
2011 First Half IAB PwC Internet Advertising Revenue Report

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First Half 2011 Internet Ad Revenue Highlights



"Strive not to be a success but rather to be of value"

-Albert Einstein

Sherrill Mane

SVP Industry Services

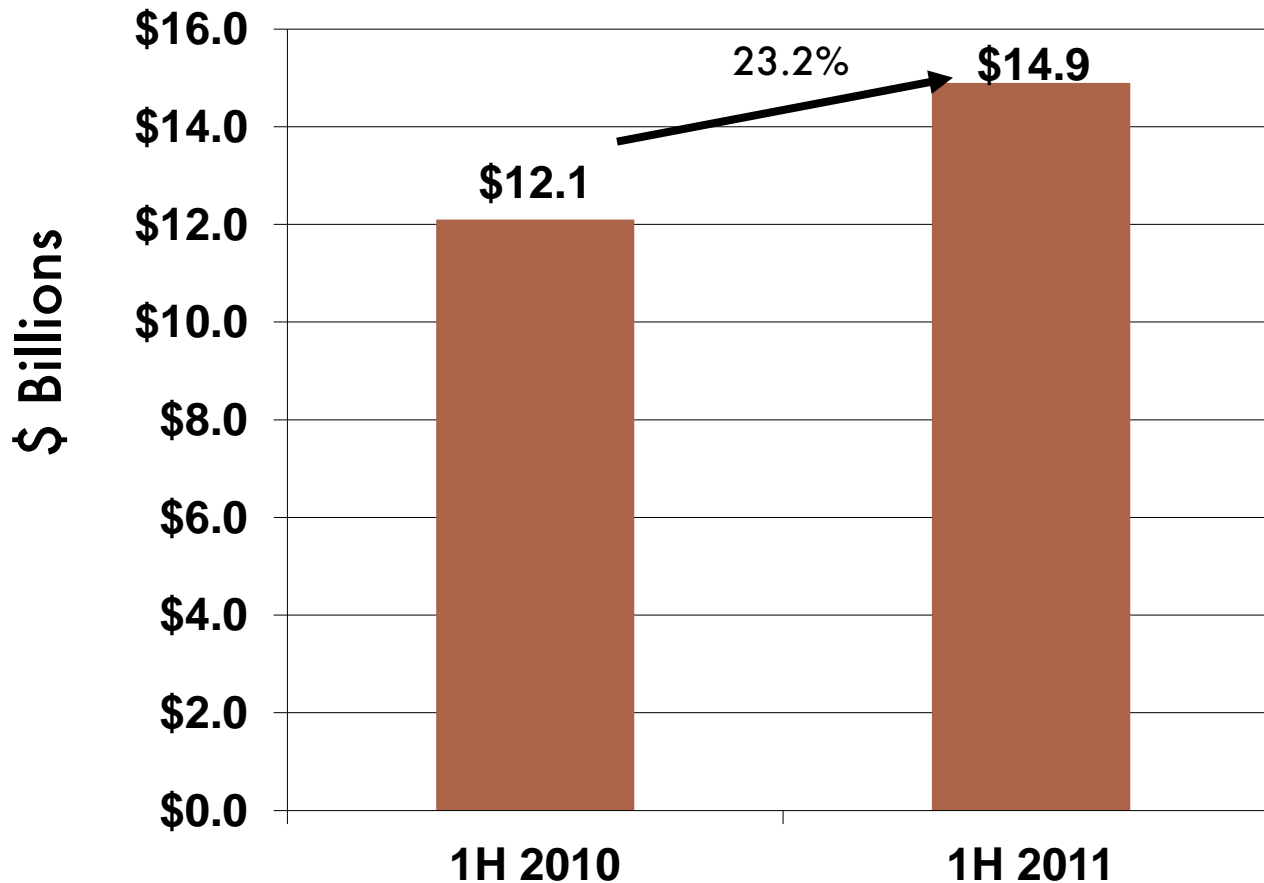
Interactive Advertising Bureau

First Half 2011 Interactive Advertising Sets New Records and Beats The Ad Market

- **In First Half 2011 US Internet ad revenues totaled \$14.9 billion, a record result.**
 - This represents a 23% (or \$2.8 billion) increase from 2010's \$12.1 billion.
 - The 23% also marks a return to growth rates comparable to pre-recession levels
- **Second quarter 2011 revenue of \$7.7 billion represents the best result ever for US interactive advertising.**
 - This is an 24% increase over same time last year (\$6.2 billion in Q2 2010).
- **Interactive advertising growth outperforms the total media market based on both Nielsen and Kantar estimates for First Half and Second Quarter 2011**

