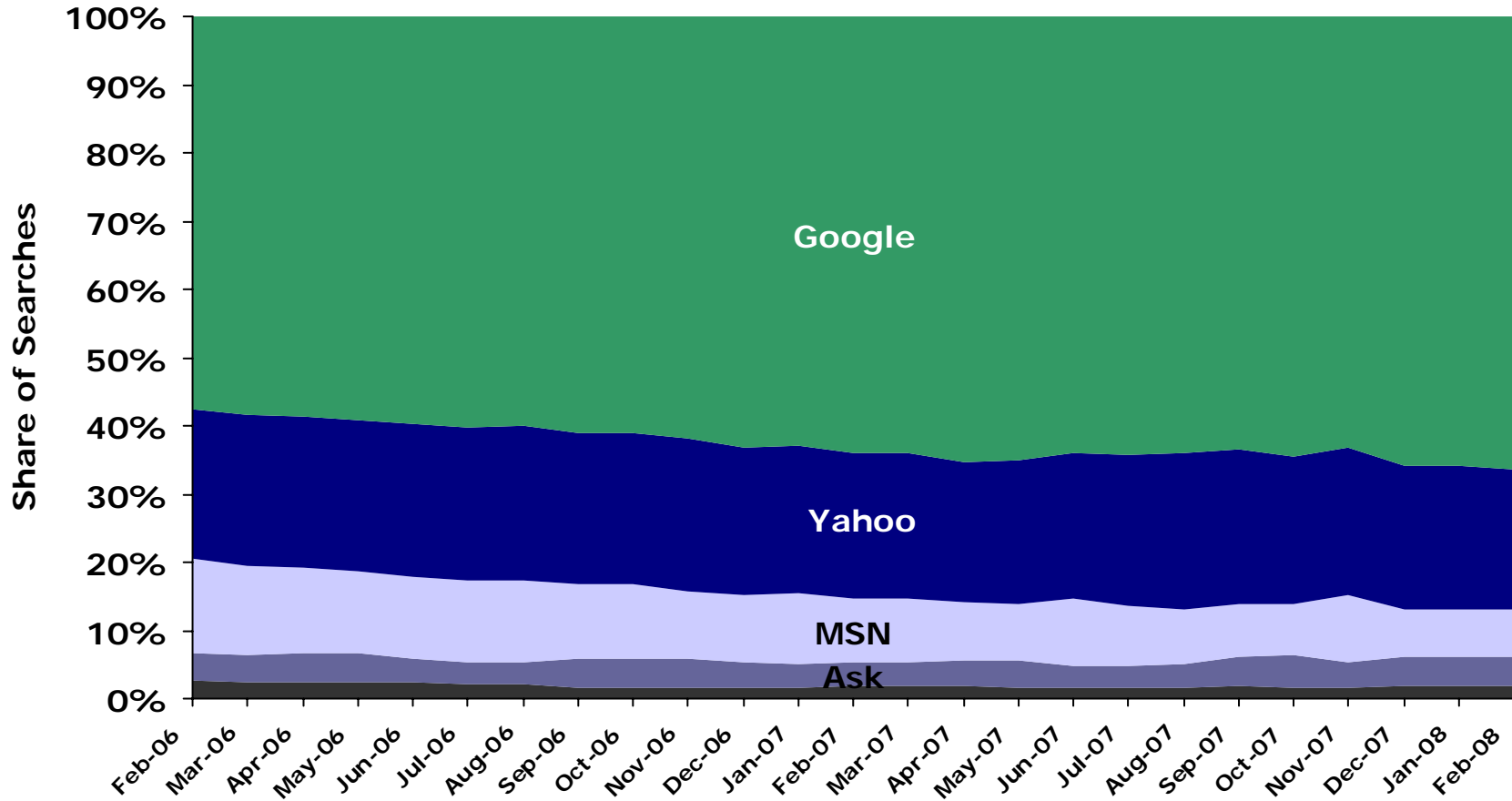# Top Search Trends

Heather Dougherty
Research Director, Hitwise
March 19, 2008

Today's Discussion

- Trends in the Search Landscape

- Identifying Opportunities Through Segmentation

# Google & Yahoo continue to capture the majority of the share of searches

Share of Searches

- Google
- Yahoo
- MSN
- Ask

Chart x-axis (months): Feb-06, Mar-06, Apr-06, May-06, Jun-06, Jul-06, Aug-06, Sep-06, Oct-06, Nov-06, Dec-06, Jan-07, Feb-07, Mar-07, Apr-07, May-07, Jun-07, Jul-07, Aug-07, Sep-07, Oct-07, Nov-07, Dec-07, Jan-08, Feb-08

