

U.S. Consumer Spending for Online Content Reaches \$1.8 Billion in 2004 on Strength of Entertainment/Lifestyles Category, According to Online Publishers Association Report

NEW YORK, NY -- March 10, 2005 -- The Online Publishers Association (OPA) today released its full year 2004 Paid Online Content U.S. Market Spending Report. The study, conducted in partnership with comScore Networks, found that consumer spending for online content in the U.S. grew to \$1.8 billion in 2004, a 14% increase over 2003, driven largely by growth in the Entertainment/Lifestyles category.

Online Personals/Dating remained the leading paid content category in 2004, with spending at an all-time high of \$469.5 million for the year, up 4% over 2003. However, spending on Entertainment/Lifestyles grew a remarkable 90%, from \$217.6 million in 2003 to \$413.5 million in 2004, while spending on Business/Investment content declined 6% over that same time period. As a result, Entertainment/Lifestyles overtook Business/Investment content as the No. 2 paid content category and is on track assume the top position should its current rate of growth continue.

In addition to Entertainment/Lifestyles, the Sports and Games categories also showed strong annual growth of 38% and 22%, respectively.

Online Content Spending by Category (\$ in millions)			
Source: Online Publishers Association and comScore Networks			
	Full Year 2003	Full Year 2004	% Growth
Personals/Dating	\$449.5	\$469.5	4.4%
Entertainment/Lifestyles	\$217.6	\$413.5	90.0%
Business/Investment	\$334.1	\$312.9	-6.3%
Research	\$108.6	\$115.1	6.0%
Personal Growth	\$90.7	\$96.5	6.5%
Games	\$73.0	\$88.8	21.8%
General News	\$87.5	\$87.9	.4%
Community-Made Directories	\$87.0	\$70.5	-18.9%
Greeting Cards	\$40.6	\$43.4	6.8%
Sports	\$38.2	\$52.8	38.0%
Credit Help	\$36.6	\$27.1	-26.0%

"The fact that Entertainment/Lifestyles, Sports and Games were by far the year's fastest growing paid content categories is further evidence that the Web is on its way to becoming a true entertainment medium for U.S. consumers," said Michael

Zimbalist, president of the Online Publishers Association.

While burgeoning online music sales were behind the significant gains in the Entertainment/Lifestyles category in 2004, song track sales also led to a significant shift in the overall single purchase versus subscription mix, with single purchases accounting for 15% of online content sales in 2004, compared to only 11% in 2003.

According to the report, 19 million U.S. consumers paid for online content in Q4 2004, up 2.6 million over the same period in 2003. With growth in paid content consumers outpacing growth in U.S. Internet users, paid content consumer penetration in Q4 2004 reached its highest point yet -- 11.6 percent -- while average consumer spending remained flat.

"The market for paid online content remains strong," said Mr. Zimbalist, "and with less than 12 percent of the total U.S. Internet population purchasing content online in the fourth quarter, there is still significant room for growth."

The information contained in the OPA's Paid Online Content U.S. Market Spending Report is based not on self-reported consumer surveys, but on actual observed purchases of content. comScore Networks calculated the results of the study by passively and electronically monitoring the actual purchase and usage transactions that took place during the analysis period within its representative panel of more than 1 million U.S. online consumers.

The 2004 Paid Online Content U.S. Market Spending Report can be found at the Online Publishers Association Web site at www.online-publishers.org.

About comScore Networks

comScore Networks provides unparalleled insight into consumer behavior and attitudes. This capability is based on a massive, global cross-section of more than 2 million consumers who have given comScore explicit permission to confidentially capture their browsing and transaction behavior, including online and offline purchasing. comScore panelists also participate in survey research that captures and integrates their attitudes and intentions. Through its patent-pending technology, comScore measures what matters across a broad spectrum of behavior and attitudes. comScore consultants apply this deep knowledge of customers and competitors to help clients design powerful marketing strategies and tactics that deliver superior ROI. For more information, please visit www.comscore.com.

About the Online Publishers Association

Founded in June 2001, the Online Publishers Association (OPA) 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 113.4 million visitors, or 70.4 percent of the total U.S. Internet audience (Source: comScore Media Metrix, December 2004 combined home/work/university data). For more information about the Online Publishers Association, visit www.online-publishers.org.

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