	31.0
31	Internet Movie Database (IMDB)	55.9	26.4
32	Ticketmaster	55.0	90.2
33	Flipside.com	54.5	-7.4
34	CBS Internet Group	51.2	93.8
35	Morningstar.com	50.7	-6.8
36	Homestore.com	49.5	14.6
37	SmartMoney.com	45.9	16.1
38	Hearst Publications	45.7	63.2
39	ClearStation	44.9	20.9
40	Forbes	43.3	32.4
41	Egreetings Network	41.4	54.2
42	ivillage	41.0	43.0
43	DealTime.com	40.9	24.6
44	Emdeon	39.1	48.1
45	New York Daily News Online	38.8	-10.8
46	Internet.com	33.7	24.7
47	Fool.com	33.3	29.5
48	Nasdaq	33.1	12.5
49	Univision	32.4	39.5
50	Kelley Blue Book	31.8	36.3

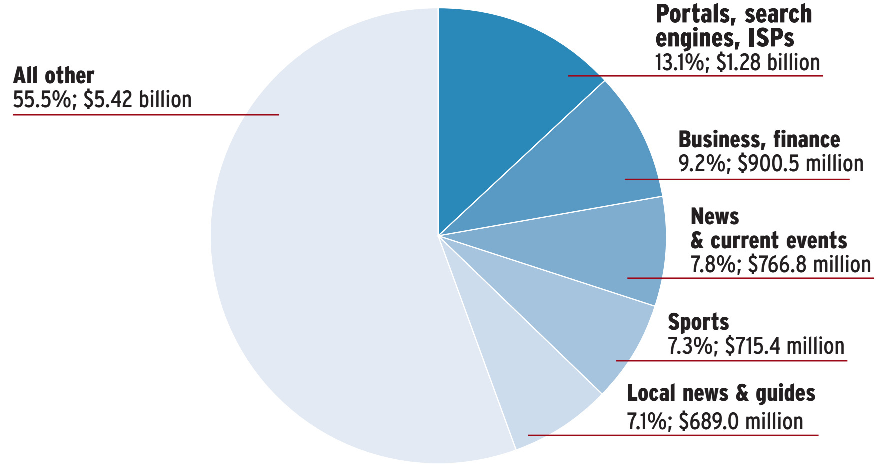
TOP 25 WEB SITE CATEGORIES BY AD REVENUE

Data from TNS Media Intelligence on more than 2,800 sites. Dollars are in millions for calendar 2006 and represent only display advertising; excludes search and broadband video. Percent change computed versus 2005 data, not shown. *No. 1 is multi-service such as MSN, Yahoo and AOL and No. 10 is just portals and search engines such as Ask and About. Categories are from TNS.

RANK	TYPE OF SITE	U.S. AD SPENDING	% CHANGE
1	Portals, search engines & ISPs: Multiservice*	$1,277.9	13.1
2	Business, finance, investing	900.5	25.5
3	News & current events	766.8	9.1
4	Sports	715.4	31.0
5	Local news & guides	689.0	48.3
6	General interest/general entertainment	644.1	16.1
7	Computing & technology	523.8	62.6
8	Movies, videos, TV & cable	374.0	1.6
9	TV stations	340.9	21.2
10	Portals & search engines	318.6	5.0
11	Games	315.0	5.4
12	Health & fitness	282.0	-22.8
13	Travel	260.1	15.2
14	Internet service providers*	229.7	3.2
15	Automotive	206.8	15.5
16	Cards & screen savers	199.0	16.3
17	Common cultures/communities	138.1	35.9
18	Music, broadcasts & radio	134.4	-9.9
19	Real estate	116.4	11.3
20	Shopping	109.2	34.1
21	Special interests/hobbies	109.1	25.0
22	Food	107.7	31.1
23	Meeting places	85.1	21.5
24	Hispanic	81.3	64.1
25	Education & reference	75.0	27.9
	Total	9,769.8	17.5

WHERE $9.77 BILLION IS SPENT

Source: TNS Media Intelligence for calendar 2007. See table on facing page.



TOP 5 SITES IN 16 MAJOR CATEGORIES

Source: comScore Media Metrix. Unique visitors in thousands for more than 175 million total visits in February 2007. Rankings continue through Page 21. More extensive notes about visitors are on Page 10.

AUTOMOTIVE

RANK	SITE	UNIQUE VISITORS FEB. 2007	UNIQUE VISITORS FEB. 2006	% CHANGE
1	eBay Motors U.S.	12,592	9,160	37.5
2	General Motors Corp.	8,340	8,000	4.2
3	Ford Motor Co.	6,237	6,009	3.8
4	AutoTrader	6,067	4,743	27.9
5	KBB.COM	5,601	5,270	6.3

NEWS/RESEARCH

RANK	SITE	UNIQUE VISITORS FEB. 2007	UNIQUE VISITORS FEB. 2006	% CHANGE
1	Yahoo Finance	11,945	8,679	37.6
2	AOL Money & Finance	11,676	10,583	10.3
3	MSN Money	11,016	11,574	-4.8
4	Dow Jones & Co.	5,407	6,620	-18.3
5	CNN Money	5,248	5,716	-8.2

CAREER SERVICES AND DEVELOPMENT

RANK	SITE	UNIQUE VISITORS FEB. 2007	UNIQUE VISITORS FEB. 2006	% CHANGE
1	CareerBuilder	20,834	19,705	5.7
2	Monster	13,745	12,363	11.2
3	Yahoo HotJobs	9,548	5,849	63.2
4	Job.com	3,392	2,519	34.7
5	College Board Property	2,207	2,426	-9.0

ENTERTAINMENT - MUSIC

RANK	SITE	UNIQUE VISITORS FEB. 2007	UNIQUE VISITORS FEB. 2006	% CHANGE
1	Yahoo Music	23,379	20,818	12.3
2	AOL Music	16,452	18,641	-11.7
3	MySpace Music	15,744	NA	NA
4	ARTISTdirect Network	13,842	10,549	31.2
5	MTV Networks Music	13,053	NA	NA

TOP 5 SITES IN 16 MAJOR CATEGORIES

Source: comScore Media Metrix. Unique visitors in thousands for more than 175 million total visits in February 2007. Rankings continue through Page 21. More extensive notes about visitors are on Page 10.

