



About AdGooroo

Based in Chicago, AdGooroo provides competitive intelligence to search engine marketers through its suite of products, including AdGooroo Express, SEM Insight, and Trademark Insight. Over 1,000 companies rely on these keyword tracking tools and other unique products to provide them with quantifiable insights they can use to rise above the competition and build a long-term competitive advantage in search engine marketing.

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Mid-Quarter Search Engine Update - Q408

December 4, 2008 – **First page advertising activity on all three search engines was up sharply during the first two months of Q4.** While substantial growth is to be expected during the holiday season, the increase in active advertiser counts is surprising given the current environment of gloom and doom. This is particularly evident when you compare Q408 growth in first-page advertisers to Q407:

	Q407	Q408 (est)
Google	-.67%	+54.9%
Yahoo!	+6.4%	+11.2%
Microsoft	+10.8%	+29.6%

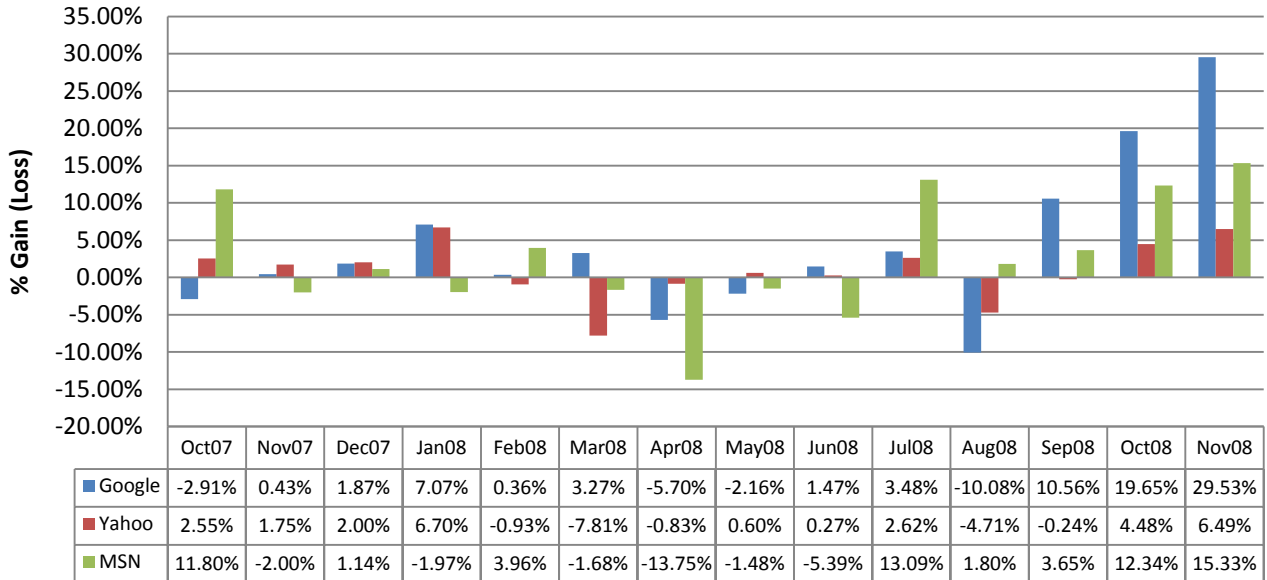
While advertiser counts are higher on all three search engines, Google's 55% increase is well beyond what can be expected from seasonality alone. The remaining increase can be attributed to increasing ad coverage, up from 2.4 in September to 4.4 in November (a change that Google management promised during their Q2 earnings call).

This is the most significant increase we've seen in two years. As we stated in previous reports, ad coverage is a leading indicator of advertising activity, and it appears that Google has managed to increase ad coverage to about where it was in January, 2008.