First Half 2011 Results Compared With First Half 2010

Online Ad Growth

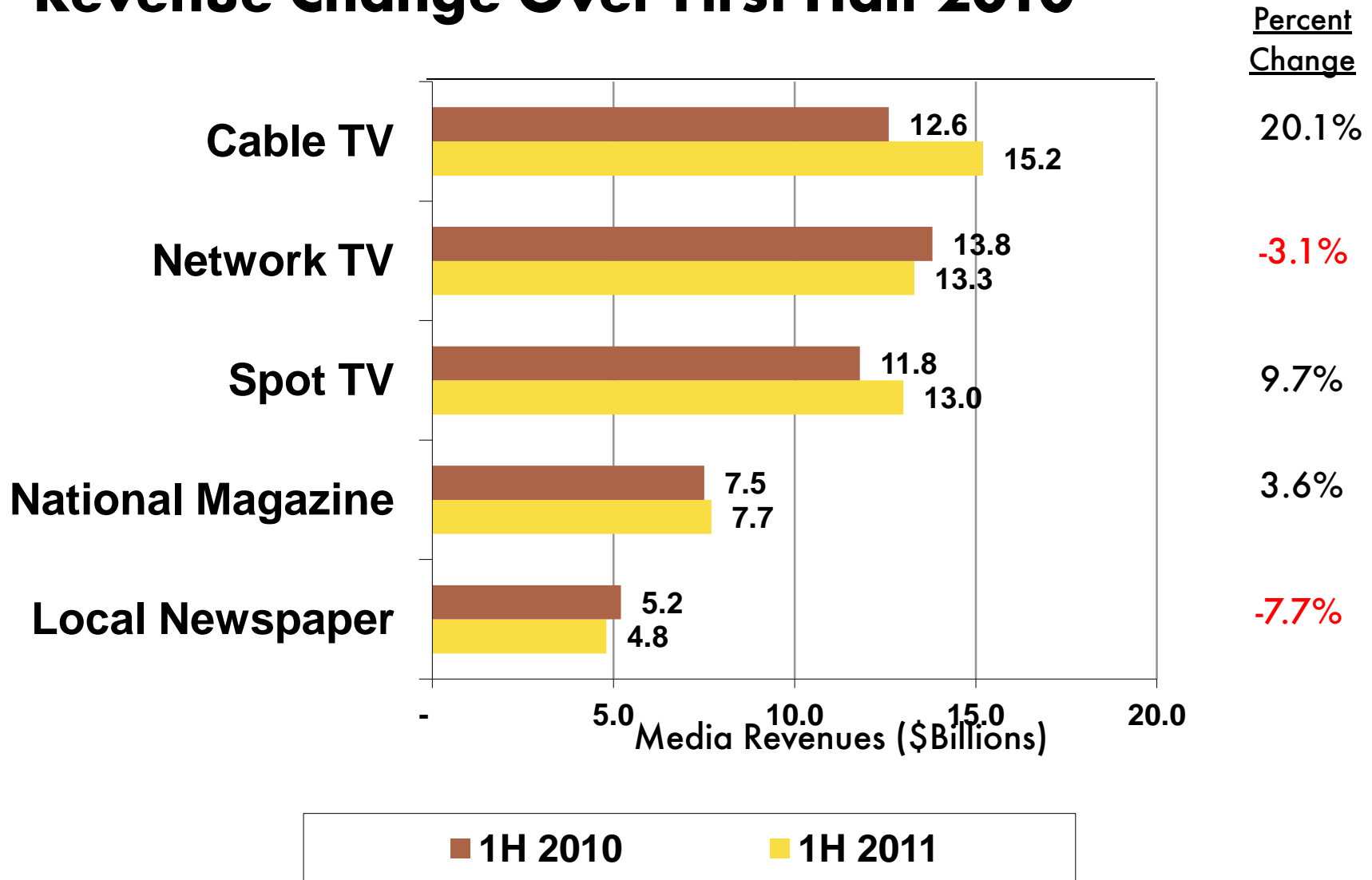


Total Media Growth

The Nielsen Company estimates total media revenues increased 7.1% from First Half 2010 to First Half 2011; Kantar Media estimates a 3.2% increase.