RANK	SITE	UNIQUE VISITORS FEB. 2007	UNIQUE VISITORS FEB. 2006	% CHANGE
GAMBLING				
1	PCH.com	8,300	5,116	62.2
2	Eprize.net	3,650	3,116	17.1
3	California Lottery	1,835	1,306	40.5
4	PokerStars	1,651	NA	NA
5	iWin.com	1,632	NA	NA
GAMES				
1	Yahoo Games	19,506	18,319	6.5
2	EA Online	12,837	9,768	31.4
3	MSN Games	10,347	10,468	-1.2
4	Atom Entertainment	9,817	NA	NA
5	IGN Entertainment - Games	7,374	NA	NA
CLASSIFIEDS				
1	Craigslist.org	15,991	8,524	87.6
2	Dominion Enterprises	6,818	7,615	-10.5
3	AutoTrader	6,067	4,743	27.9
4	Cars.com	3,814	3,283	16.2
5	Apartments.com	2,543	1,767	43.9
PERSONALS				
1	Yahoo Personals	4,941	5,325	-7.2
2	Match.com sites	3,919	3,895	0.6
3	True.com	3,812	1,947	95.8
4	Singlesnet.com	3,114	568	448.5
5	Spark Networks	2,768	2,336	18.5

RANK	SITE	UNIQUE VISITORS FEB. 2007	UNIQUE VISITORS FEB. 2006	% CHANGE
ENTERTAINMENT - MOVIES				
1	IMDB.com	18,980	15,092	25.8
2	Yahoo Movies	14,526	12,138	19.7
3	MSN Movies	11,869	12,001	-1.1
4	Moviefone	11,452	11,722	-2.3
5	Hollywood Media Corp.	8,948	7,668	16.7
BLOGS				
1	Blogger	22,281	NA	NA
2	Six Apart sites	10,477	8,699	20.4
3	Windows Live Spaces	8,320	7,925	5.0
4	Yahoo 360°	4,413	3,262	35.3
5	WordPress.com	4,388	230	1808.5
SPORTS				
1	ESPN	15,207	17,806	-14.6
2	Fox Sports on MSN	14,704	15,852	-7.2
3	Yahoo Sports	13,109	13,026	0.6
4	AOL Sports	9,002	11,695	-23.0
5	NFL Internet Group	8,891	8,393	5.9
TRAVEL				
1	Expedia	25,060	25,392	-1.3
2	Travelport	19,160	NA	NA
3	Travelocity	11,492	12,246	-6.2
4	Southwest Airlines Co.	9,447	9,902	-4.6
5	Yahoo Travel	9,024	8,597	5.0

TOP 5 SITES IN 16 MAJOR CATEGORIES

Source: comScore Media Metrix. Unique visitors in thousands for more than 175 million total visits in February 2007. Rankings continue through Page 21. More extensive notes about visitors are on Page 10.

RANK	SITE	UNIQUE VISITORS FEB. 2007	FEB. 2006	% CHANGE
HEALTH				
1	WebMD Health	16,466	13,093	25.8
2	NIH.gov	9,321	8,381	11.2
3	MSN Health	7,777	6,203	25.4
4	Everyday Health	6,860	4,060	69.0
5	About.com Health	5,540	4,680	18.4
RETAIL				
1	eBay	79,559	66,613	19.4
2	Amazon sites	48,905	42,660	14.6
3	Apple	36,767	24,277	51.5
4	Wal-Mart	25,125	20,999	19.7
5	Target Corp.	23,038	19,876	15.9
NEWS/INFORMATION				
1	New York Times Digital	39,769	34,841	14.1
2	The Weather Channel	37,374	27,887	34.0
3	Yahoo News	36,235	26,437	37.1
4	MSNBC	25,783	26,484	−2.6
5	CNN	22,915	20,546	11.5
SOCIAL NETWORKING				
1	MySpace.com	64,443	37,349	72.5
2	Blogger	22,281	NA	NA
3	Facebook.com	16,737	10,513	59.2
4	Yahoo Geocities	16,563	19,434	−14.8
5	Classmates.com sites	14,465	13,756	5.2

BLOGS

BLOG USERS

Data from Pew Internet & American Life Project, July 2006, via eMarketer for November 2005 through April 2006 for U.S. adult internet users.

ACTIVITY	MILLIONS OF USERS
Internet users	147
Read blogs	57
Keep a blog	12

U.S. INTERNET USERS WHO KEEP BLOGS

Data from USC Annenberg School Center for the Digital Future, November 2006, via eMarketer for November 2005 through April 2006 for U.S. internet users who keep a blog, 2003 & 2006.

YEAR	% OF RESPONDENTS
2003	3.2%
2006	7.4

BLOG READERS

Data from the Radio Television News Directors Foundation (RTNDF) commissioned by The Ford Foundation, October 2006 for 1,106 respondents, via eMarketer. Shows the frequency with which U.S. adults read blogs, April-May 2006.

FREQUENCY	% OF RESPONDENTS
Every day	3.1%
Several times a week	4.0
About once a week	4.5
Seldom	20.1
Never	52.3
Don't know what blogs are	16.0

BLOG AD SPENDING

Data from PQ Media and Marketing Vox, April 2006, via eMarketer for the U.S. only in millions.

2005	2006	2010
$16.6	$36.2	$300.4

CALCULATING THE RETURN ON INVESTMENT OF BLOGGING

Data from a case study estimating the ROI of General Motors' FastLane blog in Forrester Research's Jan. 27, 2007, report, "Calculating The ROI Of Blogging: A Case Study." The model is adjusted for risk and other factors such as declining press coverage. Forrester offers underlying data in spreadsheets online. A complimentary copy of the full case study is available at: http://www.forrester.com/roiofblogging

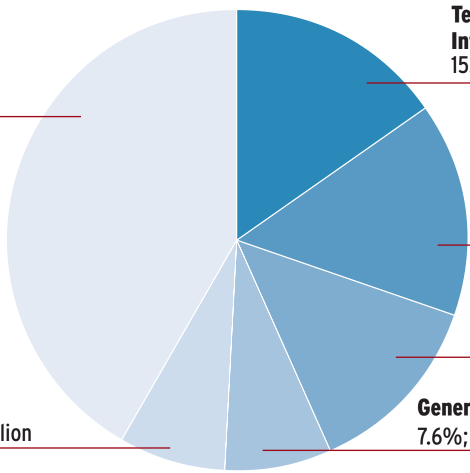
	2005	2006	2007
BENEFITS: Consumer insight	$180,000	$180,000	$180,000
Blog visibility	6,844	6,844	6,844
Press	380,990	214,900	169,760
Word of mouth	10,540	8,727	6,970
Total benefits	578,374	410,470	363,574
COSTS: Initial	35,521	–	–
Recurring	255,675	255,675	255,675
Total costs	291,196	255,675	255,675
RETURN ON INVESTMENT	99%	61%	→

Scenario	Probability	ROI
Most likely	65%	42%
Best case	5%	79%
Worst case	30%	26%
Risk-adjusted ROI		39%

ONLINE DISPLAY ADVERTISING

$9.77 BILLION INTERNET DISPLAY ADS BY CATEGORY

Source: TNS Media Intelligence. Dollars are in millions for calendar 2006 and represent only display advertising excluding search and broadband video on more than 2,800 sites. See note on Page 27 for information on the categories, which are aggregated by Ad Age.



DISPLAY AD GROWTH

Source: TNS Media Intelligence. Dollars are in millions, and exclude search and broadband video ads.

YEAR	U.S. SPENDING	% CHG
2006	$9,769.8	17.5%
2005	8,318.0	13.2
2004	7,342.9	20.8
2003	6,080.1	18.0
2002	5,151.5	-11.1

TOP 25 U.S. INTERNET ADVERTISERS

Data from TNS Media Intelligence on more than 2,800 sites. Dollars are in millions for calendar 2006 and represent only display advertising; excludes search and broadband video. Percent change computed versus 2005 data, not shown.

