



## 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%	<b>+54.9%</b>
Yahoo!	+6.4%	<b>+11.2%</b>
Microsoft	+10.8%	<b>+29.6%</b>

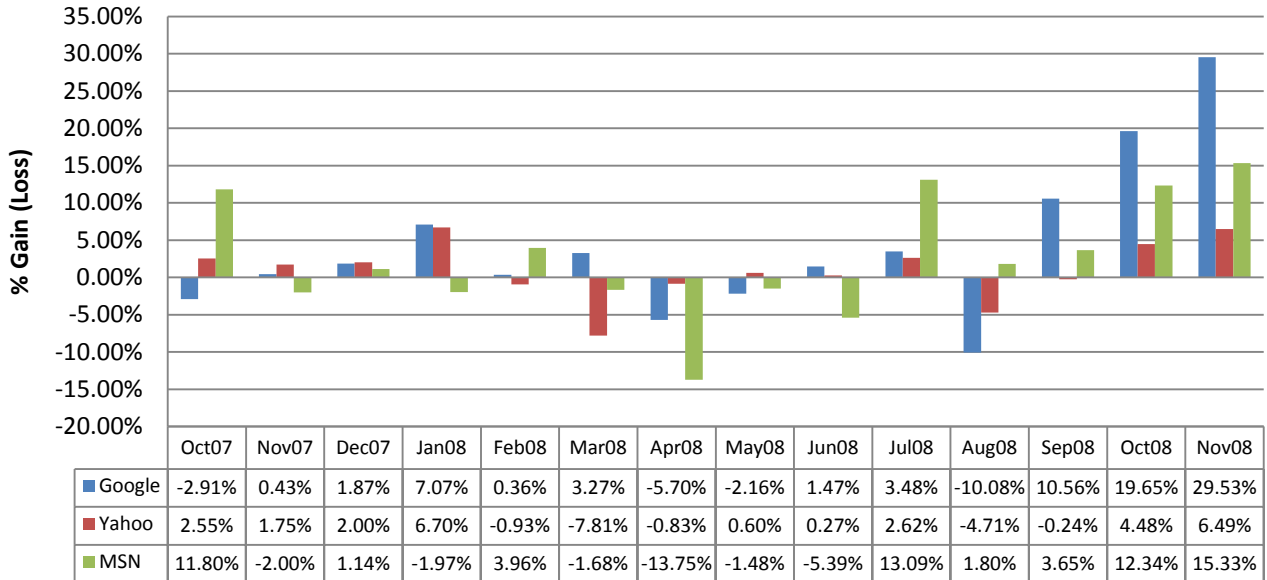
While advertiser counts are higher on all three search engines, Google's 55% increase is well beyond what can be expected from seasonality alone. The remaining increase can be attributed to increasing ad coverage, up from 2.4 in September to 4.4 in November (a change that Google management promised during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

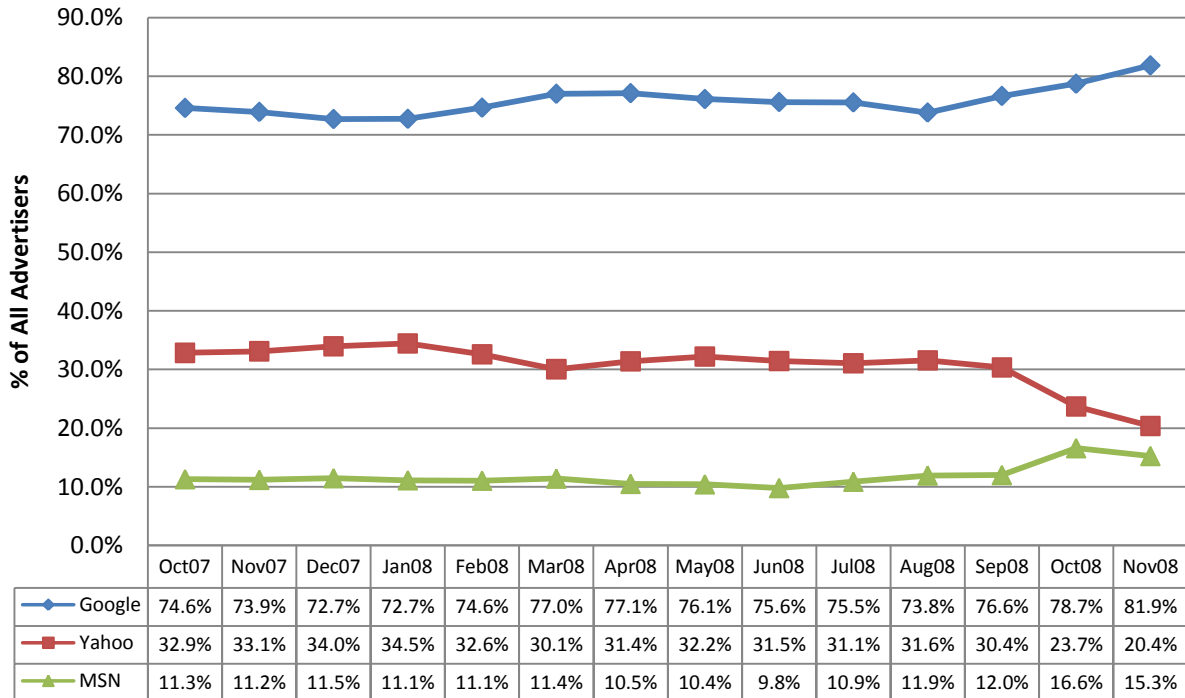
It is widely accepted that the economic slowdown would find its way into search advertising, but these figures seem to be giving the lie to this belief. Far from it – **it appears that Q408 may end up as the strongest quarter on record for both Google and Microsoft.**

