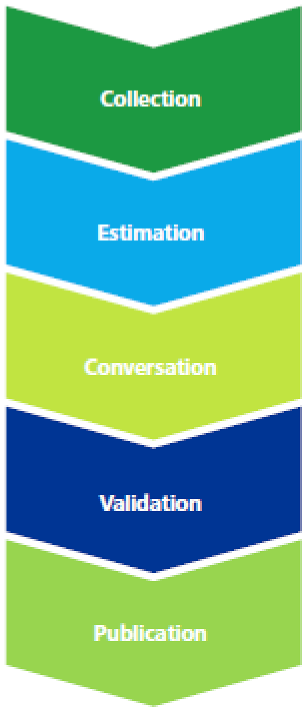
IAB report on online ad-spend
Affiliates results 2011

IAB Online Ad Spend Study



Deloitte collected data covering 79% of the market*

Missing participants' data estimated based on previous figures, desk research, expert opinions, industry databases and regression modeling

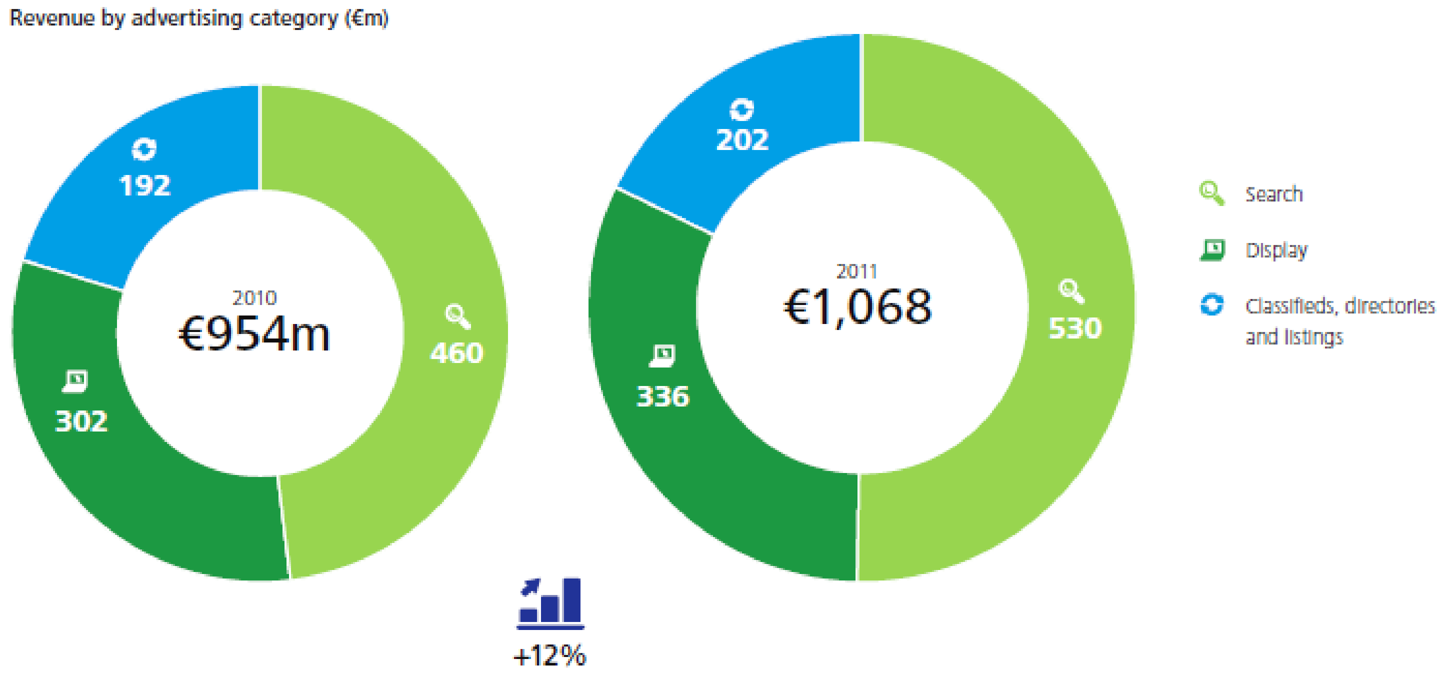
Initial findings verified with industry experts, media buyers, and selected publishers