RANK	MARKETER	U.S. AD SPENDING	% CHANGE
1	**Vonage Holdings Corp.**	$185.7	-32.7
2	**AT&T**	166.9	196.9
3	**Dell**	137.8	-13.3
4	**Walt Disney Co.**	133.2	46.7
5	**General Motors Corp.**	129.7	16.0
6	**Experian Group**	128.3	-29.5
7	**Verizon Communications**	123.6	-14.2
8	**Apollo Group**	123.6	38.7
9	**IAC/InterActiveCorp**	123.0	37.2
10	**TD Ameritrade Holding Corp.**	119.8	30.5
11	**United Online**	115.9	-23.2
12	**Netflix**	115.2	-15.8
13	**Hewlett-Packard Co.**	111.4	3.1
14	**E-Trade Financial Corp.**	106.9	49.3
15	**Scottrade**	105.0	23.3
16	**Monster Worldwide**	102.6	74.3
17	**Ford Motor Co.**	99.1	80.1
18	**FMR Corp.** (Fidelity Investments)	97.4	236.8
19	**Time Warner**	90.6	-46.0
20	**Nextag**	90.1	198.6
21	**Dollar Thrifty Automotive Group**	88.0	176.4
22	**Microsoft Corp.**	81.7	-20.7
23	**American Express Co.**	80.8	180.0
24	**Sony Corp.**	73.6	65.8
25	**Charles Schwab Corp.**	72.1	12.1
	Total	9,769.8	17.5

U.S. INTERNET SPENDING TOTALS BY CATEGORY

Data from TNS Media Intelligence on more than 2,800 sites. Dollars are in millions for calendar 2006 and represent only display advertising; excludes search and broadband video. Percent change computed versus 2005 data, not shown. *See note on facing page for information on the categories.

RANK	CATEGORY*	U.S. INTERNET AD SPENDING	% CHANGE
1	Telecommunications, internet services and ISP	$1,494.7	−0.8
2	Financial services	1,481.9	43.8
3	Retail	1,257.5	14.2
4	General services	737.7	3.6
5	Automotive	727.2	71.4
6	Media	716.4	31.7
7	Computers, software	456.0	29.0
8	Airlines, hotels, car rental, travel	452.2	−11.8
9	Medicine & remedies	379.3	−3.3
10	Education	273.7	8.8
11	Movies, recorded video & music	189.7	60.2
12	Toys & games	159.9	29.3
13	Government, politics, religion	155.6	−9.3
14	Insurance	151.2	−6.7
15	Food, beverages & candy	133.7	23.2
16	Real estate	131.7	42.0
17	Personal care	105.5	32.6
18	Home furnishings, appliances & electronics	84.6	2.4
19	Beer, wine & liquor	61.0	38.7
20	Restaurants	48.5	7.4
21	Apparel	39.4	42.7
22	Home supplies & cleaners	29.8	122.8
23	Hardware & home building supplies	26.3	74.9
24	Pet food & pet care	21.3	−44.9
25	Sporting goods	13.5	41.0
	Total all categories	9,769.8	17.5

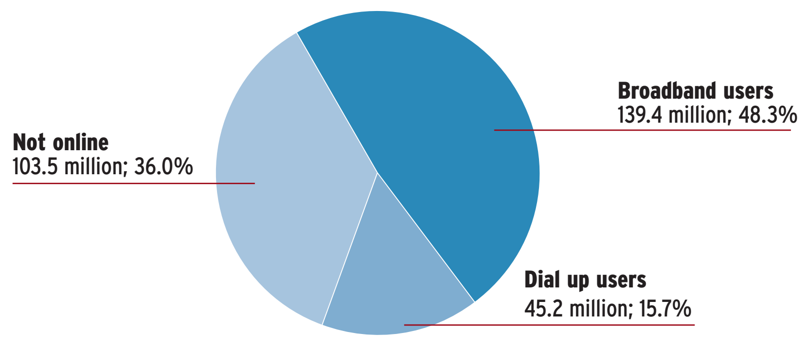
ABOUT THE CATEGORIES

Categories are aggregated by Ad Age from TNS classifications as follows (not comprehensively): **Automotive** includes manufacturers and dealerships; **Retail** includes discount department & variety stores, department stores, retail, shopping centers & catalog showrooms; **Telecom, internet services and ISP** includes telephone companies (wireless, local and long distance), internet service providers, web designers, communications networks, telephone equipment, and offline internet support; **Medicines & proprietary remedies:** Pharmaceutical houses, medicines & proprietary remedies, fitness, eyeglasses, medical equipment; **Financial services** includes banks and credit cards; **Food, beverages & confectionery:** Beverages, confectionery & snacks, dairy, produce, meat & bakery goods, prepared foods, ingredients, mixes & seasonings; **General Services:** Apparel services, business services, beauty shops, doctors, nurses, chiropractors, dentists, hospitals, clinics & medical centers, legal services, rental services, dating services, spectator sporting events, exterminators, electric & water companies; **Personal care:** Cosmetics & beauty aids, personal hygiene, hair products, toiletries, hygienic goods & skin care; **Movies, recorded video and music** includes DVDs; **Direct response advertising** includes direct response advertising in all classifications; **Airlines, hotel, car rental and travel** includes cruise ship travel; **Apparel:** Ready-to-wear, underclothing & hosiery, jewelry, accessories, footwear; **Home furnishings, appliances & electronics:** household furnishings & accessories, building materials, equipment & fixtures, appliances, electronics; **Home supplies and cleaners:** Household soaps, cleansers & polishes, laundry soaps, foils, wraps, paper products; **Miscellaneous:** Aviation (excluding freight), employment recruitment, agriculture, lawn and garden, industrial, luggage, cameras, film.

CONSUMER INTERNET USAGE

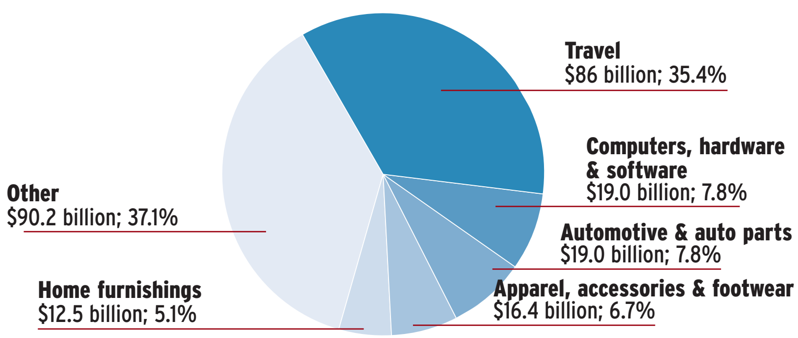
INTERNET PENETRATION BY ACCESS TECHNOLOGY

Data from eMarketer, using the Federal Communications Commission as its benchmark for broadband households for 2007. Based on 288.5 million people in the U.S. ages 3-plus in 2007. See chart, Page 30.