Chart y-axis: 0% to 100%

* MSN Search & Windows Live Search are aggregated

Minor shifts among the major players when compared to last year
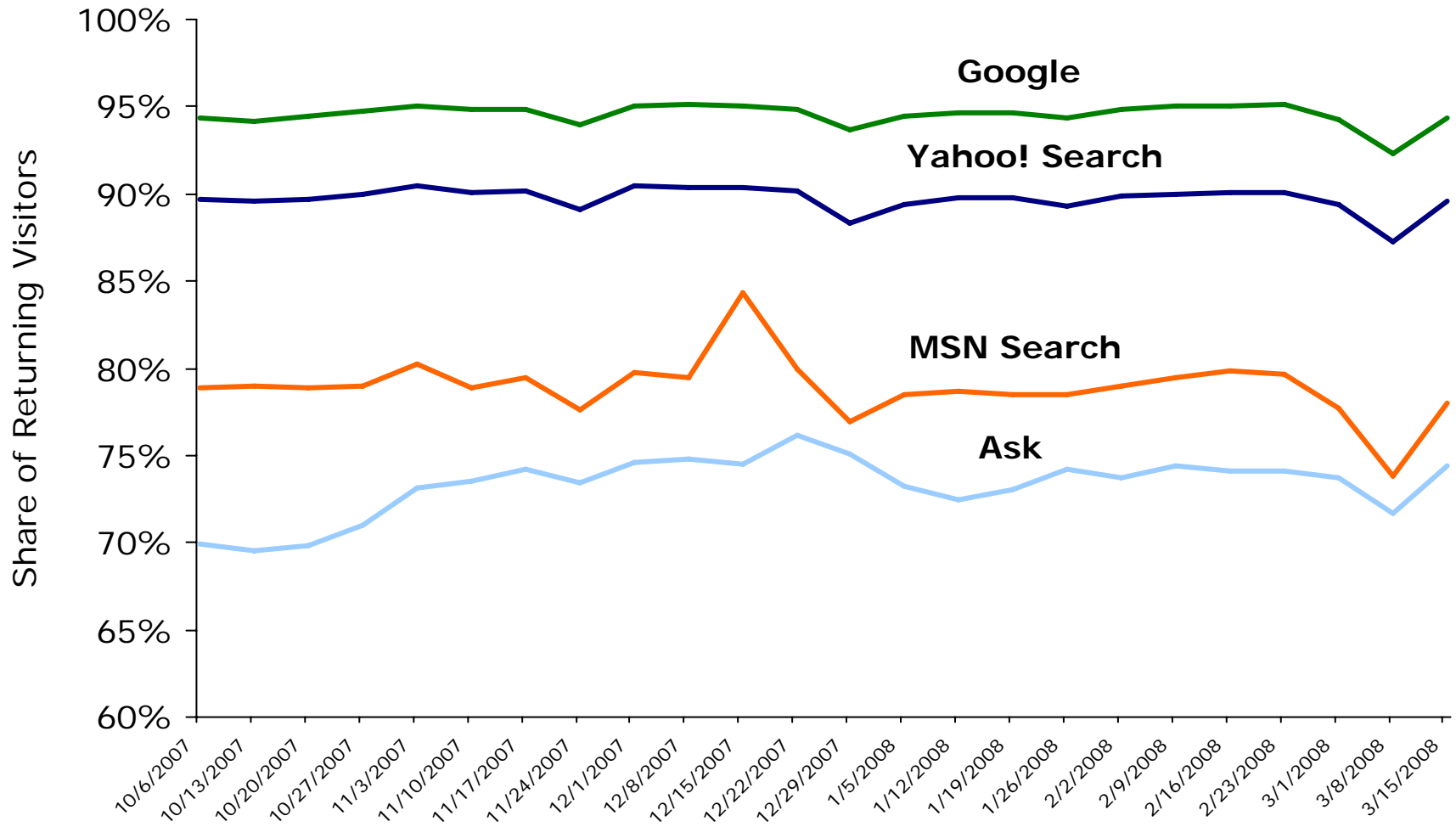
Year-over-year Comparsison of Share of Searches
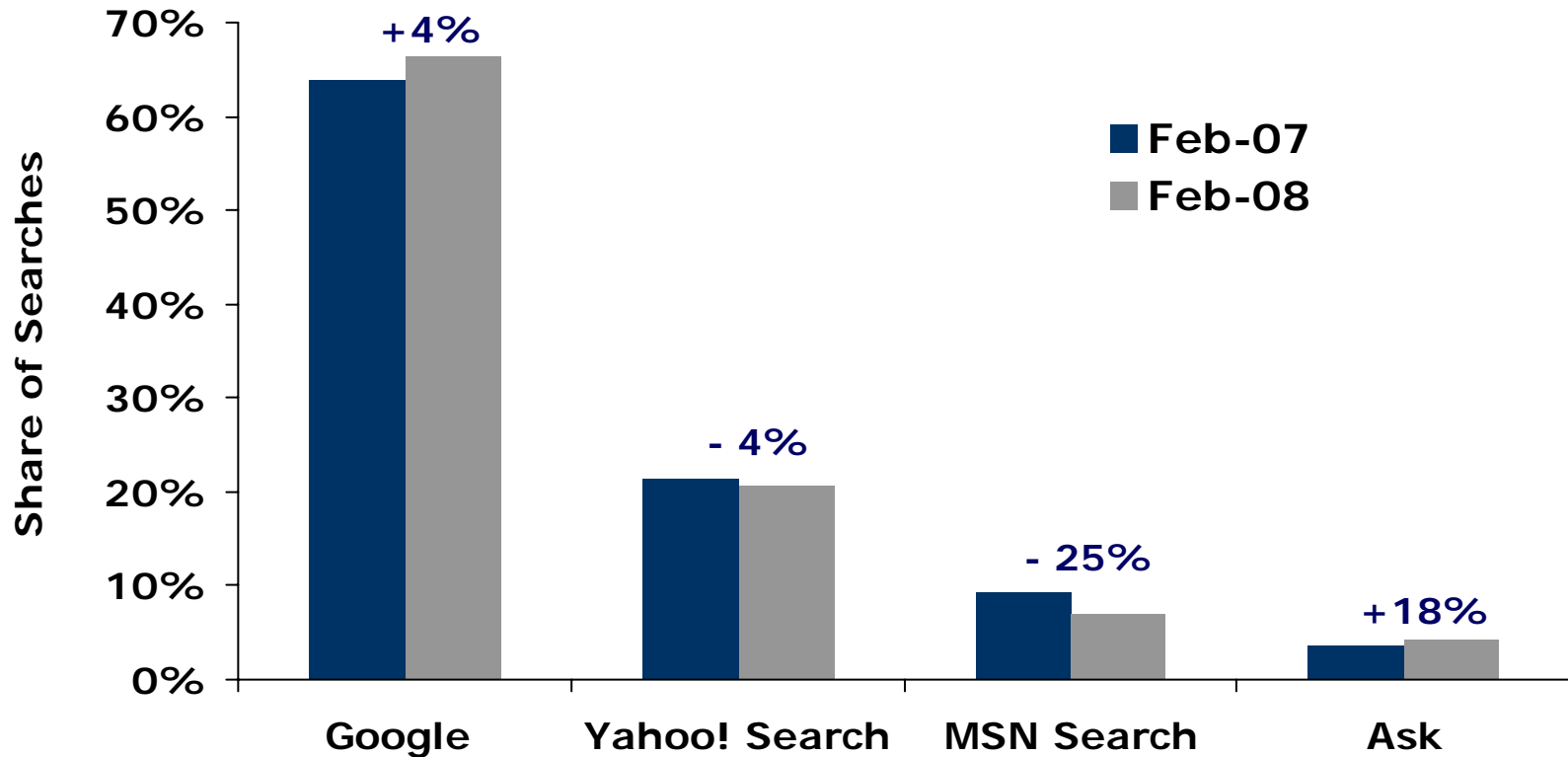
Time spent on Google has also increased
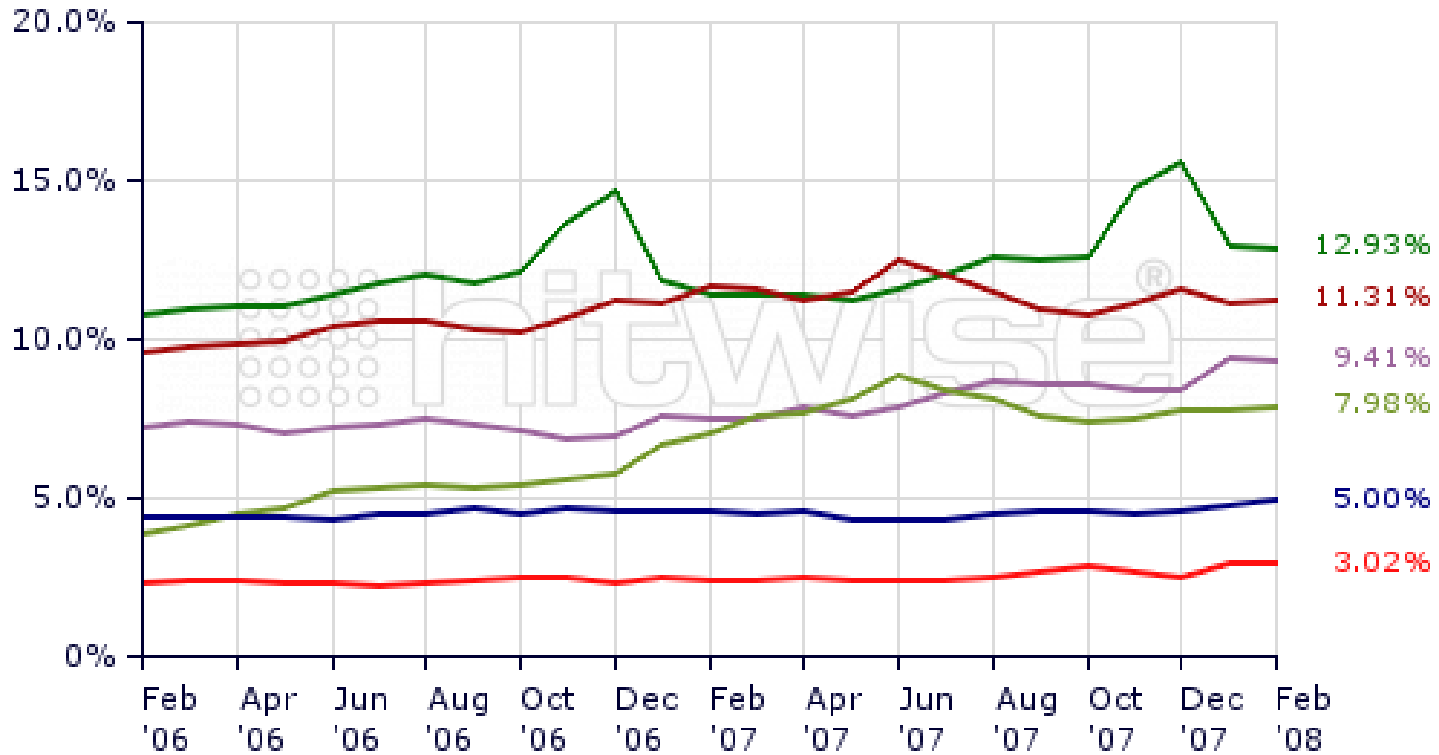