Final findings cross-referenced and validated with respondents

All findings presented to the IAB and industry participants

2011 Results

Online Advertising Market

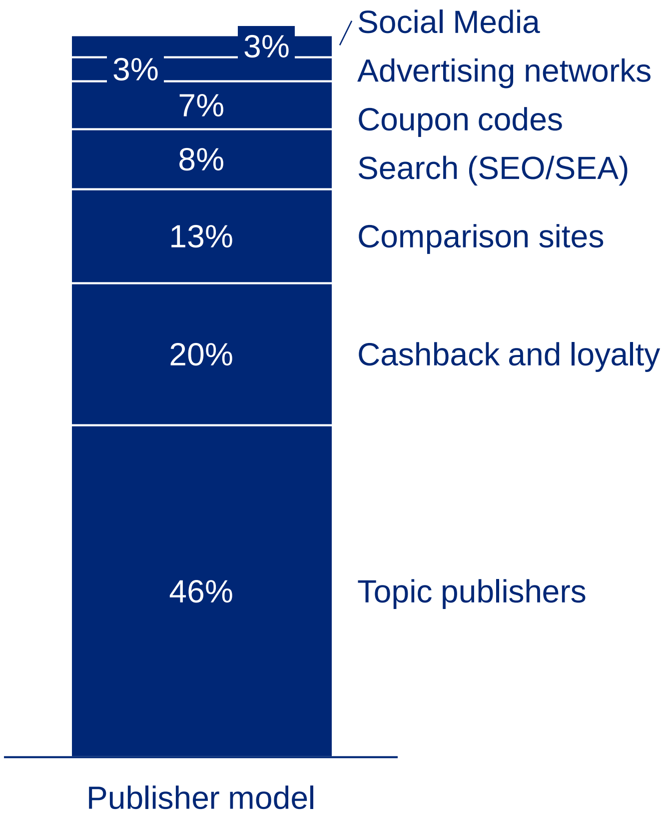


Total spend on affiliate marketing in The Netherlands is €117m

Spend on affiliate marketing (€m)

117

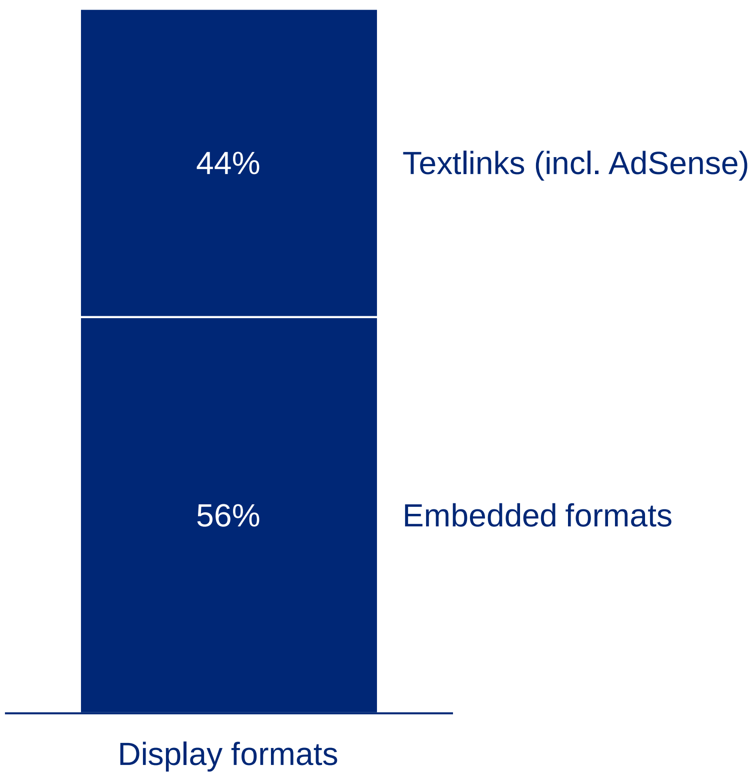
Affiliate revenue by publisher model



Note: Division of revenue by publisher model based on data from an estimated 59% (€68.6m) of the total market
Source: Jochem Vroom Affiliateblog/Imbull BV; Survey respondents; Deloitte analysis

More than half of affiliates’ display advertising revenues come from traditional embedded formats