$243.1 BILLION IN U.S. ONLINE RETAIL SALES IN 2007

Data from Forrester Research's U.S. eCommerce Report showing projections for 2006 and 2007. All figures are in billions of U.S. dollars. See related chart on Page 34.



INTERNET USERS IN THE U.S. BY ACCESS TECHNOLOGY

Data from eMarketer (March 2007) using the following sources and methodologies: [1]historical data from the International Telecommunication Union (ITU) as a baseline; penetration figures are based on population estimates from the U.S. Census Bureau's International Data Base (IDB); an internet user is defined as someone who uses the internet at least once per month; [2]Broadband is defined as an internet connection of 200 kbps in at least one direction and includes ADSL, cable, satellite, fixed wireless, fiber, powerline, WiMax and emerging technologies used at home. Figures are rounded.

USERS, HOUSEHOLDS, SUBSCRIBERS IN MILLIONS	2005	2006	2007	2008	2009	2010
Internet users[1]	175.4	181.9	188.1	193.9	200.1	206.2
percent change		3.7%	3.4%	3.1%	3.2%	3.0%
Population ages 3+	283.4	286.0	288.5	291.1	293.8	296.3
percent change		0.9%	0.9%	0.9%	0.9%	0.8%
Internet users as % of population ages 3+	61.9%	63.6%	65.2%	66.6%	68.1%	69.6%
+/- change		1.7	1.6	1.4	1.5	1.5
Broadband users	108.1	124.3	139.4	153.6	165.1	173.5
percent change		15.0%	12.1%	10.2%	7.5%	5.1%
Dial-up users	67.3	55.8	45.2	34.9	27.2	22.5
percent change		−17.1%	−19.0%	−22.8%	−22.1%	−17.3%
Online households [2]	72.1	74.5	78.6	82.9	87.8	92.3
percent change		3.3%	5.5%	5.5%	5.9%	5.1%
Broadband households [2]	43.9	54.6	65.0	74.1	81.1	86.2
percent change		24.4%	19.0%	14.0%	9.4%	6.3%
Dial-up households [2]	28.2	19.9	13.6	8.8	6.7	6.1
percent change		−29.4%	−31.7%	−35.3%	−23.9%	−9.0%
Online households as % of all U.S. households [2]	61.7%	62.6%	64.9%	67.2%	70.0%	72.3%
+/- change		0.9	2.2	2.4	2.7	2.4
Broadband as % of all online households [2]	60.9%	73.3%	82.7%	89.4%	92.4%	93.4%
+/- change		12.4	9.4	6.7	3.0	1.0
ADSL broadband households	17.4	23	28.1	31.8	34.5	36.2
percent change		32.2%	22.2%	13.2%	8.5%	4.9%
Cable broadband households	25.6	29.9	34.1	37.9	40.9	43.1
percent change		16.8%	14.0%	11.1%	7.9%	5.4%
Other broadband households	0.9	1.7	2.8	4.4	5.7	6.9
percent change		88.9%	64.7%	57.1%	29.5%	21.1%
Total U.S. households	116.8	119	121.2	123.3	125.5	127.6
percent change		1.9%	1.8%	1.7%	1.8%	1.7%

TOP ONLINE ACTIVITIES OF INTERNET USERS

Data from Mediamark Research Inc. (MRI) for U.S. adult internet users only, showing percent of respondents, October 2006, via eMarketer. *Includes traded stocks, bonds or mutual funds.

RANK	ACTIVITY	INTERNET USERS	% CHG VS. 2005	% CHG VS 2002
1	Used e-mail	70.5%	1.6%	9.7%
2	Obtained the latest news/current events	40.2	-4.6	12.3
3	Made a purchase online for personal use	34.2	5.7	57.7
4	Paid bills online	30.7	NA	NA
5	Used instant messenger	26.8	20.6	NA
6	Obtained financial information	24.8	-5.2	21.4
7	Obtained sports news/information	23.8	-7.0	15.1
8	Played games online	22.4	-1.3	22.4
9	Made personal or business travel plans	19.8	-0.5	24.9
10	Obtained medical information	17.4	-2.5	26.2
11	Downloaded music	15.7	23.3	NA
12	Visited a TV network's or TV show's website	14.1	-1.7	35.1
13	Tracked investments*	13.2	NA	NA
14	Obtained information about real estate	12.3	-8.3	36.6
15	Looked for employment	12.1	-7.7	11.3
16	Watched video online	11.4	123.7	NA
17	Listened to radio on the internet	10.9	3.8	25.6
18	Made a purchase for business use	10.7	2.4	51.5
19	Obtained information for a new car purchase	10.0	-12.1	-2.7
20	Visited blogs	6.7	163.9	NA
21	Made a phone call online	2.6	197.7	NA
22	Used online gambling site	2.2	NA	NA

SIMULTANEOUS ACTIVITIES WHILE ONLINE

Data from BIGresearch, December 2006, for 15,167 U.S. adults, via eMarketer.

RANK	ACTIVITY	REGULARLY	OCCASIONALLY	NEVER
1	Watching TV	39.5%	30.4%	30.1%
2	Reading mail	24.5	28.2	47.4
3	Listening to the radio	22.7	38.2	39.1
4	Reading newspaper	12.3	21.1	66.6
5	Reading magazine	9.2	26.4	64.5
	Other activities	25.7	45.5	28.9

EFFECT OF TECHNOLOGY ON THE SOCIAL LIVES OF U.S. ADULT INTERNET USERS

Data from Henley Center HeadlightVision for Yahoo and OMD, September 2006, via eMarketer. Table shows percent of respondents for July-August 2006.

EFFECT	RESPONDENTS BY AGE 18 TO 34	35 PLUS
Wouldn't be able to stay in touch with friends and family without technology	55%	36%
Enjoy shopping online	55	44
Have friends who live in different cities and countries because of the internet	46	32
Give advice about new technology to others	40	22
Technology has provided me with a platform to overcome my shyness	36	17
Social life would suffer without technology	34	18

U.S. ONLINE RETAIL SALES

Data from Forrester Research. Table shows U.S. eCommerce data for 2006 and 2007. All figures are projected in billions of U.S. dollars. See related pie chart on Page 28.

CATEGORY	U.S. ONLINE RETAIL SALES PROJECTIONS (IN BILLIONS) PROJECTED 2007	PROJECTED 2006	% CHG
Apparel, accessories & footwear	$16.4	$13.8	18.8%
Appliances & tools	7.0	5.9	18.6
Autos & auto parts	19.0	15.9	19.5
Baby products	1.9	1.6	18.8
Books	5.9	5.3	11.3
Computer hardware & software	19.0	16.8	13.1
Computer peripherals	1.5	1.4	7.1
Consumer electronics	11.9	9.8	21.4
Cosmetics & fragrances	1.0	0.8	25.0
Flowers & cards	3.1	2.6	19.2
Food, beverages & groceries	7.2	6.2	16.1
Gift cards & gift certificates	7.2	5.8	24.1
Home furnishings	12.5	10.2	22.5
Jewelry	4.8	4.0	20.0
Movie tickets	1.0	0.8	25.0
Music & videos	9.9	8.2	20.7
Office supplies	6.3	5.3	18.9
OTC medicines & personal care	1.6	1.3	23.1
Event tickets	5.4	4.3	25.6
Pet supplies	0.7	0.5	40.0
Sporting goods & apparel	6.8	5.8	17.2
Toys & video games	7.0	5.8	20.7
Travel	86.0	73.4	17.2
Total	243.1	205.5	18.3

TOP CATEGORIES BY TIME SPENT ONLINE

Data from comScore Media Metrix. Unique visitors in thousands for February 2007.