Avg Visit Time
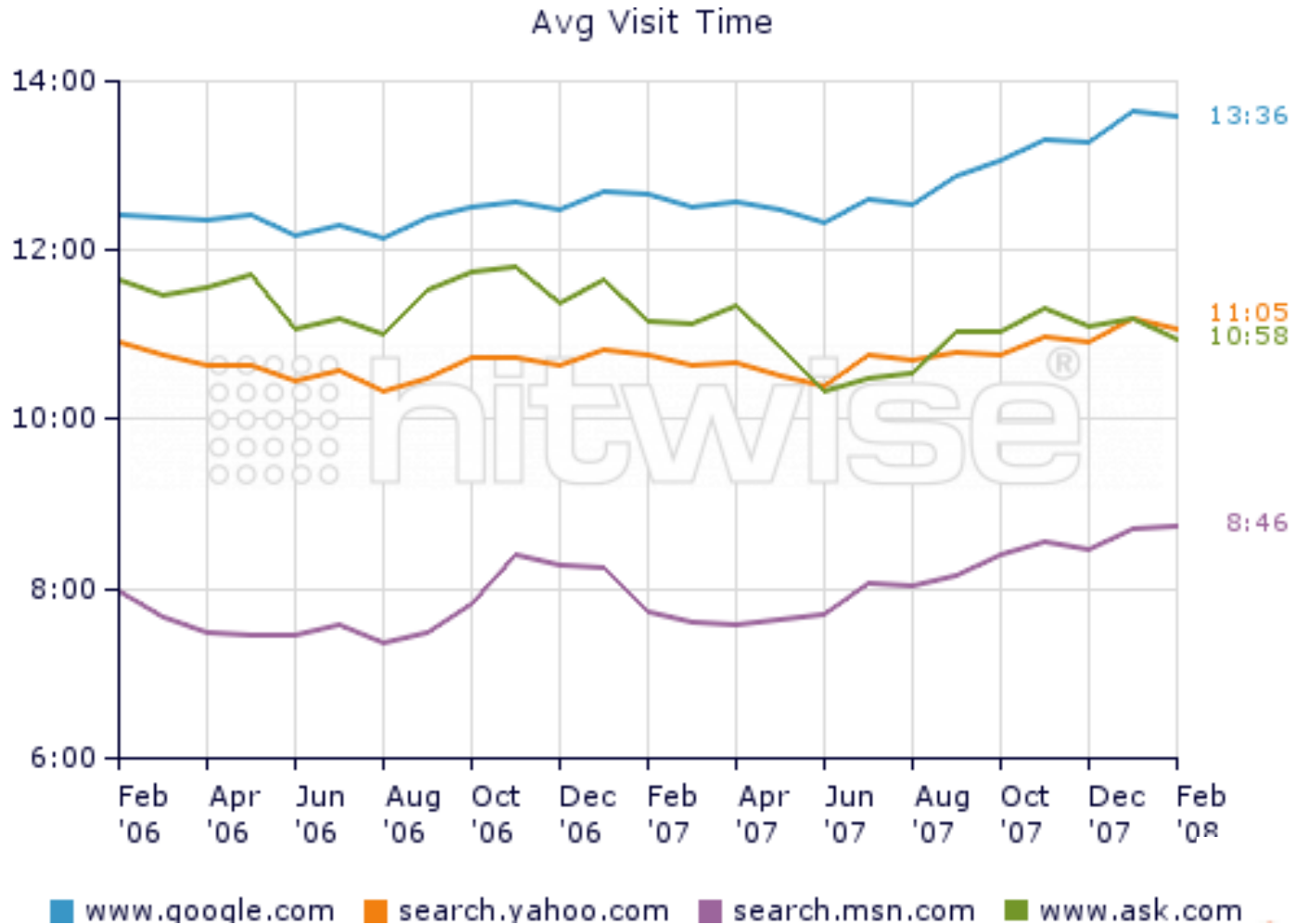
Users of search are creatures of habit, driving high retention rates