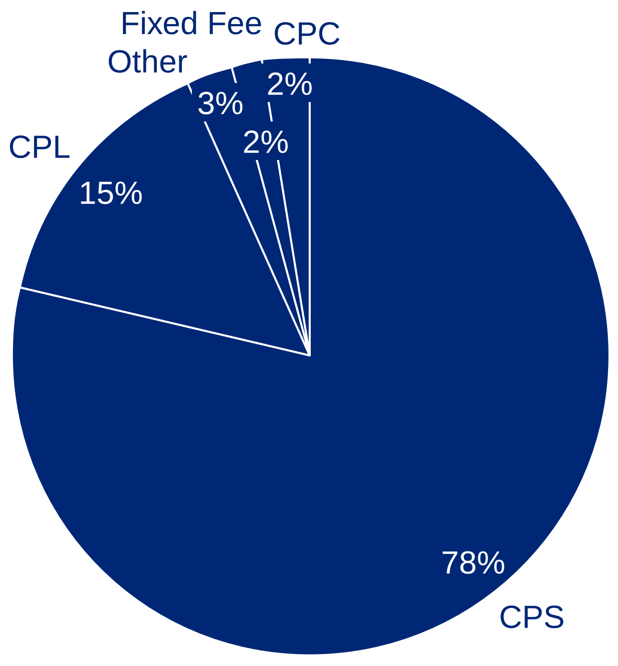
Display advertising breakdown by format*



*n=7 representing €68.6m
Note: Embedded formats are for example traditional banners and skyscrapers
Source: Survey respondents, Deloitte analysis

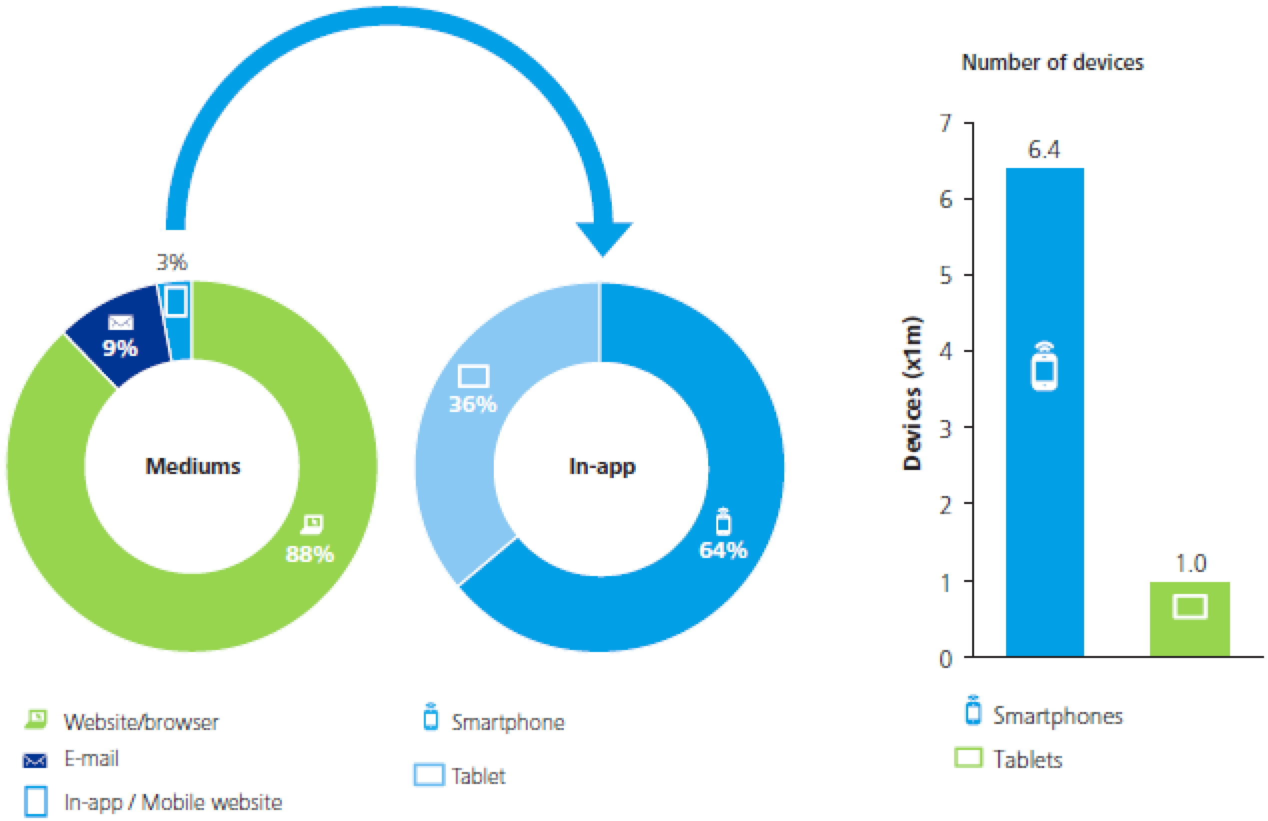
For affiliate marketing CPS model is the default revenue model

