

Press Releases

WEB USERS NOW SPEND HALF THEIR TIME VISITING CONTENT, FAR OUTPACING TIME SPENT WITH SEARCH, COMMUNICATIONS AND COMMERCE

Four-Year Analysis of Online Publishers Association Internet Activity Index Shows Sustained Growth for Online Content

NEW YORK, NY -- August 13, 2007 -- Internet users are spending nearly half their online time visiting content, a 37% increase in share of time from four years ago, according to the Online Publishers Association (OPA). The OPA today announced a four-year analysis of its Internet Activity Index (IAI), a monthly gauge of the time being spent with e-commerce, communications, content and search.

"When the OPA created the IAI, our goal was to provide a reliable, ongoing measure of the time being spent with key online activities," said OPA president Pam Horan. "For the last four years, the IAI has identified important trends in Web use and added to our understanding of consumer engagement online. As seen by Nielsen//NetRatings' recent introduction of the 'Total Minutes' metric, time spent helps to define engagement and serves as a valuable supplement to other key measures."

According to the OPA's IAI, conducted by Nielsen//NetRatings, communications accounted for 46% of consumers' time online in 2003. A dramatic shift has taken place since then, with consumers now spending 47% of their time with content, compared with 34% four years ago. The 37% gain in share for content is followed closely by a 35% gain in share for search. However the total time being spent with search remains relatively low, accounting for just 5% of Internet users online time in 2007.*

"The IAI has identified a very significant and sustained trend in where consumers are spending their online time," Horan said. "The index indicates that, over the last four years, the primary role of the Internet has shifted from communications to content."

FOUR-YEAR SUMMARY OF OPA INTERNET ACTIVITY INDEX			
	Share of Time Online 2003	Share of Time Online 2007*	Share of Time Online Change 2003-2007
Content	34%	47%	+37%
Search	3%	5%	+35%
Commerce	16%	15%	-5%
Communications	46%	33%	-28%
Total	100%	100%	--

* 2007 includes January through May.

The increase in content's share of time has been fairly steady in the last several years, growing 10% from 2003 to 2004, remaining even between 2004 and 2005, growing 13% from 2005 to 2006, and growing 13% from 2006 to 2007.

Horan continued, "The dominant role of content is driven by several important factors. The first is the online transition of traditionally offline activities, such as getting news, finding entertainment information or checking the weather. Quality content sites see a consistent pattern -- major news drives traffic spikes, but traffic remains consistently higher even after the event. Major news events such as Hurricane Katrina and high profile seasonal events such as the NCAA Final Four Basketball tournament are clearly driving consumers to engage more deeply with online content."

Horan continued, "New online features and communities are also leading consumers to spend a larger share of their online time with content. Consumers spend considerable time with social networking sites, which serve not only as places of content but are also increasingly important communications vehicles."

The OPA found a number of other important factors behind the changes, including:

- A more accessible, and much faster, Internet is driving increased overall time spent online.
- The increased popularity of video is leading to more time being spent with online content.
- The improvement in search allows consumers to more easily and quickly find the exact content they are looking for, increasing the likelihood they will engage more deeply with that content.
- The Web simply offers far more content than it did even four years ago, increasing content's share of time.
- The rise of instant messaging (IM) as a key communications tool has been a factor in communication's reduction in share of time. IM is a more efficient communications vehicle than email.

About the OPA Internet Activity Index

The OPA's Internet Activity Index is derived from a categorization of Web properties accounting for more than 90%, on average, of active Web users and approximately 55% of total usage time (excludes .gov and .edu Web sites, as well as pornographic domains). The IAI is conducted by Nielsen//NetRatings and is posted online each month. A full description of the IAI and its methodology is available at www.online-publishers.org/iai.

About the Online Publishers Association

Founded in June 2001, the Online Publishers Association is an industry trade organization whose mission is to advance the interests of high-quality online publishers before the advertising community, the press, the government and the public. Members of OPA represent the standards in Internet publishing with respect to editorial quality and integrity, credibility and accountability. OPA member sites have a combined, unduplicated reach of 128.2 million visitors, or 74% percent of the total U.S. Internet audience (Source: comScore Media Metrix,

July 2006 combined home/work/university data). For more information, go to www.online-publishers.org.