Shopping & Entertainment categories benefit most from traffic referred from search engines

Monthly Downstream Traffic from Search Engines

- Shopping and Classifieds — 12.93%
- Entertainment — 11.31%
- Business and Finance — 9.41%
- Computers and Internet - Social Networking and Forums — 7.98%
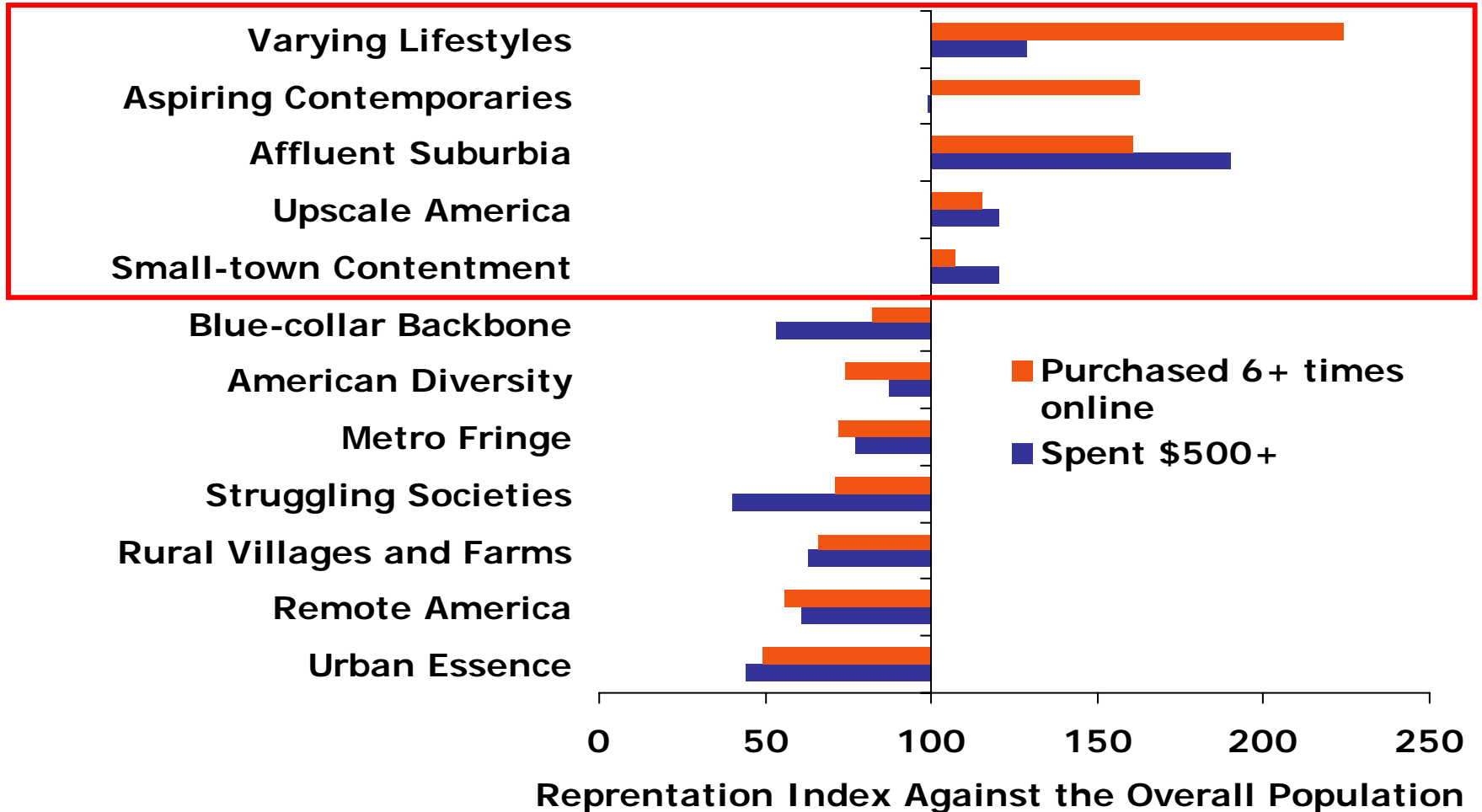- News and Media — 5.00%
- Health and Medical — 3.02%