Affiliate advertising revenue per payment model**



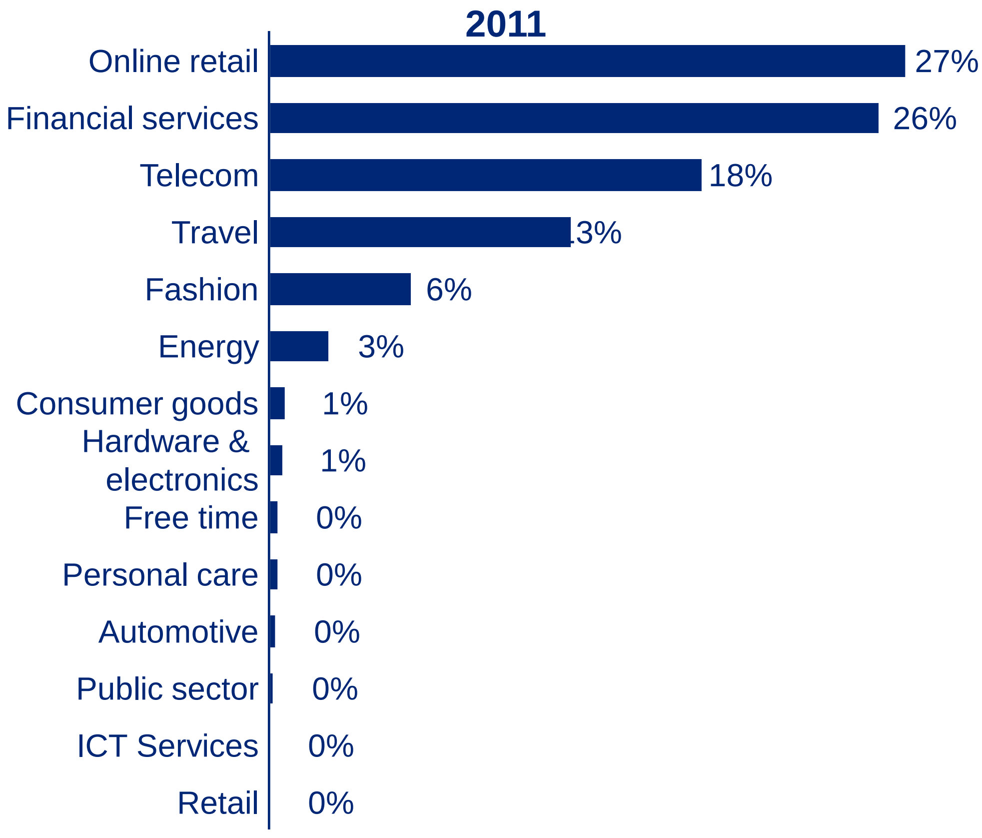
*n=4 representing €39.7m
**n=6 representing €62.6m
Note: In-app only includes revenues from survey respondents and excludes revenues from players such as Google and Apple
Source: Survey respondents, Emerce.nl, Deloitte analysis

Display revenue per medium (website, mobile, e-mail)

