

U.S. Online Apparel Spending Grows 32 Percent in the Third Quarter Versus Year Ago

35-Percent Increase in Number of Online Apparel Buyers is Key Driver of Category Growth

RESTON, Va., November 16, 2006 - comScore Networks, a leader in measuring the digital age, today released the results of a third-quarter analysis of consumer spending in the online apparel category. During Q3 2006, total U.S. online apparel sales registered a 32-percent increase versus the same quarter last year. Sites operated by specialty retailers (such as VictoriasSecret.com and OldNavy.com) accounted for the largest share of sales with 46 percent of total dollars spent, followed by department store sites at 21 percent, and online pureplay sites (such as Amazon.com) at 16 percent.

The analysis revealed that specialty store sites, in particular, have fared well during the past year, increasing their market share by more than 3 points, while department store sites rose 1 point. Catalog sites lost approximately 2 share points, while discount store sites lost 1 share point.

Online Apparel Category			
Share of Dollars Spent by Online Site Segment			
Q3 2006 vs. Q3 2005			
Total U.S. - Home/Work/University Locations			
Source: comScore Networks			
	Share of Dollars (\$)		
Apparel Site Segment	Q3 2005	Q3 2006	Pt Chg
<i>Total Online Apparel</i>	100.0%	100.0%	0.0
Catalog	15.7%	13.6%	-2.2
Department Store	19.7%	20.8%	1.1
Discount	3.4%	2.4%	-1.0
Manufacturer	2.0%	1.6%	-0.4
Online Pureplay	16.5%	15.9%	-0.7
Specialty Store	42.6%	45.8%	3.2

Influx of New Buyers Drives Increase in Online Apparel Sales

In the online apparel category, sales growth was driven during the past year primarily by the increasing number of buyers, with five out of six apparel site segments showing double-digit percent increases in the size of their respective buyer bases. Department store sites led the way with 60 percent growth in number of buyers, followed by manufacturer and specialty store sites, which each saw 48 percent growth.

Online Apparel Category	
Percent Change: Number of Buyers, Average Order Value, Dollar Sales	
Q3 2006 vs. Q3 2005	
Total U.S. - Home/Work/University Locations	

Source: comScore Networks			
Q3 2006 vs. Q3 2005			
Apparel Site Segment	Number of Buyers	Average Order Value	Sales in Dollars
<i>Total Online Apparel</i>	35%	-1%	32%
Catalog	19%	-3%	3%
Department Store	60%	-8%	43%
Discount	-74%	44%	-32%
Manufacturer	48%	-17%	-7%
Online Pureplay	32%	6%	23%
Specialty Store	48%	-2%	47%

"That the number of online retail apparel buyers is increasing so rapidly bodes well for long term category growth" commented Rob Harles, senior vice president of comScore Networks. "Because new buyers tend to spend less online until they've become comfortable with the purchase process, the average order value is experiencing declines among some of the site segments. But as new buyers become acclimated to the online buying process, they ratchet up the size of their orders, which will yield significant overall sales growth in the future."

Online Specialty Retailer Sites Have Highest Consumer Loyalty

Online consumers tend to stick with what they know, as evidenced by their high rates of consumer loyalty across most apparel site segments. During Q3 2006, about two-thirds of online apparel buyers purchased exclusively within a single site segment. Consumers were most loyal to specialty store sites, with 74 percent purchasing only within that site segment, followed by catalog and online pureplay, each with 68 percent loyalty.

Overall, consumer loyalty rates are experiencing modest declines during the past year, an indication that consumers are expanding their horizons and varying their online purchase behavior among multiple site segments. A notable decrease in loyalty was apparent at discount retailers, which saw loyalty rates decline from 61 percent in Q3 2005 to 46 percent in Q3 2006.

Online Apparel Category			
Consumer Loyalty Analysis			
Percent of Buyers Purchasing Exclusively by Apparel Site Segment			
Q3 2006 vs. Q3 2005			
Total U.S. - Home/Work/University Locations			
Source: comScore Networks			
	Percent of Segment-Exclusive Buyers		
Apparel Site Segment	Q3 2005	Q3 2006	Pt Chg
Catalog	69.7%	67.9%	-1.8

Department Store	64.2%	63.8%	-0.4
Discount	61.3%	45.6%	-15.8
Manufacturer	65.5%	63.8%	-1.7
Online Pureplay	71.3%	68.2%	-3.1
Specialty Store	75.5%	74.4%	-1.1

Definitions

Catalog - Web sites operated by catalog retailers (e.g. Newport-news.com, Eastbay.com)

Department Store - Web sites operated by department stores (e.g. Macys.com, Nordstrom.com)

Discount - Web sites operated by retailers that offer primarily discounted items (e.g. Bluefly.com, Overstock.com)

Manufacturer - Web sites operated by apparel manufacturers (e.g. Polo.com, Nike.com)

Online Pureplay - Web sites operated by online-only retailers (e.g. Amazon.com, Zappos.com)

Specialty Store - Web sites operated by specialty retailers (e.g. VictoriasSecret.com, OldNavy.com)

About comScore Networks

comScore Networks is a global leader in measuring the digital age. This capability is based on a massive, global cross-section of more than 2 million consumers who have given comScore 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 proprietary 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. comScore services are used by global leaders such as AOL, Microsoft, Yahoo!, Verizon, Best Buy, The Newspaper Association of America, Tribune Interactive, ESPN, Fox Sports, Nestlé, MBNA, Universal McCann, the United States Postal Service, Merck and Expedia. For more information, please visit www.comscore.com.

Contact:

Andrew Lipsman

comScore Networks

(312) 775-6510

press@comscore.com