Shopping category continues to be important for each of the search players

Monthly Downstream to Shopping & Classifieds Category

14.63%
14.00%
12.90%

10.83%
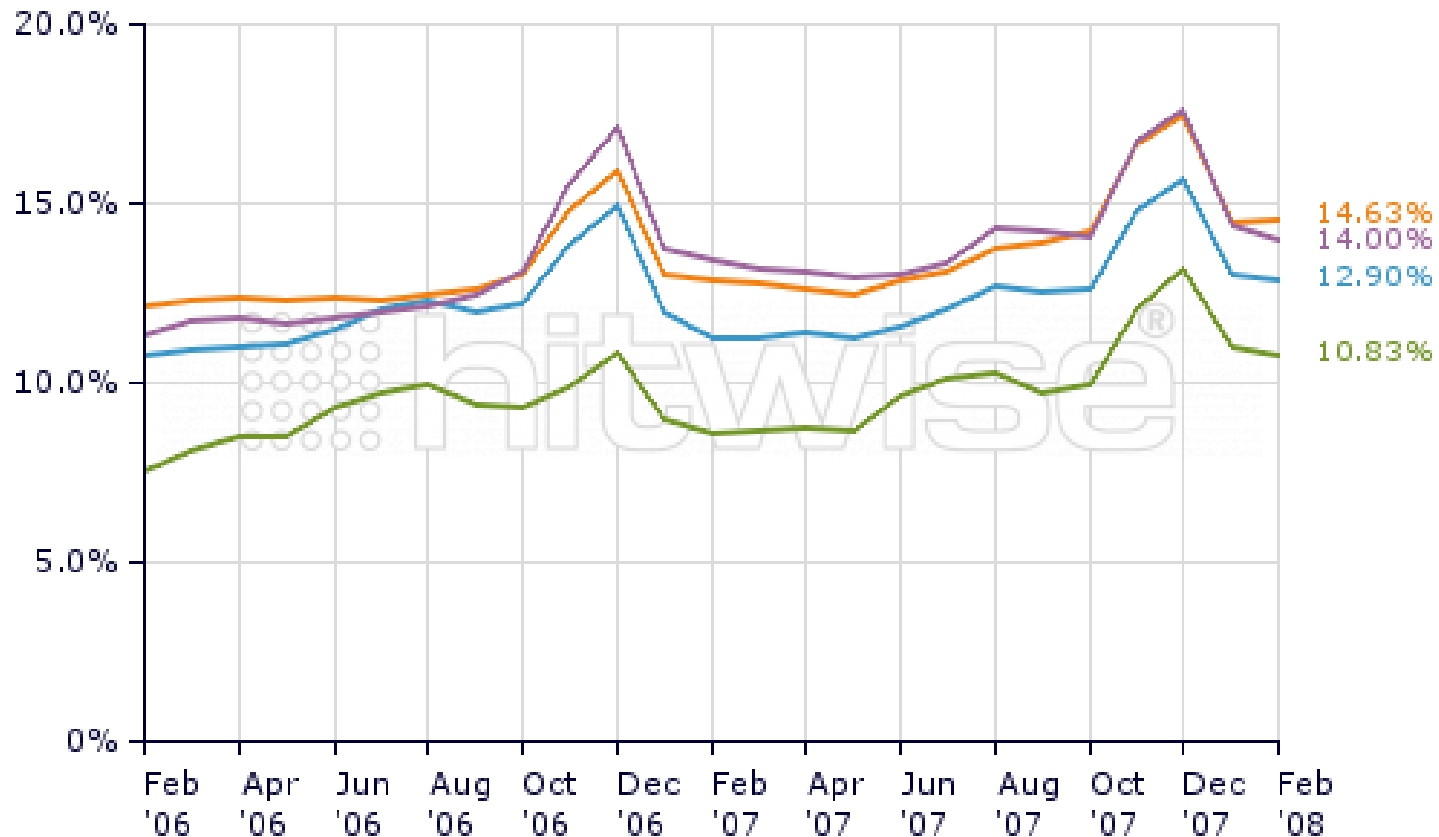
www.google.com   search.yahoo.com   search.msn.com   www.ask.com

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Besides reach, differentiate the search engines by specific objectives

Chart categories (top to bottom):
- Varying Lifestyles
- Aspiring Contemporaries
- Affluent Suburbia
- Upscale America
- Small-town Contentment
- Blue-collar Backbone
- American Diversity
- Metro Fringe
- Struggling Societies
- Rural Villages and Farms
- Remote America
- Urban Essence

Legend:
- Purchased 6+ times online
- Spent $500+

X-axis: 0, 50, 100, 150, 200, 250

Reprentation Index Against the Overall Population

Based upon MOSAIC USA segmentation

Compare how the segments translates into the audience of the search engine

Share of Traffic by MOSAIC Lifestyle Segments, 4 Weeks Ending 03/08/08

Legend:
- Varying Lifestyles
- Aspiring Contemporaries
- Small-town Contentment
- Upscale America
- Affluent Suburbia

Y-axis: Share of Traffic (0% – 60%)

