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**RETAILERS BOOST ONLINE AD SPENDING  
AS HOLIDAY BUYING SEASON HITS HOME STRETCH**

*AdRelevance Report Reveals Retailers Have Doubled Online Ad Buys Since July*

SEATTLE – AdRelevance Inc., an innovator in Internet advertising measurement and intelligent ad tracking technology, today released a report tracking the monumental run of online ad campaigns made by retailers during a 16-week period leading into December, the final and most lucrative month of the holiday buying season. A complete version of the free report can be viewed at <http://www.adrelevance.com>.

Among the key findings uncovered in the latest AdRelevance Intelligence Report, entitled “’Tis the Long and Busy Season for Online Advertisers,” are the following:

- Total online retail ad spending increased by a combined average of 100 percent during the period beginning July 5 and ending the week of November 8, 1999 – with the largest share increases made by drug and toiletry vendors, auction houses, and toy and collectable vendors (see Table A below).
- The number of retailers advertising online grew from 236 to 473 during the period, representing a more than 100 percent increase.
- On average, retail ad campaigns increased by 73 percent moving from 695,000 impressions in July to 1.2 million in November.

- The top four retail spenders by category were department stores in first place at 33 percent of total impressions, auction houses in second place at 16 percent, and drug and toiletry vendors sharing third place with technology vendors at 9 percent each (see Table B below).
- While auction leaders eBay, uBid and Yahoo! significantly increased online ad activity from the week of August 9 to the week of November 8, Amazon.com went from the most visible auction advertiser, with 40 million impressions during August, to number seven with only 3 million impressions in November (see Table C below).
- Toy companies led by ToyTime.com, Toys”R”Us and eToys, focused on an adult market by offering a range of purchasing incentives including free shipping, buy-one-toy-get-the-second-free, 20 percent discounts, car giveaways and more.

Table A

**Retail Categories with Largest Increase in Share of Online Ad Impressions**

	<u>Category</u>	<u>Week of 7/5/99</u>	<u>Week of 11/8/99</u>	<u>% Increase</u>
1.	Drug & Toiletry	2.0%	8.9%	6.9%
2.	Toys & Collectibles	1.6%	7.9%	6.3%
3.	Auction Houses	11.4%	16.3%	4.8%
4.	Office Supply	0.7%	4.7%	3.9%
5.	Jewelry & Accessory	0.0%	1.6%	1.6%
6.	Grocers	0.0%	1.6%	1.6%
7.	Pet Supply	0.1%	1.5%	1.4%
8.	Home & Garden	1.3%	2.3%	1.0%
9.	Apparel	0.5%	1.4%	0.9%
10.	Event & Ticket*	0.0%	0.7%	0.7%

\* Advertising began week of July 19.

Graph B

**Percentage of Overall Online Ad Spending By Retail Category  
(Week of November 8)**

<u>Category</u>	<u>Percentage of Impressions</u>
1. Department Stores	33
2. Auction Houses	16
3. Drug & Toiletry Vendors	9
4. Technology Vendors	9
5. Toys & Collectibles Vendors	8
6. Office Supply Vendors	5
7. Flowers & Gifts	5
8. Book, Movie, & Music Vendors	4
9. Home & Garden Vendors	2
10. Other	9

Graph C

**Online Ad Leaders in Online Auction House Category (By Impression)**

Week of August 9:			Week of November 8:		
<u>Rank</u>	<u>Company</u>	<u>Impressions</u>	<u>Rank</u>	<u>Company</u>	<u>Impressions</u>
1	Amazon.com	40,000,000	1	eBay	36,000,000
2	uBid	20,000,000	2	uBid	34,000,000
3	eBay	20,000,000	3	Yahoo!	11,000,000
4	Yahoo!	7,600,000	4	Infoseek	6,200,000
5	Onsale	2,700,000	5	First Auction	4,900,000
18	First Auction	84,000	7	Amazon.com	3,100,000
n/a	Infoseek	n/a	9	Onsale	1,200,000

“It’s no secret that the e-tail sector is growing at torrid rates. In fact our numbers show that online ad impressions in the category doubled over the past four months alone,” said Charlie Buchwalter, vice president of media research at AdRelevance. “But the real story lies in the details. There is tremendous variation by sub-segment within retail, as well as in company-by-company ad placement strategies. Understanding these details is critical to making heads or tails out of this holiday season’s online ad blitz.”

## **AdRelevance Intelligence Reports**

AdRelevance Intelligence Reports are released monthly and are designed to provide customers, news media, and industry watchers with a timely perspective on the rapidly changing landscape of online advertising.

AdRelevance Intelligence reports are compiled by the company's Media Research Group, who analyze data collected from AdRelevance's proprietary ad tracking service. Each member of the team brings industry-specific expertise to their analyses as well as an understanding of marketing strategies and Internet technology.

## **Using AdRelevance**

The AdRelevance Service tracks where, when, how and how much Web marketers and their competitors are advertising online. AdRelevance provide Web advertisers and marketers with the ability to plan proactive online campaigns and make smarter media buying decisions. The company tracks competitive online advertising data for nine industries including automotive, consumer goods, financial services, hardware and electronics, retail, software, telecommunications, travel and Web media. The company also provides a "cross industry" category to allow users to compare goods and services across all of the industries listed above.

The service enables clients to quickly and easily run reports that illustrate competitive advertising activity by a range of criteria including advertiser, product, industry, Web site location, creative, time period and technology. Reports can also be analyzed by impression numbers, unique ads and rate card-equivalent spending.

## **The AdRelevance Technology**

The AdRelevance Service is powered by the company's proprietary Online Media Network Intelligent Agent (OMNIAC™) technology. This technology systematically searches commercial sites on the Web and captures detailed data about advertising 24 hours a day, seven days a week. By evaluating over 4,000 Web sites and sub-sites daily and 40 million page views per month, the AdRelevance

Service provides in-depth advertising and tracking information unavailable anywhere else. The OMNIAC technology was developed by the company's core development team, including engineers best known for developing the MetaCrawler search technology currently licensed to Go2Net and Jango.

### **About AdRelevance**

Founded in 1998, AdRelevance, Inc. was acquired in October 1999 by Media Metrix, Inc. (NASDAQ:MMXI), the pioneer and leader in Internet and digital media measurement, in a stock-for-stock transaction valued at \$65.7 million. AdRelevance, which is based in Seattle, is a wholly owned subsidiary of Media Metrix. Using the AdRelevance Service, advertisers gain access to up-to-date intelligence about their competitors' online advertising programs, enabling them to quickly and easily compare and report information by a wide range of criteria including advertiser, product, industry, location, technology and creative content. More information on the company and a free trial of the service is available at [www.adrelevance.com](http://www.adrelevance.com) or by calling 1.888.649.6540.

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