Internet Activity Index

The Internet Activity Index (IAI) provides a new way of looking at consumer engagement online, dividing Internet usage into four distinct activities: content, communications, commerce and search, defined as follows:

- **Content** - Web sites and Internet applications that are designed primarily to provide news, information and entertainment. Examples of those included in this segment are CNN.com, ESPN.com, Windows Media Player and MapQuest.
- **Communications** - Web sites and Internet applications that are designed to facilitate the exchange of thoughts, messages, or information directly between individuals or groups of individuals. Examples of those included in this segment are Yahoo! Mail, AOL Instant Messenger and MSN Groups.
- **Commerce** - Web sites and Internet applications that are designed for shopping online. Examples of those included in this segment are Amazon, eBay, Shopping.com and Dell.com.
- **Search** - Web sites and Internet applications that scan the Web to provide prioritized results based on specific criteria from user-generated requests. Examples of those included in this segment are Google Search, MSN Search and Yahoo! Search.

As the Internet has evolved, it has become increasingly clear that each of these areas has a distinctly different business model associated with it, leading to a natural and healthy segmentation of the marketplace. By tracking share of time spent on each activity, the Index provides a benchmark for charting the relative impact of changing market dynamics on these segments as the medium matures.

The IAI is derived from a categorization of Web properties accounting for more than 90%, on average, of active Web users and approximately 55% of total usage time*. For Web properties that cross over into multiple categories, various site segments are classified individually. (For example, Yahoo! Mail is classified under Communications, while Yahoo! Sports is classified under Content.) The total amount of time spent by consumers in each category is then captured by Nielsen/NetRatings and reported monthly by the OPA. Specific sites included in the Index are proprietary to NetRatings and the OPA.

The OPA and Nielsen//NetRatings will continually monitor for significant new entries to the market and incorporate and categorize them in the Index accordingly as monthly data is released.

Historical data from the past year for each of the following metrics by category is available by clicking the links below.

- Share of Time
- Total Time
- Pages Per Person
- Unique Visitors
- Page Views
- Reach

Share of Time Spent Online (%)													
	Jun06	Jul06	Aug06	Sep06	Oct06	Nov06	Dec06	Jan07	Feb07	Mar07	Apr07	May07	Jun07
Commerce	16.1	16.6	16.1	15.0	15.5	17.2	18.0	16.1	15.8	15.6	15.3	14.4	13.8
Communications	39.6	38.5	39.3	35.1	34.2	33.7	33.0	33.7	33.6	33.2	33.0	33.0	32.0
Content	39.0	39.6	39.6	45.1	45.4	44.4	44.3	45.5	45.9	46.5	46.9	47.9	49.6
Search	5.3	5.2	5.0	4.8	4.9	4.8	4.7	4.7	4.7	4.8	4.7	4.7	4.5
% Change in Share of Time, Month-Over-Month													
	Jun06	Jul06	Aug06	Sep06	Oct06	Nov06	Dec06	Jan07	Feb07	Mar07	Apr07	May07	Jun07
Commerce	↓1.8	↑3.1	↓3.0	**	↑3.3	↑11.0	↑4.7	↓10.6	↓1.9	↑1.3	↓1.9	↑5.9	↓4.2
Communications	↑1.8	↓2.8	↑2.1	**	↓2.6	↓1.5	↓2.1	↑2.1	↓0.3	↓1.2	↓0.6	0.0	↓3.0
Content	↑0.5	↑1.5	0.0	**	↑0.7	↓2.2	↑0.2	↑2.7	↑0.9	↑1.3	↑0.9	↑2.1	↑3.5
Search	↓3.6	↓1.9	↓3.8	**	↑2.1	↓2.0	↓2.1	0.0	0.0	↑2.1	↓2.1	0.0	↓4.3

***Notes:** Excludes .gov and .edu Web sites, as well as pornographic domains. *Percentage change* indicates the percentage increase or decrease from the previous month's value (May 2006 values not shown). Share of Time data based on Total Time values.

With **September 2006 data, the IAI went through a scheduled data dictionary update that incorporates all new sites and online market changes. Because of this change, we are not posting August to September 2006 change in share of time comparisons.

Source: OPA and Nielsen//NetRatings