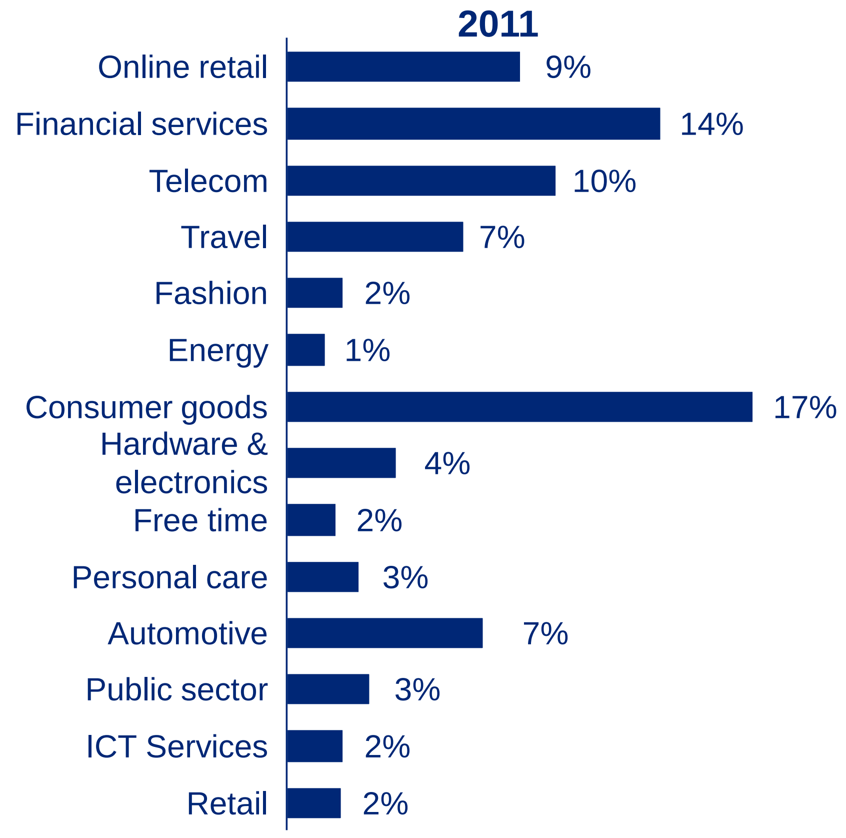


Online retail and Financial services advertisers dominate affiliates' revenue share, Consumer goods and automotive advertisers are underrepresented