X-axis: Google, Yahoo! Search, MSN Search

Based upon MOSAIC USA segmentation

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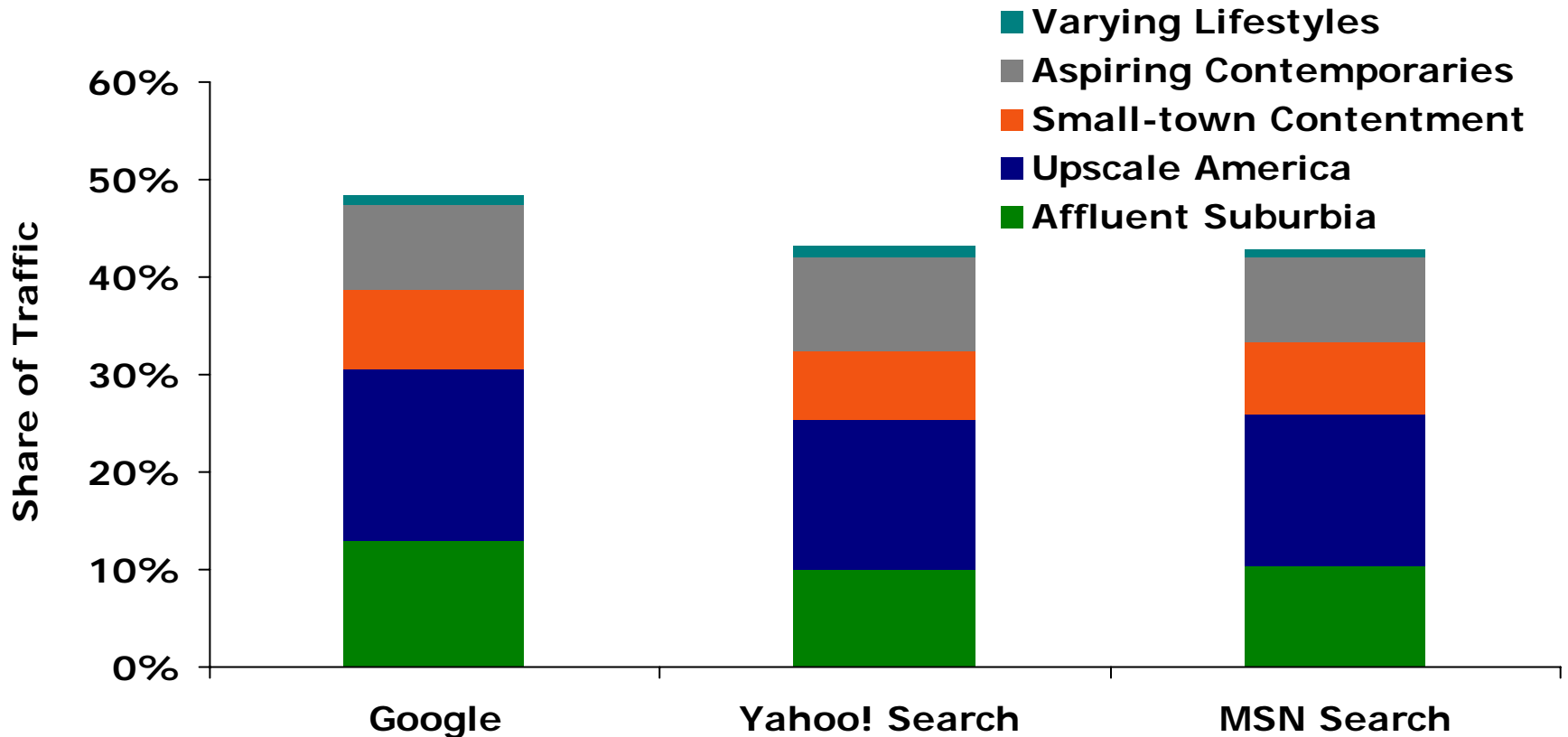
Hitwise US: Google & Yahoo Search Online Representative Index, Propensity to Make 6 or More Purchases Online, 4 Weeks Ending 03/08/2008
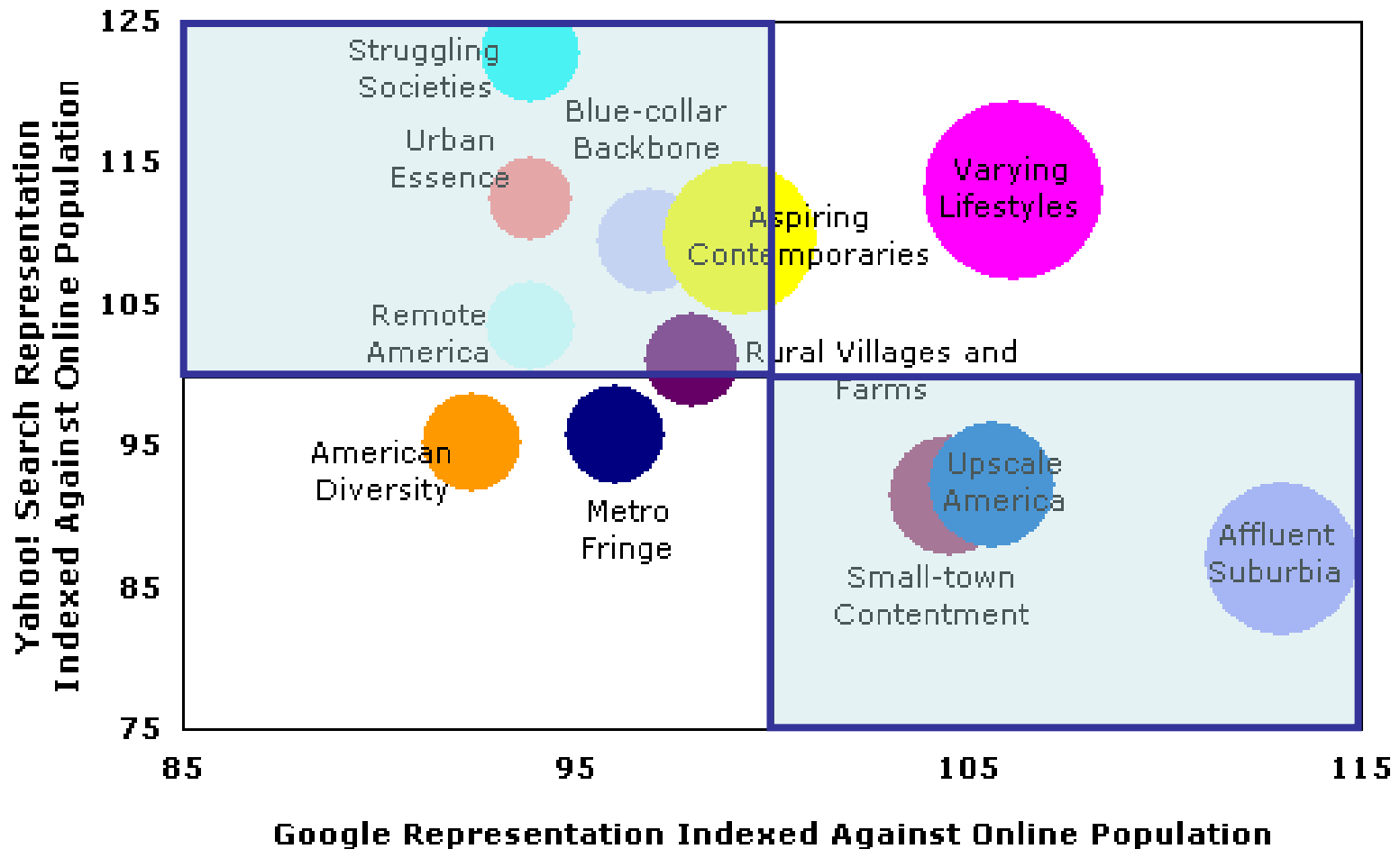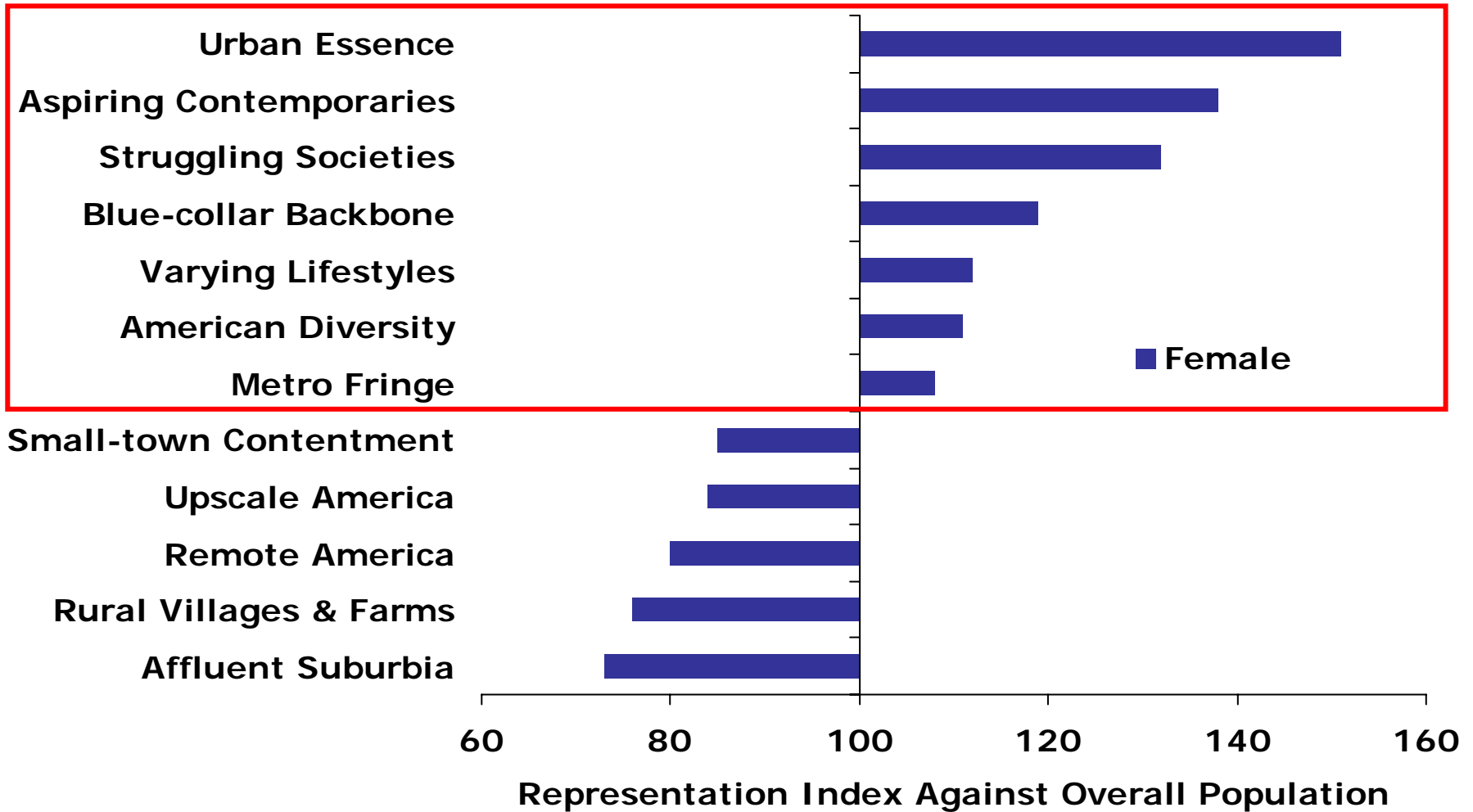
Bubble size = Propensity to Make 6 or More Online Purchases