Microsoft also seems to be taking advantage of the favorable environment. We estimate that Microsoft has increased their advertiser share from 11.5% in Q3 to about 15.8% in Q4 (37% increase), dramatically narrowing the gap with Yahoo! for second place as the engine of choice for search marketers. (For comparison, Yahoo! Now stands at about 22.1% and Google at 80.3%)

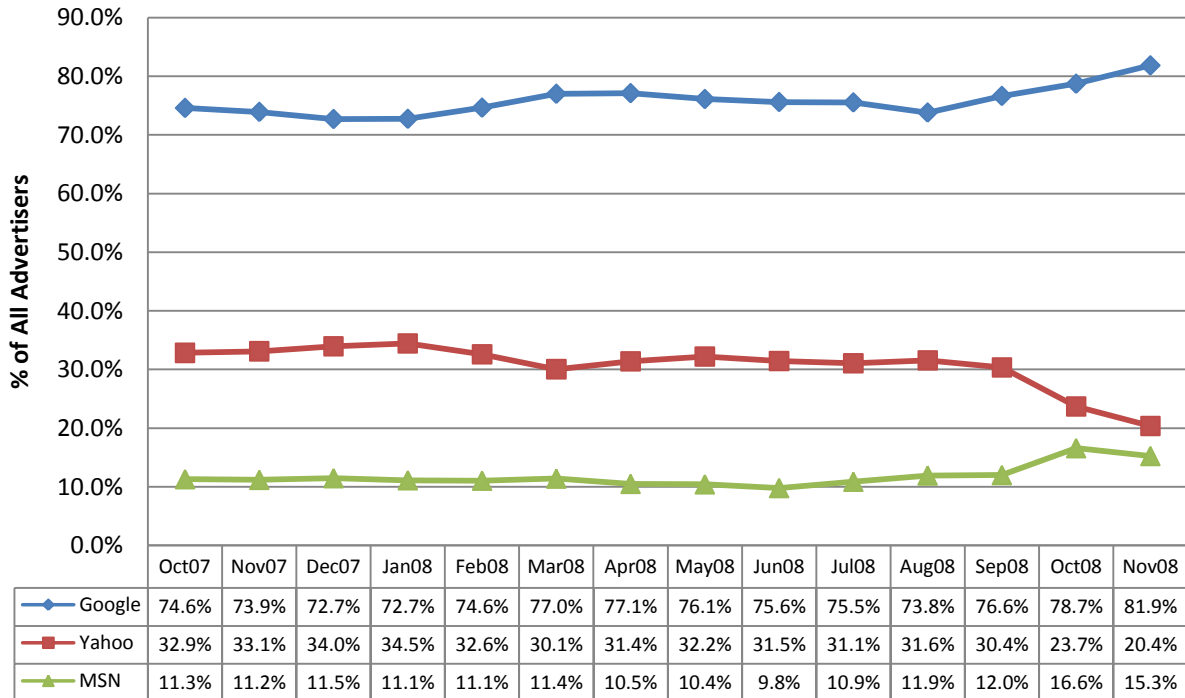
It is widely accepted that the economic slowdown would find its way into search advertising, but these figures seem to be giving the lie to this belief. Far from it – **it appears that Q408 may end up as the strongest quarter on record for both Google and Microsoft.**