Industries by revenue share affiliates*



Industries by revenue share all respondents

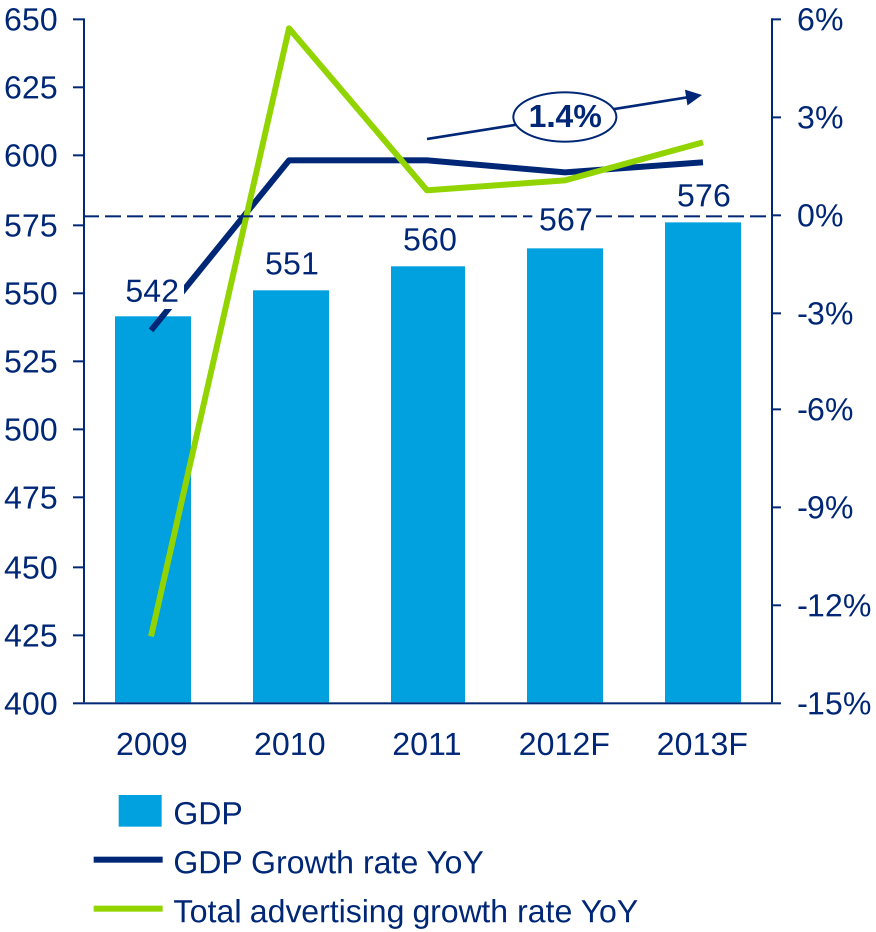


*n=4 representing €40.3m
** includes free time, personal care, automotive, public sector, ICT services, retail
Note: Excluding classifieds, directories & listings, search and industry category other; All respondents includes affiliates and publishers
Source: Survey respondents, Deloitte analysis

Outlook

The Dutch economy is expected to experience slow growth over the next two years

Dutch GDP projections (€b)



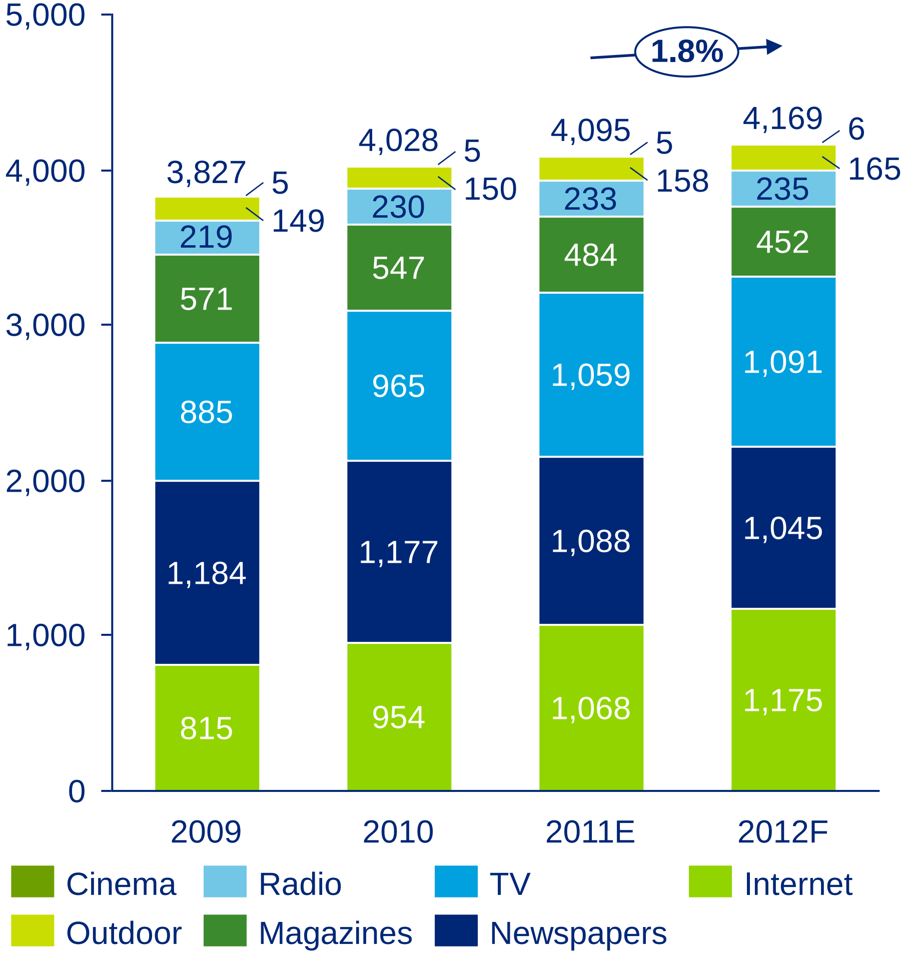
Note: Real GDP based on constant prices
Source: IMF, Deloitte analysis

Comments

- The economy seems to keep an easy pace as the Dutch GDP is expected to grow at a steady 1.4% for the coming two years
- Following the sharp recovery in 2010 in the advertising market, future growth is expected to be more in line with GDP