RANK	CATEGORY	DAILY MINUTES PER USER	SHARE OF ONLINE DAY	UNIQUE VISITS (000)
1	Portals	18.5	33.5%	160,080
2	E-mail	7.8	14.1	125,834
3	Instant messengers	5.4	9.8	74,064
4	Retail	4.2	7.6	136,863
5	Entertainment	3.0	5.4	129,441
6	Games	2.5	4.6	71,390
7	Online gaming	2.2	4.0	56,532
8	Community	1.7	3.1	110,141
9	Directories/resources	1.6	2.9	121,896
10	Discussion/chat	1.6	2.8	46,043

VIDEO ONLINE

TOP VIDEO PROPERTIES

Data from comScore Video Metrix for January 2007 for all persons at home, work, college. Unique Streamers are in thousands.

PROPERTY	STREAMERS
Google sites	54,732
YouTube.com (part of Google)	48,666
Fox Interactive Media	41,633
Yahoo sites	35,872
Time Warner network	24,384
Viacom Digital	18,921
Microsoft sites	18,127
Disney Online	12,634
Apple	7,695
ESPN	6,356
NBC Universal	5,724
CBS Corp.	5,344
ABC.com	5,268
Total streaming audience	122,872

USER-GENERATED VIDEO

Screen Digest estimates that 47% of online video content was user generated in 2006, and projects an increase to 55% by 2010, according to eMarketer.

TYPE OF VIDEO VIEWED

Data from eMarketer showing percent of 1,463 U.S. respondents asked the types of video content viewed for February-March 2006.

VIDEO TYPE	RESPONDENTS
News stories	40.0%
Movie previews	30.0
Weather	30.0
Jokes/bloopers	28.0
Music videos	27.0
TV show clips/excerpts	17.0
Sports content	16.0
Video game content	13.0
Cartoons	11.0
TV previews	11.0
Short films	10.0
Educational content	9.0
TV shows	8.0
Business/work-related content	7.0
User-generated content	6.0
Full-length movies	5.0
Other	4.0
None of the above	14.0

U.S. ONLINE VIDEO AD DOLLARS AND VIEWERS

Data from eMarketer, which benchmarks its ad spending projections against Interactive Advertising Bureau (IAB)/PricewaterhouseCoopers (PwC), for which the last full year measured was 2005. Video viewer defined as an one who downloads or streams video (content or advertising) at least monthly.

	U.S. MARKETING SPENDING IN MILLIONS						
	2004	2005	2006	2007	2008	2009	2010
Online video ad spending	$135	$225	$410	$775	$1,300	$2,000	$2,900
Video ad spending growth	58.8%	66.7%	71.1%	68.8%	69.2%	50.0%	42.4%
U.S. viewers (millions)	69.6	89.4	107.7	123.4	137.2	149.0	157.0

SEARCH

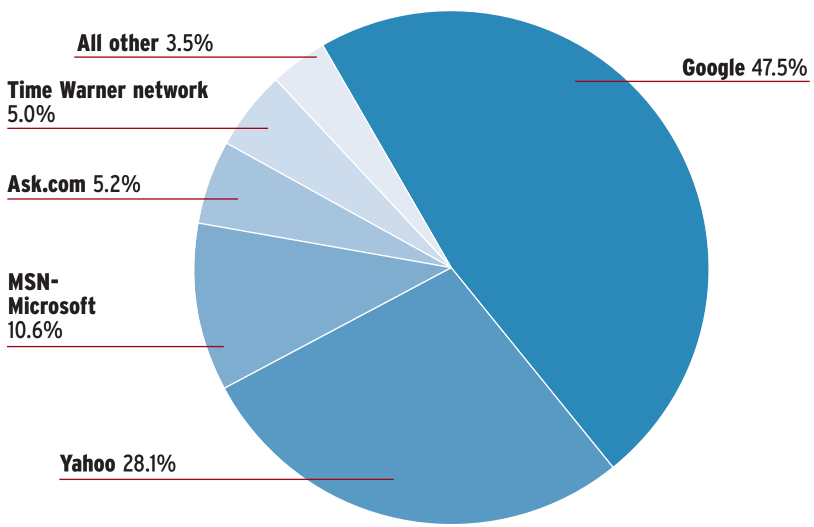
SHARE OF 6.9 BILLION ONLINE SEARCHES

Source: comScore qSearch, a division of comScore Networks. Point change based on share of 6.9 billion searches in January 2006. The 2007 figure represents a 26% overall increase in searches.

RANK	SITE	PERCENT OF SEARCHES JAN. 2007	JAN. 2006	+/- CHG
1	Google sites	47.5%	41.4%	6.1
2	Yahoo sites	28.1	28.7	-0.6
3	Microsoft sites	10.6	13.7	-3.1
4	Ask network	5.2	5.6	-0.4
5	Time Warner network	5.0	NA	NA
	All other	3.5	NA	NA

SEARCH ENGINE MARKET SHARE

Source: comScore qSearch, a division of comScore Networks.



TOP 25 U.S. SEARCH ENGINES

Data from Hitwise—which collects usage data through partnerships with ISPs and opt-in panels monitoring more than 10 million users in the U.S. and more than 25 million worldwide—for the week ending March 31, 2007.

RANK	NAME	DOMAIN	MARKET SHARE
1	Google	www.google.com	51.83%
2	Yahoo Search	search.yahoo.com	15.94
3	MSN Search	search.msn.com	9.13
4	Google Image Search	images.google.com	6.02
5	Ask.com	www.ask.com	2.15
6	AOL Search	www.aolsearch.com	1.73
7	Yahoo Image Search	images.search.yahoo.com	1.51
8	Windows Live Search	www.live.com	1.05
9	My Web Search	www.mywebsearch.com	1.05
10	Dogpile	www.dogpile.com	0.58
11	Lycos Search	search.lycos.com	0.47
12	MSN Video	video.msn.com	0.34
13	Mamma.com	www.mamma.com	0.33
14	Yahoo Video	video.search.yahoo.com	0.32
15	Ask - Images	images.ask.com	0.28
16	SurfSanity	www.surfsanity.com	0.27
17	AltaVista	www.altavista.com	0.25
18	Google Book Search	books.google.com	0.24
19	Google Scholar	scholar.google.com	0.22
20	Ask.com UK	www.uk.ask.com	0.19
21	InfoSpace	www.infospace.com	0.18
22	HP Search	search.hp.netscape.com	0.16
23	Yahoo Directory	dir.yahoo.com	0.16
24	AOL Video	video.aol.com	0.16
25	Search.com	www.search.com	0.15

SEARCHES PER SEARCHER

Source: comScore qSearch, a division of comScore Networks.