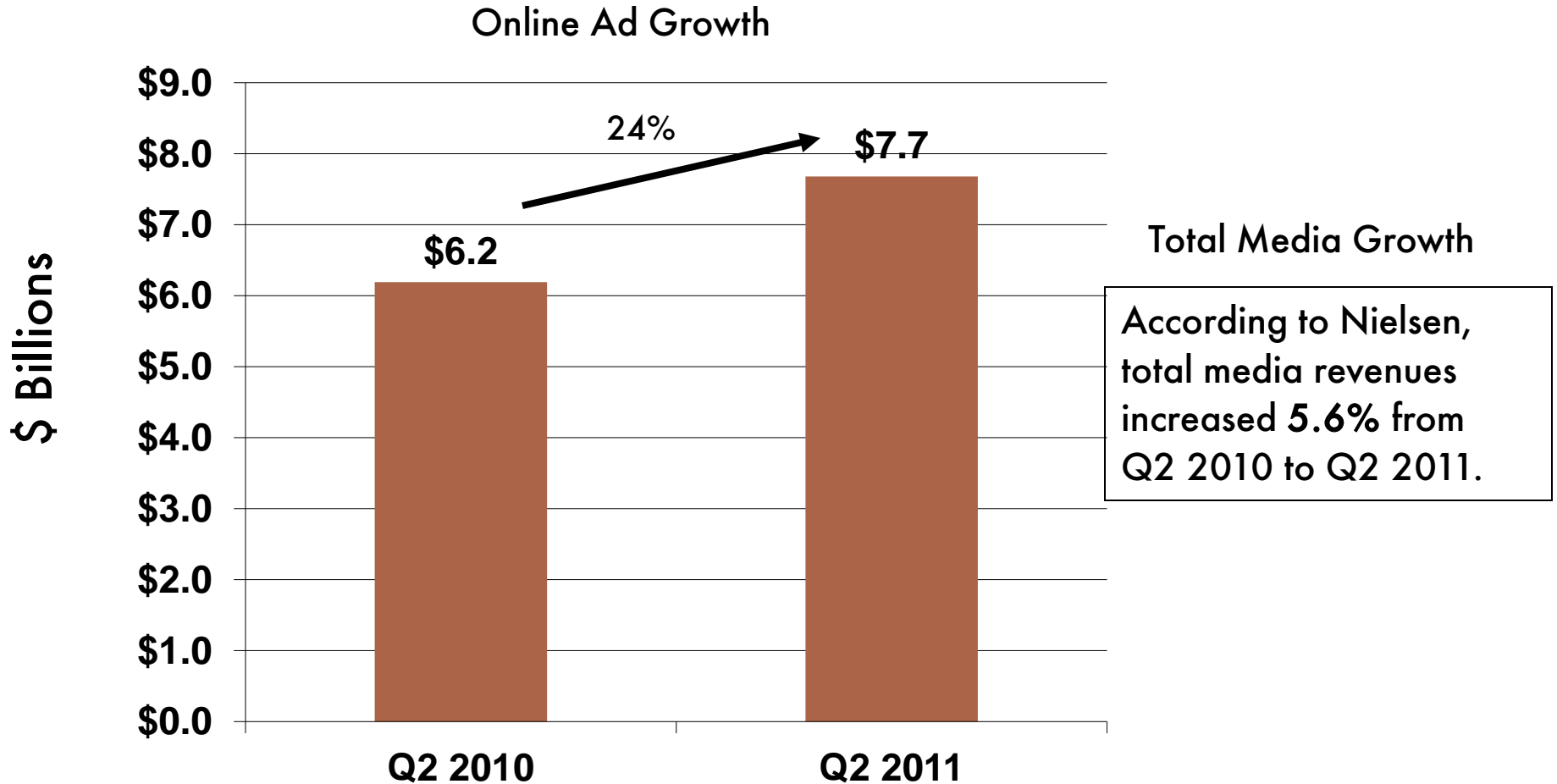
Sources: IAB Internet Advertising Revenue Report, 2011 First Half Year and Second Quarter Report; The Nielsen Company, MonitorPlus, Sept. 2011; Kantar Press Release Sept. 2011