TV and online are expected to grow the most in both absolute and relative terms

Estimated advertising market (€m)



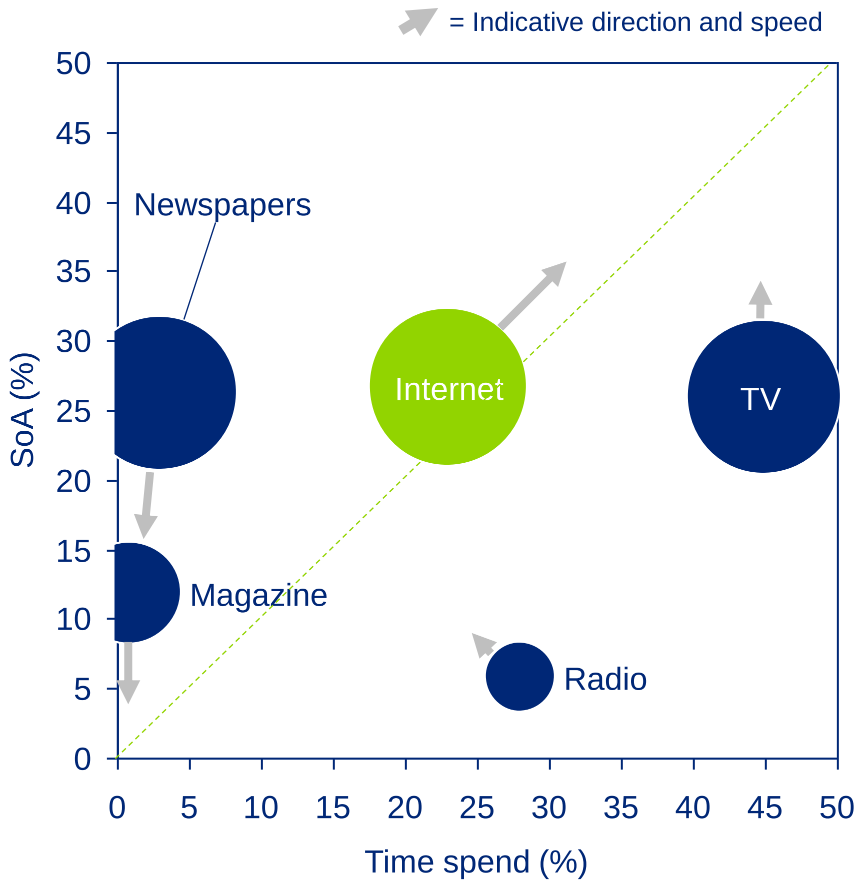
Comments

- Expected growth for the total advertising market in The Netherlands in 2012 is 1.8%
- The online advertising market is expected to become the largest market in 2012
- Newspapers and magazines are expected to continue their steady decline
- Radio is expected to remain stable through 2012
- Outdoor is expected to grow steadily

Source: Zenith optimedia December 2011, SPOT TV Jaarrapport 2011, Radio Advies Bureau; Company annual reports, Deloitte analysis

As consumers spend more time online, advertisers are expected to respond similarly to rebalance the value of the difference media types

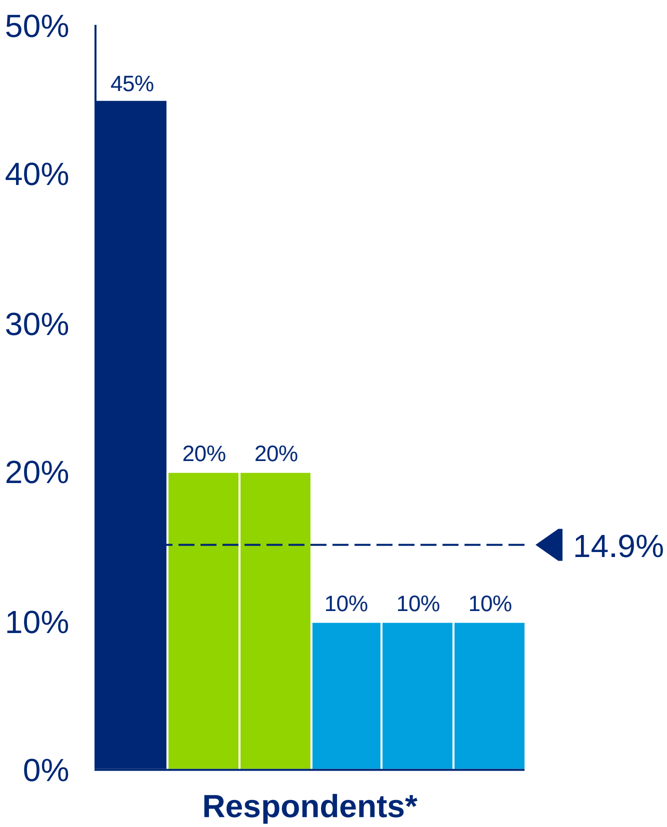
Time spend vs SoA* (2011)