RANK	SITE	MONTHY SEARCHES PER SEARCHER JAN. 2007	JAN. 2006	+/- CHG
1	Google sites	29.3	27.1	2.2
2	Yahoo sites	22.3	21.4	0.9
3	Microsoft sites	13.4	15.5	-2.2
4	Ask network	10.1	10.4	-0.3
5	Time Warner network	11.3	NA	NA

TOTAL U.S. INTERNET AD REVENUE MINUS TRAFFIC ACQUISITION COSTS FOR GOOGLE & YAHOO

Data from an eMarketer February 2007 report based on reported revenue through 2006 and eMarketer projections for Google and Yahoo for 2007. Traffic acquisition costs (revenues shared with affiliate sites on network) are commonly abbreviated as "TAC." Gross revenue minus TAC is net revenue.

	GOOGLE	YAHOO
NET REVENUE (IN MILLIONS)		
2005	$2,410	$2,439
2006	4,095	2,996
2007	6,265	3,536
GROWTH VERSUS PRIOR YEAR		
2005	90.7%	37.3%
2006	69.9	22.9
2007	53.0	18.0

	GOOGLE	YAHOO	GOOGLE & YAHOO
SHARE OF INTERNET AD SPENDING			
2005	19.2%	19.4%	38.7
2006	25.0	18.3	43.2
2007	32.1	18.1	50.3
SHARE OF PAID SEARCH AD SPENDING			
2005	46.9%	19.0%	65.8%
2006	58.7	15.0	73.8
2007	75.6	15.8	91.4

U.S. SEARCH MARKETING SPENDING TO 2010

Data from Forrester Research's "U.S. Online Marketing Forecast," May 2, 2005. Paid inclusion is the amount spent on submitting pages to paid directories (like Froogle, Yahoo Shopping) for cataloging. Paid search is the amount spent on paid search media on search engines. Contextual listings is the amount spent buying contextual ads across content sites in different search engine or aggregator networks. Agency fees is the amount of money paid to interactive agencies or search marketing vendors for help managing the above three buys.

	DIGITAL MARKETING SPENDING IN MILLIONS OF DOLLARS				
CHANNEL	2006	2007	2008	2009	2010
Paid inclusion	$321	$366	$408	$447	$485
Agency fees	691	813	946	1,092	1,258
Contextual listings	1,181	1,426	1,665	1,881	2,089
Paid search	4,873	5,682	6,444	7,113	7,740
Total	7,067	8,287	9,463	10,533	11,571

GOOGLE'S ZEITGEIST

Data from Google. Google Zeitgeist for the week ending March 31, 2007, shows the top 10 gaining search queries published by Google.

RANK	QUERY
1	blades of glory
2	ron jeremy
3	hayden panettiere
4	transformers
5	gwen stefani
6	cesar chavez
7	xbox 360 elite
8	happy feet
9	discovery channel
10	allegra versace

WORDTRACKER

Data from Wordtracker's Keywords report, April 3, 2007, for the previous 48 hours. The hits count is the number of sightings of a keyword in a database of search terms from queries on metacrawlers. Adult terms are omitted.

RANK	QUERY
1	myspace
2	google
3	anna nicole smith
4	yahoo
5	ebay
6	akon
7	myspace.com
8	antonella barba
9	games play
10	mapquest

HITWISE' SHOPPING TERMS

Data from Hitwise for four weeks ending March 10, 2007. Hitwise collects usage data through partnerships with ISPs and opt-in panels monitoring more than 10 million users in the U.S. and more than 25 million worldwide. Terms are those that drove traffic to shopping on the web.

RANK	QUERY
1	ebay
2	craigslist
3	ebay.com
4	walmart
5	target
6	amazon
7	best buy
8	amazon.com
9	www.ebay.com
10	home depot
11	lowes
12	sears
13	prom dresses
14	craigslist.com
15	circuit city
16	walmart.com
17	craigs list
18	ticketmaster
19	netflix
20	target.com
21	costco
22	qvc
23	dell
24	ebay motors
25	hollister

MOBILE

MOBILE DEVICE USE AND CONTENT CONSUMPTION

Data from M:Metrics. "U.S. Mobile Subscriber Monthly Consumption of Content and Applications" surveyed 30,567 U.S. mobile subscribers. Data based on three-month moving average for period ending Jan. 31, 2007. Projected subscriber totals are in thousands.

RANK	ACTIVITY	U.S. SUBSCRIBERS	% SHARE	% CHG
1	Sent text message	78,325	39.2%	2.5%
2	Used photo messaging	29,416	14.7	−0.2
3	Browsed news and information	20,585	10.3	2.0
4	Purchased ringtone	20,024	10.0	5.0
5	Used personal e-mail	16,932	8.5	0.0
6	Used mobile instant messenger	12,643	6.3	1.2
7	Used work e-mail	10,187	5.1	0.6
8	Downloaded mobile game	7,288	3.6	−2.2
9	Purchased wallpaper or screensaver	6,903	3.5	4.3

YAHOO LEADS IN MOBILE USAGE

14.1 million mobile subscribers accessed e-mail, instant messaging, search, news, directory or weather categories using Yahoo sites, according to M:Metrics, followed by Google at 8.2 million. See note at right.

WILLINGNESS TO WATCH ADS

Data from Harris Interactive (August 2006) via eMarketer showing U.S. adult mobile phone users' willingness to watch advertising on their phones in return for free mobile phone applications.

RATING	% OF RESPONDENTS
7 (very willing)	10%
6	7
5	9
4 (neutral)	12
3	6
2	6
1 (not at all willing)	51

TOP MOBILE NEWS SITES

Source: M:Metrics. Subscribers in millions are projected from a survey of 30,567 mobile phone users based on a three-month moving average for period ending Jan. 31, 2007. A projected 26,860,374 respondents accessed "News and Information" sites "ever in a month."

RANK	SITE	SUBSCRIBERS
1	CNN/cnn.com	3.8
2	Yahoo	3.6
3	ESPN Sports News	2.5
4	ABCNews.com	1.7
5	Fox News	1.6
6	MSN Mobile/MSNBC	1.6
7	Fox Sports	1.2
8	USA Today	1.1
9	NFL	1.0
10	AOL Mobile	0.9

MOBILE PHONE ADVERTISING, REVENUE AND PENETRATION

Data from eMarketer. 1 Includes spending on text-message promotions and ad-supported voice minutes; 2 Includes spending on ad placements around mobile video content, mobile music, mobile TV and mobile social networks. 3 Messaging includes text, multimedia and instant messaging and e-mail; 4 Entertainment includes graphics/logos, games, ringtones, other music, audio, interactive entertainment and communities, adult, TV and film; 5 Information includes productivity, non-voice directory, news, sports, travel, etc. Figures are rounded.

