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U.S. Search Market Continues to Buck Broader Economic Trends in Q3

SearchIgnite issues Q3 report evaluating state of search landscape and performance of the top engines

ATLANTA, GA – October 14, 2008– U.S. search marketing spend showed strong growth in the third quarter of 2008, up almost 27% compared with Q3 2007. The findings come from a new quarterly study released today from SearchIgnite, a leading provider of search management and auction campaign optimization technology managing more than \$350 million in paid search annually.

Spend from existing search marketing advertisers (“Same Advertiser Spend”) is up year-over-year (“YoY”) in Q3 across all engines by 26.9% in the U.S., a slight increase from the YoY growth seen in Q3 2007 over Q3 2006. Quarter-over-quarter spend growth was also strong and consistent with Q2 vs. Q3 2007.

The report revealed other notable findings on the current state of the search landscape:

- **Volatile Quarter for Retail Spend:** Retailers increased their search spend over Q3 2007, up 1.5% year-over-year, but intra-quarter figures show that retail search spend is declining. Q3 also saw a slight uptick in conversion rates, although average order value (“AOV”) is on the decline.
- **Search Engine Market Share:** Google continued to increase its dominance in the search market rising to over 72% of search ad dollars. Yahoo! lost slight market share in Q3, but is up several points from Q3 2007.

“Paid search spend continued to hold strong in Q3, despite the economic climate,” said Roger Barnette, President of SearchIgnite. “The strength of this ad market in today’s economy suggests that paid search continues to be a highly profitable and efficient digital marketing channel for brands.”

This report, the latest in a series of quarterly SearchIgnite white papers reviewing trends across the search Google, Yahoo!, and MSN from January 1, 2006 through September 30, 2008 across more than 500 marketers, all of whom are clients of **SearchIgnite** directly or via its sister company **360i**.

Previous SearchIgnite reports can be found at:
http://www.searchignite.com/about_research.aspx.

About SearchIgnite

SearchIgnite is a powerful search management and auction campaign optimization technology that simplifies large cross-engine search campaigns, providing marketers and advertising agencies with one central platform for managing, optimizing and tracking complex keyword portfolios in real time. Marketers who use SearchIgnite have full transparency and control over their campaigns with flexible bid management capabilities including manual bidding, rules-based bidding and portfolio optimization. Leading marketers and agencies depend on SearchIgnite to simplify and maximize the performance of their paid search campaigns. SearchIgnite is part of [Innovation Interactive](#), a digital marketing services company. For more information, please visit <http://www.searchignite.com/>.