Press Release

comScore Study Confirms the Importance of Search in Influencing Offline Buying

New Study from comScore Networks Sponsored by Google Reveals
63 Percent of Search-Related Purchases Occur in Offline Retail Stores

RESTON, VA, March 21, 2006 – comScore Networks today released results from a new research study that confirms the importance of search in influencing offline buying. The results show that 25 percent of searchers purchased an item directly related to their query, and that of those buyers, 37 percent completed their purchase *online*. An even greater 63 percent completed a purchase *offline* following their search activity.

The study, sponsored by Google, entitled "The Role of Search in Consumer Buying" examined the impact of Web search (excluding comparison shopping sites) on consumers' holiday-related purchases completed online and offline during November and December 2005, across 11 product categories. The study reflects the searching behavior of 83 million Americans who conducted more than 552 million searches in the categories analyzed using one or more of the 24 leading search engines.

"The study confirms the important role of search in influencing consumers' purchase behavior both online and offline," said James Lamberti, vice president of comScore Search Marketing Solutions. "Importantly, it's clear from this study that the influence of search on offline buying can often be responsible for the major portion of the overall financial return from investments in search marketing."

"We find that many multi-channel retailers already understand that search has tremendous impact on both online and offline purchases," said John McAteer, head of retail, Google. "This research helps quantify exactly how influential search really is for the overall buying process."

Breaking Down Conversion by Category

The magnitude of offline buyer conversion varied by category, with the highest levels occurring in categories such as Consumer Electronics, Toys & Hobbies, Video Games and Consoles, and Music/Movies/Videos, where more than 80 percent of conversions occurred offline.

Buyer Conversion Summary for Select Product Categories			
Category Searched	**Buyer Conversion**	**% of Buyers Converting Offline**	**% of Buyers Converting Online**
Average, All Categories	**25%**	**63%**	**37%**
Apparel & Accessories	43%	65%	35%
Toys & Hobbies	42%	88%	12%
Music/Movies/Videos	28%	83%	17%
Consumer Electronics	18%	84%	16%
Video Games & Consoles	17%	93%	7%
Jewelry & Watches	15%	75%	25%

Latent Impact of Search Present During the Holiday Buying Season

In order to understand the latent impact of search on holiday buying, comScore analyzed the time lag between consumers' initial searches and subsequent purchases made in the same categories during November and December of 2005. Consistent with previous comScore research, this study found that more than half (56 percent) of consumers' online holiday buying actually happened in subsequent Internet sessions, clearly demonstrating the strong latent impact of search.

Conversion for Select Categories – Direct versus Latent		
eCommerce Category Searched	**% of Online Buyers Who Purchased Via Latent Search Referral**	**% of Online Buyers Who Purchased Via Direct Search Referral**
Average, All Categories	**56%**	**44%**
Music, Movies, Video	77%	23%
Computers, Peripherals, PDAs	69%	31%
Home & Garden	69%	31%
Toys & Hobbies	61%	39%
Video Game Consoles	58%	42%
Jewelry & Watches	57%	43%

*Latent conversions were tracked for searches and purchases during November and December 2005.

Holiday-Season Buyers Search More and Start Early

Among the 83 million consumers who searched in one or more of the eleven product categories analyzed during the holiday season, the 8.6 million who subsequently bought online were much more intense users of search across all product categories, performing nearly ten times the number of searches compared to non-buyers. Additionally, the study indicates that 60 percent of all searchers started their search process before November 15, 2005. This is likely due to the aggressive pricing and marketing programs that were implemented in 2005 by many retailers prior to Thanksgiving, which apparently caused consumers to begin their shopping process earlier than normal. For search advertisers, these statistics imply that holiday-season advertising budgets should be sufficiently large and applied early enough to cover for the aggressive search behavior of buyers.

Search Intensity and Conversion by Largest Search Categories				
	Total Category Searches (Millions)	**Online Conversion**	**Searches per Searcher**	**Searches per Buyer**
All Categories	552.5	10.4%	6.7	65.1
Home & Garden	121.0	4.4%	3.1	70.2
Consumer Electronics	74.3	2.8%	2.5	88.0
Music, Movies, Video	66.6	4.7%	2.8	59.0
Toys & Hobbies	59.5	5.2%	2.4	46.2
Apparel & Accessories	40.8	15.0%	2.3	15.4

Search an Important Source of Information; Second Only to Physical Stores

Holiday searchers lauded the merits of search in helping them make their gift purchase decisions. More than 80 percent viewed search as helpful for purchasing gifts, seven in 10 claimed search was influential in helping to find gifts and more than three out of five indicated they would be likely to use search the next time they intended to purchase a gift. Search ranked closely with online retail stores as well as friends and family on each of these attributes, and only physical stores exceeded search on each of these attributes.

Methodology Details

Population: U.S. Internet users searching in one or more of eleven holiday-related product categories

Time Period: Searches and related purchases occurring between November 1 and December 31, 2005

Definition of Web Search: Search activity on 24 major search engines including Google, Yahoo!, MSN, AOL, and Ask Jeeves

Product Categories Analyzed: Consumer Electronics, Computers/Peripherals/PDAs, Computer Software, Books and Magazines, Music/Movies/Videos, Toys & Hobbies, Video Games & Consoles, Jewelry & Watches, Apparel & Accessories, Flowers & Greetings and Home & Garden

About comScore Networks

comScore Networks provides unparalleled insight into consumer behavior and attitudes. This capability is based on a massive, global cross-section of more than 2 million consumers who have given comScore explicit permission to confidentially capture their browsing and transaction behavior, including online and offline purchasing. comScore panelists also participate in survey research that captures and integrates their attitudes and intentions. Through its proprietary technology, comScore measures what matters across a broad spectrum of behavior and attitudes. comScore consultants apply this deep knowledge of customers and competitors to help clients design powerful marketing strategies and tactics that deliver superior ROI. comScore services are used by global leaders such as AOL, Yahoo!, Verizon, Best Buy, The Newspaper Association of America, Tribune Interactive, ESPN, Fox Sports, Nestlé, MBNA, Universal McCann, the United States Postal Service, Merck and Orbitz. For more information, please visit www.comscore.com.

Contact:
Andrew Lipsman
comScore Networks
(312) 775-6510
press@comscore.com