	2006	2007	2008	2009	2010
AD SPENDING IN MILLIONS					
Worldwide general mobile ad spending [1]	$1,432	$2,496	$4,316	$6,141	$9,006
U.S. general mobile ad spending [1]	410	878	1,547	2,285	3,202
Worldwide mobile multimedia ad spending [2]	109	215	421	749	1,295
U.S. mobile multimedia ad spending [2]	11	26	55	110	213
Worldwide total spending	1,541	2,710	4,736	6,890	10,300
U.S. total spending	421	903	1,602	2,395	3,415
U.S. REVENUE IN BILLIONS					
Messaging [3]	$3.3	$5.9	$10.1	$12.5	$15.0
Entertainment [4]	1.1	2.6	5.9	9.5	15.0
Information [5]	1.0	2.0	3.8	5.1	7.5
Total	5.4	10.5	19.8	27.1	37.5
PENETRATION					
U.S. mobile phone subscribers (millions)	228.7	249.3	269.2	285.4	296.8
As % of U.S. population	76.5%	82.6%	88.3%	92.7%	95.4%

U.S. HANDSET MARKET SHARE

Data from Strategy Analytics, prepared by Wireless Device Strategies Service. Units are in millions for calendar 2006. Figures are rounded.

RANK	VENDOR	UNITS	% CHG	% SHARE
1	Motorola	61.3	29.5%	38.5%
2	LG	24.2	−2.4	15.2
3	Samsung	24.1	3.2	15.1
4	Nokia	22.7	−6.4	14.3
5	Kyocera	6.8	−2.5	4.3
6	Sanyo	5.3	−3.8	3.3
7	Others	14.8	0.5	9.3
	Total	159.1	8.4	100.0

E-MAIL

TOP 10 E-MAIL SERVICE PROVIDERS

Data from JupiterResearch E-mail Marketing Buyers Guide, October 2006. Volume figures (not shown) are self-reported by the ESPs and corroborated by JupiterResearch; volume may not be a precise measure of each company's size.

RANK	VENDOR	RANK	VENDOR
1	Epsilon Interactive/Dart Mail	6	e-Dialog
2	Cheetahmail	7	Silverpop
3	Yesmail	8	Acxiom Digital
4	JL Halsey (E-mail Labs and Lyris)	9	Responsys
5	Exact Target	10	Constant Contact

U.S. E-MAIL MARKETING SPENDING AND USER DATA

Data on ad spending from Forrester Research's U.S. Online Marketing Forecast 2005 to 2010. Data on e-mail volume including both personal and commercial e-mail (in trillions) and e-mail users–defined as those age 3-plus using e-mail more than once a month–from eMarketer.

	2005	2006	2007	2008	2009	2010
U.S. E-MAIL MARKETING SPENDING IN MILLIONS						
Newsletter sponsorships	$326	$380	$425	$468	$505	$541
Outsourced e-mail delivery	378	396	414	424	479	542
E-mail list rental	747	746	761	665	622	581
Total	1,451	1,522	1,600	1,557	1,606	1,664
E-mail % total online mktg	10%	9%	8%	7%	7%	6%
U.S. E-MAIL VOLUME						
Volume (in trillions)	2.09	2.37	2.69	NA	NA	NA
U.S. E-MAIL USERS						
E-mail users (in millions)	156.2	161.5	166.8	171.8	176.5	180.8
Percent change	3.7%	3.4%	3.3%	3.0%	2.7%	2.4%
E-mail users as % of internet users	89.1%	89.7%	90.4%	91.1%	91.8%	92.2%

GAMES

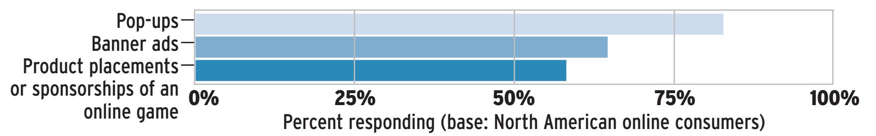
TOP 10 ONLINE PLAYABLE GAMES

Data from NPD Group for 2006 by minimum number of units sold in thousands (U.S. retail, including online) Games are PC editions only.

RANK	GAME	UNITS	RANK	GAME	UNITS
1	World Of Warcraft	808.0	6	Call Of Duty 2	204.3
2	Star Wars:Empire At War	355.5	7	Lord of the Rings:Battle For Middle Earth II	201.5
3	MS Age Of Empires III	305.0	8	The Sims 2:University Expansion Pack	195.6
4	Civilization IV	274.8	9	Warcraft III Battle Chest	190.8
5	Guild Wars Factions	225.5	10	Battlefield 2	189.8

IN-GAME ADS ARE LESS ANNOYING THAN OTHER INTERACTIVE ADS

Data from Forrester Research's survey of 5,051 North American households about their gaming activities "Why Game Marketing Matters Report." To the question: "For those type of ads that you have seen, please indicate which attitudes best describe your interaction with the ads," those shown below answered, "The ad was annoying."



ADVERGAMERS USE ADVERTISING

"18% of those who play advergames say that advertisements help them decide what to buy, compared with only 12% of nongamers," according to Forrester Research's July 2006 "Why Game Marketing Matters" report.

PROJECTED U.S. IN-GAME VIDEO AD REVENUE

Data from eMarketer, April 2007. Figures in millions of dollars. [1] Includes static, dynamic and rich media in-game ads; product placement/integration and advergaming and excludes mobile games; [2] Refers to games wholly designed with the intention of promoting a product and excludes mobile games.

	2006	2007	2008	2009	2010	2011
U.S. video-game advertising [1]	$346	$502	$665	$829	$928	$969
Advergames only [2]	164	207	262	311	339	344

SOCIAL NETWORKING

TOP SOCIAL NETWORKING SITES BY UNIQUE VISITORS

Source: comScore Media Metrix, via eMarketer. Unique visitors in thousands for 173.4 million total visits in September 2006 versus 169.3 million in September 2005. See Page 10 for more extensive notes.

RANK	SITE	UNIQUE VISITORS (000) SEPT. 06	SEPT. 05	% CHG
1	MySpace.com	55,849	21,640	158.0
2	Classmates.com sites	14,926	16,190	-8.0
3	Facebook.com	13,341	8,540	56.0
4	Bolt Media	10,934	5,285	107.0
5	Windows Live Spaces	9,844	4,564	116.0
6	Xanga.com	6,956	7,947	-12.0
7	Flickr.com	6,925	2,958	134.0
8	Yahoo 360°	5,697	NA	NA
9	MyYearbook.com	3,949	NA	NA
10	LiveJournal.com	3,546	5,932	-40.0
11	Hi5.com	2,740	3,242	-15.0
12	Bebo.com	2,394	797	200.0
13	Tagged.com	1,638	775	111.0
14	43Things.com	1,541	365	322.0
15	Friendster.com	1,043	1,201	-13.0
16	TagWorld.com	1,025	3,318	-69.0
17	Linkedin.com	786	305	157.0
18	Piczo.com	773	730	6.0
19	Sconex.com	590	46	NA
20	Orkut.com	294	57	420.0
21	Cyworld	254	NA	NA
	Total internet audience (U.S.)	173,428	169,232	2.0

SOCIAL NETWORK AD SPEND

Data from eMarketer for the U.S. only for sites where social networking is the primary activity. Social network offerings from portals and other sites include Orkut (Google), Yahoo 360 (Yahoo) and MSN Spaces (MSN). Vertical social networks are social networking sites devoted to a specific hobby or interest. Marketer-sponsored social networks are created by a marketer and are either stand-alone sites or part of a larger marketer site. In all cases, figures include online advertising spending as well as site or profile page development costs.