First Half 2011 Top Five Non-Internet Media Revenue Change Over First Half 2010

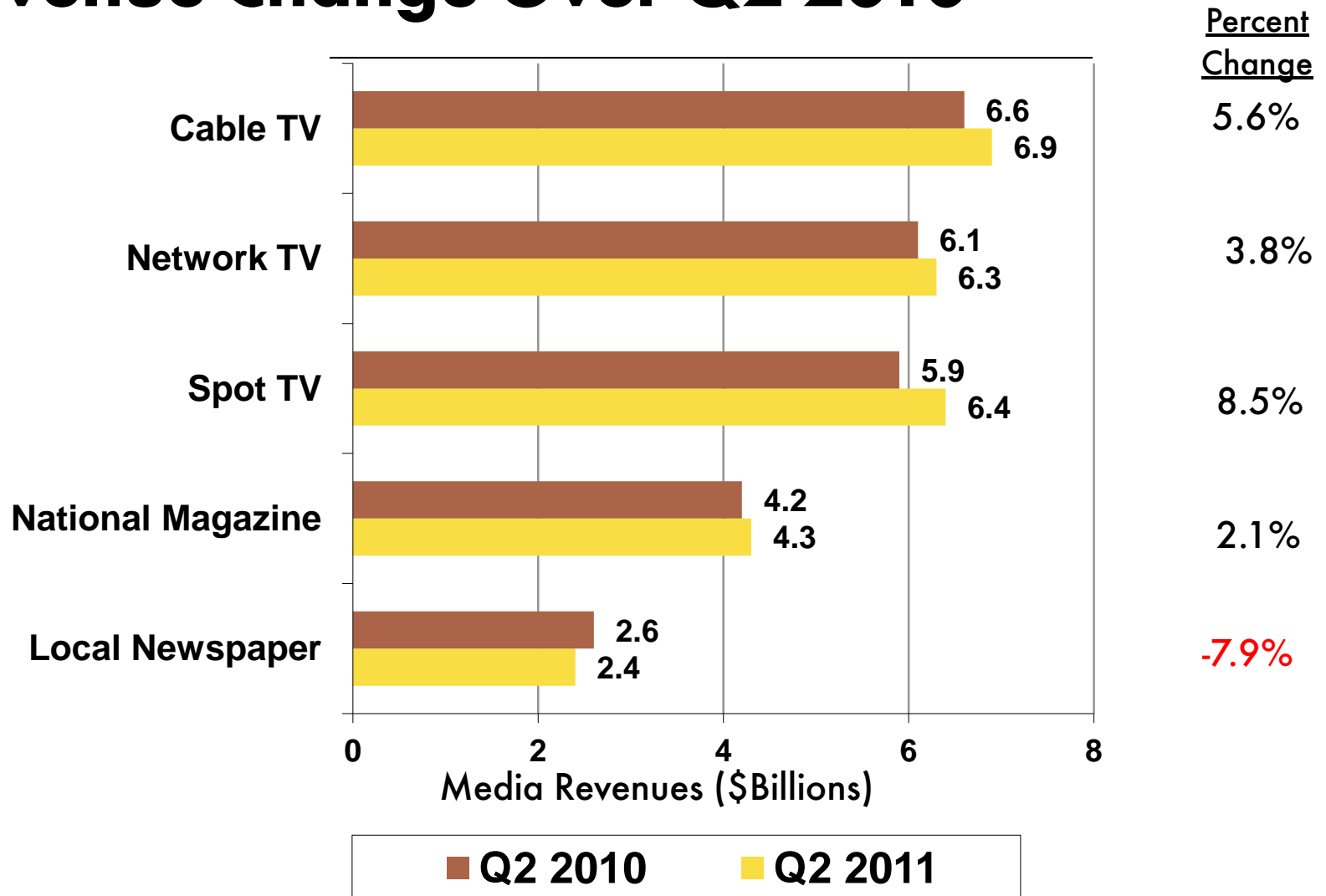


Source: The Nielsen Company, Monitor Plus, September 2011

Q2 2011 Results Compared With Q2 2010

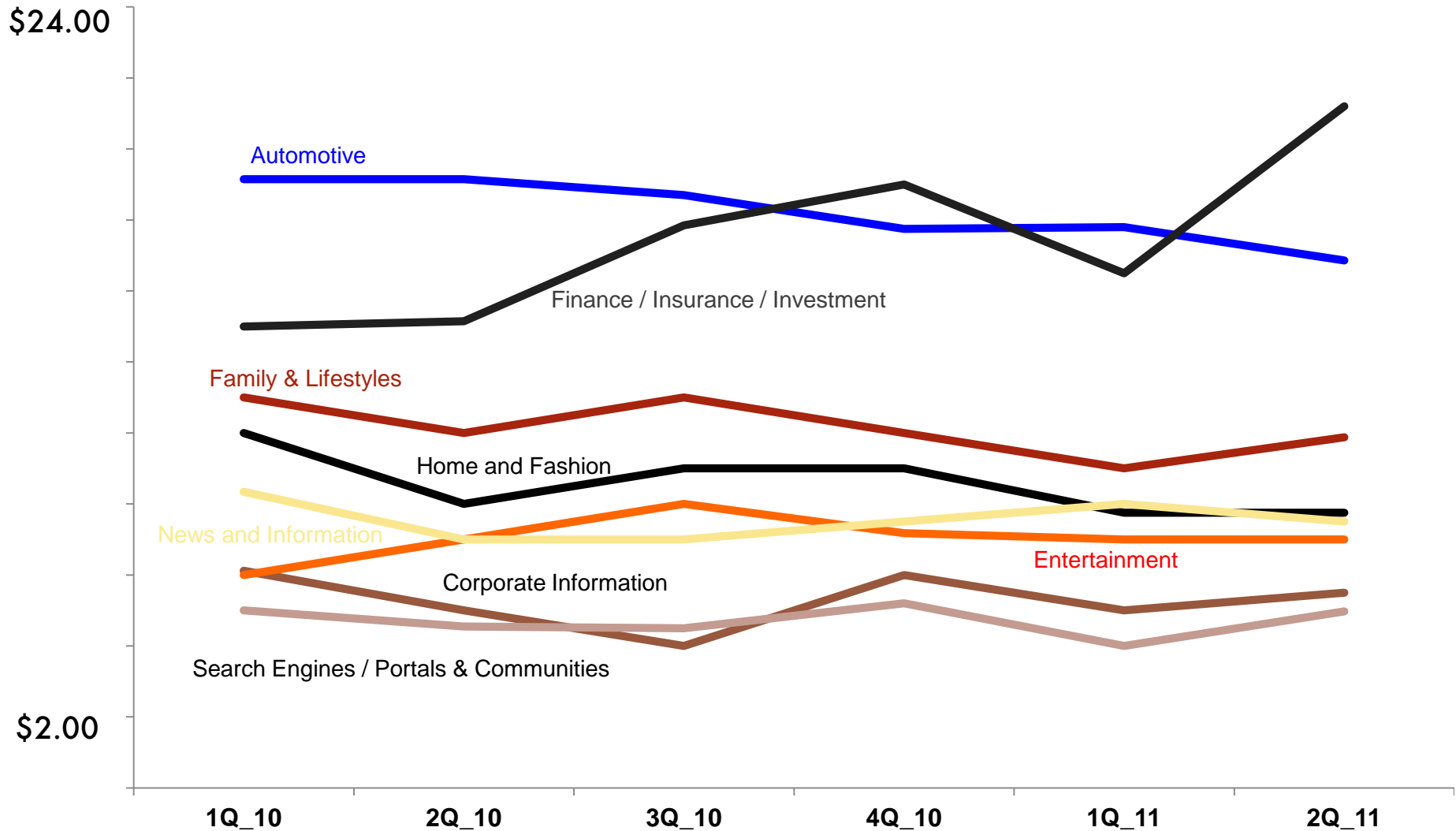


Q2 2011 Top Five Non-Internet Media Revenue Change Over Q2 2010



Source: The Nielsen Company, MonitorPlus, September 2011.

Finance/Insurance/Investment and Entertainment Sites Garnered CPM Increases



Source: SQAD WebCosts Eight Category Display CPM Trend
 Q1 2010 through Q2 2011, Weighted Average, SQAD, August 2011



First Half 2011: Display and Search Grow at the Same Year to Year Rate

- **In first half 2011, Display* and Search each rose 27% over year ago**
- **Standouts driving display-related ad formats* revenue growth are:**
 - Sponsorships (the smallest piece of the display pie) up 93%
 - Banners up 24%
 - Digital video at a 42% year over year increase
- **Brand spend and brand impact dollars on the rise:**
 - Advertiser vertical growth patterns
 - Revenue model increases
 - Display growth
- *A footnote on reporting: Sellers of mobile advertising, we call upon you to recognize the value of an accurate, independent, authoritative market sizing of the industry and lend greater support to this research. With your help, we can publish year end revenue estimates for 2011.*

THANK YOU

FOLLOW-UP QUESTIONS:

Additional questions from IAB members should be directed to Kristina Sruoginis:

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Reports can be found at: www.iab.net