Hitwise US: Yahoo Search & MSN Search Online Representative Index, Propensity to Make 6 or More Purchases Online, 4 Weeks Ending 03/08/2008
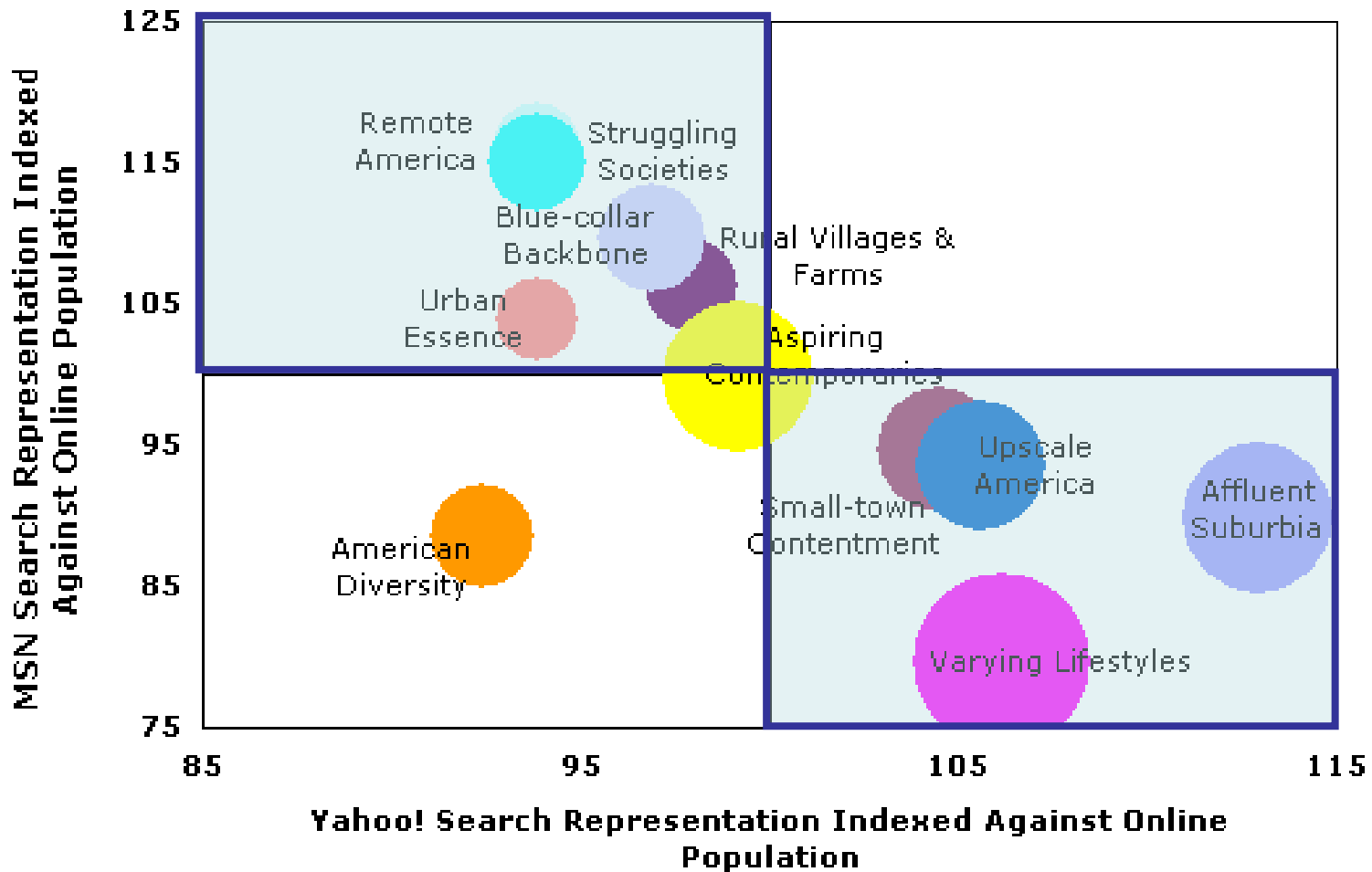
Bubble size = Propensity to Make 6 or More Online Purchases

Segmentation can help break down a very broad audience

Female

Representation Index Against Overall Population

Urban Essence, Aspiring Contemporaries, Struggling Societies, Blue-collar Backbone, Varying Lifestyles, American Diversity, Metro Fringe, Small-town Contentment, Upscale America, Remote America, Rural Villages & Farms, Affluent Suburbia