SOCIAL NETWORK AD SPEND.	2006	2007	2011
Millions of dollars	$350	$865	$2,150
% all online ad spending	2.2%	4.7%	8.5%

BY NETWORK TYPE	2007
MySpace	$525
General social network sites (Facebook, Bebo, Piczo, Friendster, etc., not MySpace)	200
Network offerings from portals, other sites	95
Vertical and marketer-sponsored networks	45
Total	865

TEEN SOCIAL NETWORK USE

Data from Pew Internet & American Life Project, January 2007 for 493 respondents ages 12-17 who use social networking sites; via eMarketer.

	% OF RESPONDENTS
FREQUENCY	
Several times a day	22%
Once a day	26
3-5 days a week	17
1-2 days a week	15
Every few weeks	9
Less often	11
REASON FOR USE	
Stay in touch with friends you see	91%
Stay in touch w/friends you rarely see	82
Make plans with your friends	72
Make new friends	49
Flirt with someone	17

VISITORS TO SOCIAL NETWORK SITES BY AGE

Data from comScore Networks via eMarketer for August 2006.

AGES	MYSPACE	FACEBOOK	FRIENDSTER	XANGA	TOTAL INTERNET
12-17	11.9%	14.0%	10.6%	20.3%	9.6%
18-24	18.1	34.0	15.6	15.5	11.3
25-34	16.7	8.6	28.2	11.0	14.5
35-54	40.6	33.5	34.5	35.6	38.5
55+	11.0	7.6	8.1	7.3	18.0
Unique visitors (000)	55,778	14,782	1,043	8,066	173,407

AWARDS & TOP AGENCIES

CLAUDE SHADE

GOODBY TEAM: From l., Will McGinness, Toria Emery, Ronny Northrop, Rich Silverstein, Mike Geiger, Hashem Bajwa, Jeff Goodby and Keith Anderson

Goodby, Silverstein & Partners was selected **Digital Agency of the Year** in Advertising Age's Digital A-List Special Report (AA, Oct. 16, 2006). Goodby's dramatically ramped-up resources devoted to interactive were credited with boosting the agency's prospects. "Check out the cowabduction website for the California Milk Processors Board, or Goodby's use of interactive techniques to transform GM's Saturn car brand, or, if you haven't seen it yet, the e-mailable Comcast marionette. All make a great case that this shop is not what it was," wrote Ad Age, in the report.

Nike was selected **Digital Marketer of the Year.** "Nike has done a masterful job of maintaining a consistent brand image across various channels, making sure what consumers experience in stores carries over seamlessly to the web," Ad Age said.

MediaVest was named **Digital Media Agency of the Year.** "[The agency beefed] up its digital expertise, building a 60-person team, MediaVest Digital Connections, [to] help the agency apply an integrated approach to media planning and buying. It's helped the agency win digital business from such marketers as Coca-Cola Co., EarthLink and, most recently, Mattel," according to the report.

Philip's Norelco Bodygroom effort was named **Digital Campaign of the Year.** The report noted: "At the center of the push is the Bodygroom guy, the white bathrobe-wearing gent who resides at shaveeverywhere.com and has been visited by more than 1.7 million unique visitors since the website's May launch. In a mock-smooth tone, he praised the virtues of trimming, delivering lines, like `With a hair-free back, well-groomed shoulders and an extra optical inch on my [bleep, while an image of carrots flashes on the screen], life has gotten pretty darn cozy.' The product was the top seller in the Amazon.com personal-care category for eight consecutive weeks and overall has tripled original sales expectations."

THE BODYGROOM GUY

TOP 10 DIGITAL AGENCIES

Data from Ad Age's upcoming Agency Report (AA, April 30, 2007). Tables on this page are rankings by 2006 U.S. interactive revenue in millions. All figures are Ad Age estimates. Agencies with interactive revenue greater than 75% of total revenue are considered wholly interactive and are ranked at 100% of the revenue; those with less than 75% interactive revenue are ranked by their interactive revenue only.

RANK	AGENCY [PARENT]	U.S. INTERACTIVE REVENUE 2006	2005	% CHANGE
1	Avenue A/Razorfish	$235.4	$189.8	24.1
2	Sapient	228.0	176.0	29.6
3	Digitas	163.2	155.0	5.3
4	Wunderman	113.4	NA	NA
5	Rapp Collins Worldwide	107.1	95.9	11.7
6	OgilvyInteractive	103.2	91.2	13.2
7	Organic	102.0	72.0	41.7
8	AKQA	98.0	62.0	58.1
9	DraftFCB	94.1	90.2	4.3
10	IMC2	92.7	64.0	44.9

TOP 10 AD NETWORKS

Data from comScore Media Metrix. Ad networks extracted from comScore's February 2007 Ad Focus ranking by Ad Age. Unique visitors are in thousands. Reach % denotes the percentage of the total internet population that viewed a particular entity at least once in February.

RANK	SITE	UNIQUE VISITORS	% REACH
1	Advertising.com	149,094	85.0%
2	ValueClick	128,754	73.0
3	Casale Media Network	113,193	64.0
4	Tribal Fusion	111,285	63.0
5	Vendare NetBlue - TrafficMarketplace	103,909	59.0
6	Blue Lithium	92,011	52.0
7	DRIVEpm	91,925	52.0
8	Specific Media	90,851	52.0
9	24/7 Real Media	89,750	51.0
10	PrecisionClick	75,983	43.0

MISCELLANEOUS

PODCAST AD SPENDING AND USERS

Data from eMarketer, February 2007. [1] Includes advertising and sponsorship spending. [2] Individuals who have ever downloaded a podcast. [3] individuals who download an average of one or more podcast(s) per week.

	2006	2008	2011
U.S. podcast ad spending (millions) [1]	$80	$240	$400
Total podcast audience (millions) [2]	10.0	25.0	55.0
Active podcast audience (millions) [3]	3.0	7.5	18.0

WHAT MIDDLE MANAGERS SAY ABOUT OBTAINING NECESSARY DATA

Data from Accenture, January 2007 via eMarketer. The table shows the percent of 1,009 U.S. and U.K. respondents.

	% RESPONDING
Miss information that might be valuable almost every day because it exists elsewhere in the company and just cannot be found	59%
Having to go to numerous sources to compile information is a difficult aspect of managing information for their job	57
Less than half of the information received is valuable	53
Information that is obtained has no value	50
Gathering information about what other parts of their company are doing is a big challenge	45
Accidentally use the wrong information at least once a week	42
Other parts of the company are not willing to share information	40
There is so much information available that it takes a long time to actually find the right piece of data	36
Competitor information is hard to get	31

TO REACH US

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