Monthly Growth in Advertiser Count

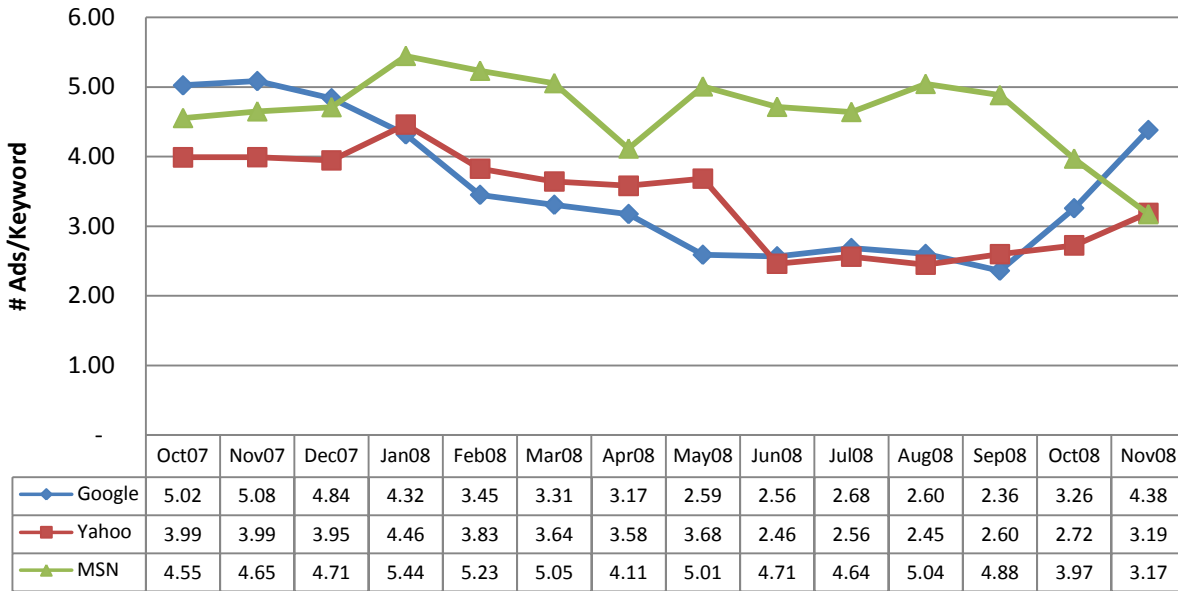


Share of Advertisers by Search Engine

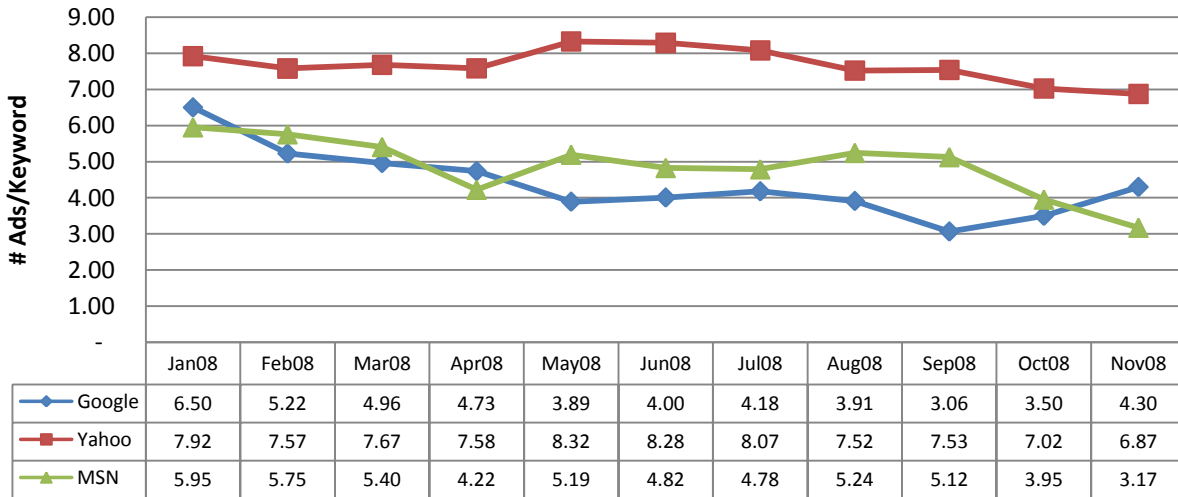
(US and International)



Avg # Ads/Keyword (US & International)



Avg # Ads/Keyword (US only)



Top 25 Advertisers by Search Engine

Ranked by estimated ad impressions

November, 2008

Google

amazon.com
eBay.com
target.com
shopping.yahoo.com
bizrate.com
nextag.com
shopzilla.com
shopping.aol.com
local.com
like.com
att.com
ask.com
zappos.com
expedia.com
business.com
priceline.com
walmart.com
google.com
ebaymotors.com
mapquest.com
righthealth.com
webcrawler.com
sears.com
yellowpages.aol.com
smarter.com

Yahoo!

business.com
smarter.com
eBay.com
target.com
shopping.yahoo.com
shop.com
nextag.com
bizrate.com
like.com
become.com
amazon.com
calibex.com
shopzilla.com
att.com
stylebyjacquie.com
dell.com
pronto.com
pricegrabber.com
best-price.com
righthealth.com
cataloglink.com
footlocker.com
sears.com
bottomdollar.com
eastbay.com

Live Search

eBay.com
search.live.com
amazon.com
info.com
target.com
lowpriceshopper.com
shopzilla.com
msn.orbitz.com
bizrate.com
att.com
smarter.com
nextag.com
ebaystores.com
tigerdirect.com
alibaba.com
righthealth.com
walmart.com
expedia.com
dell.com
onypc.com
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ave99.com
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