## Monthly Growth in Advertiser Count

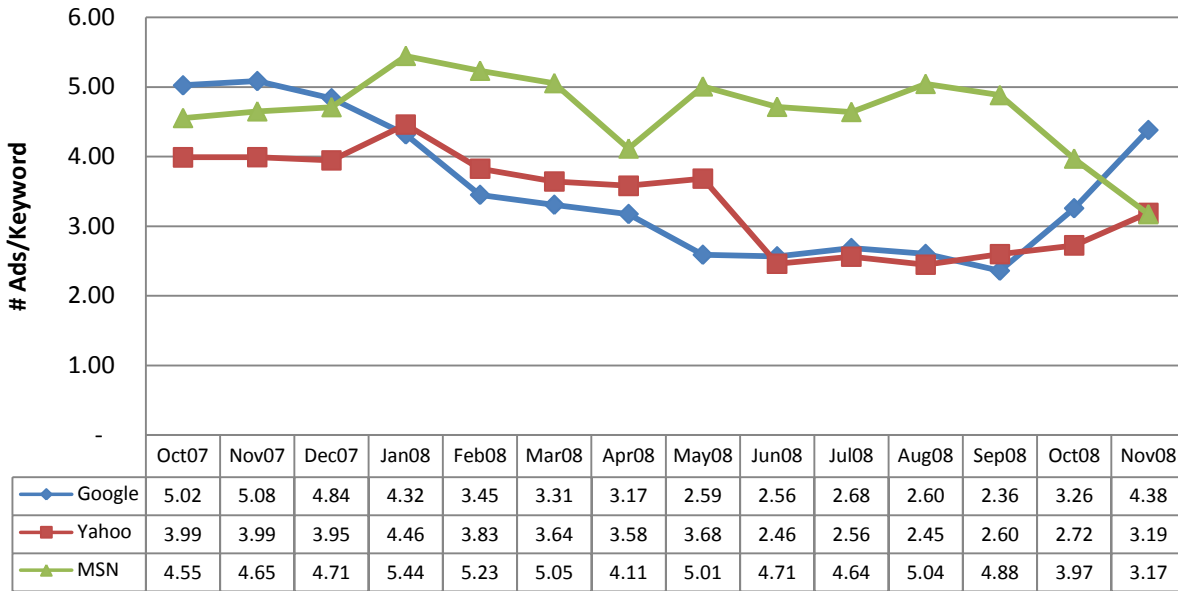


## Share of Advertisers by Search Engine

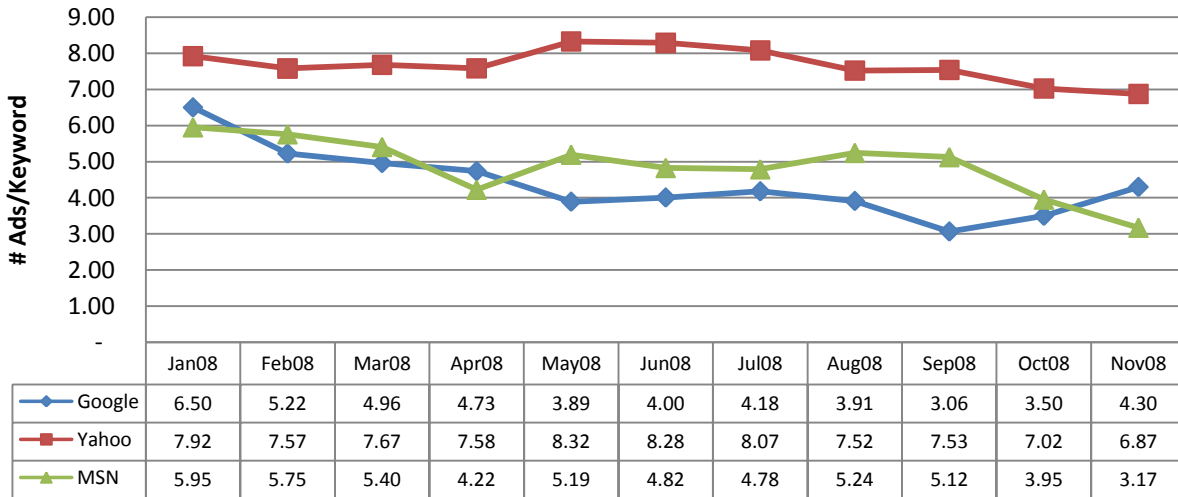
(US and International)



## 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  
jcpenny.com  
bookingbuddy.com  
ave99.com  
calibex.com  
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