60 80 100 120 140 160

Based upon MOSAIC USA segmentation

Ask.com Online Representation of Mosaic Segments vs. Female Representation within Mosaic Segments
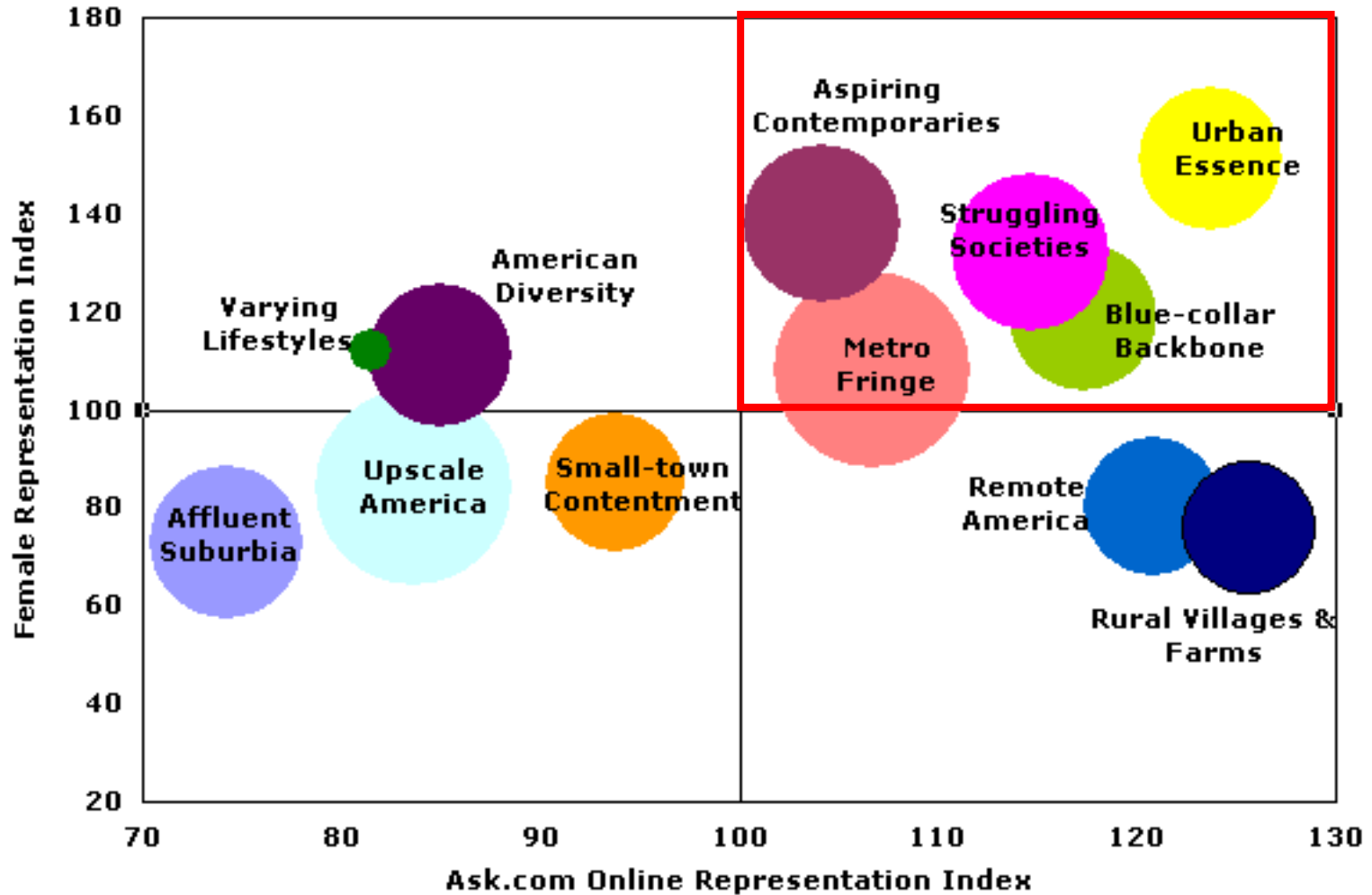
Bubble size = Share of Ask Traffic

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Summary

- The majority of the mainstream search landscape continues to be concentrated around Google & Yahoo which captures 88% of the share of total searches

- Ubiquity of search behavior drives frequent return visits, creating creatures of habit

- Shopping & Entertainment categories currently benefit most from search traffic, but there is little reliance on specific categories to drive referrals

- Using segmentations based upon behavior can help differentiate between the search engines beyond reach

Now you know.

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Appendix

- **Mosaic Segments**

- The Mosaic Groups are created by Experian (which acquired Hitwise last year) to describe American consumers. It is a household-based segmentation system that classifies all U.S. households and neighborhoods into 60 unique Mosaic types and 12 groupings that share similar demographic and socioeconomic characteristics.

- The result is a classification that paints a rich picture of U.S. consumers in terms of their sociodemographics, lifestyles, behaviors and culture to provide you with the most accurate and comprehensive view of your customers, prospects and markets.

- We apply the data based on the zip code of the ISP account owner. The data is aggregated and anonymized to offer a lifestyle profile for a website. Marketers use the information to tailor advertising campaigns, website content, offers and find affiliate partners by analyzing the offline behaviors and characteristics of their website visitors. For example, a credit card company might find that their website attracts visits from consumers who partake in bird watching and who read airline in-flight magazines.

- There are more than 300 variables to highlight a difference between the visitor profile for websites and categories. Hitwise clients have access to all of the variables and profiles not only of their own website visitors but of competitors.

Appendix – Segment Descriptions

• **Affluent Suburbia:** The wealthiest households in the U.S. living in exclusive suburban neighborhoods enjoying the best of everything that life has to offer.

• **Upscale America:** College-educated couples and families living in the metropolitan sprawl earning upscale incomes providing them with large homes and very comfortable and active lifestyles.

• **Small-town Contentment:** Middle-aged, upper-middle-class families living in small towns and satellite cities with moderate educations employed in white-collar, blue-collar and service professions.

• **Blue-collar Backbone** Budget-conscious, young and old blue-collar households living in older towns working in manufacturing, construction and retail trades.

• **American Diversity:** A diverse group of ethnically mixed singles and couples, middle-aged and retired with middle-class incomes from blue-collar and service industry jobs.

• **Metro Fringe** Racially mixed, lower-middle-class clusters in older single-family homes, semi-detached houses and low-rise apartments in satellite cities.

• **Remote America:** A mix of farming and small industrial rural communities with outdoor oriented lifestyles living primarily in America's heartland.

• **Aspiring Contemporaries:** Young, mostly single, ethnically diverse, online active households living in new homes or apartments with discretionary income to spend on themselves.

• **Rural Villages and Farms** Rural, middle-class married families and couples of varied ages, living and working in agricultural and mining communities.

• **Struggling Societies:** Young minorities, students and single parents trying to raise families on low-level jobs in manufacturing, health care and food services.

• **Urban Essence:** Young, single and single-parent minorities living in older apartments working at entry-level jobs in service industries.

• **Varying Lifestyles:** Residents who primarily live in group quarters including students, military personnel and institution populations.