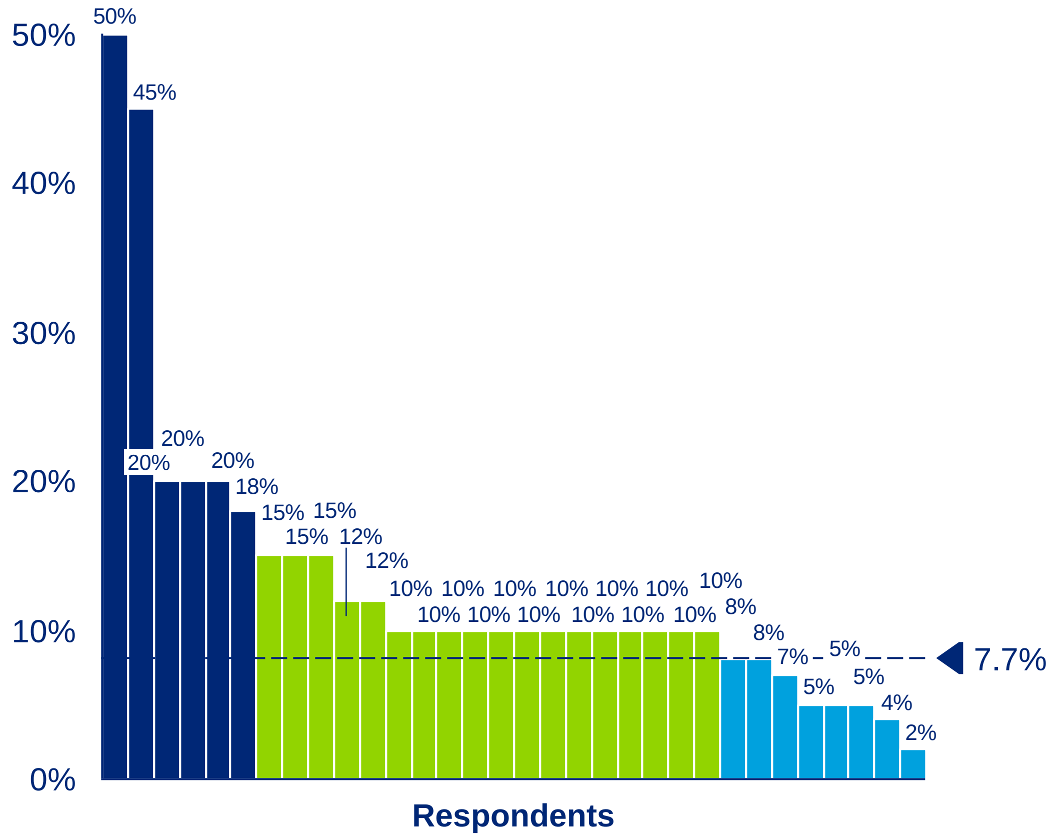
* SoA = Share of Advertising
Note: Share of Advertising based on collected 2011 data; Time spend based on most recent available findings from SPOT
Source: Trends tijdsbesteding 2010 SPOT, Zenith optimedia December 2011, SPOT TV Jaarrapport 2011, Radio Advies Bureau, Deloitte analysis

Affiliate respondents predict a 14.9% market growth in 2012 weighted by respondent revenues as compared to 7.7% for the market at large

Affiliate survey respondents growth expectations



Overall survey respondents growth expectations



*n=6 representing €60.7M

Note: Growth expectation calculated by weighting responses with company revenue; overall market includes affiliates and publishers

Source: Survey respondents; Deloitte analysis

Appendix

Methodology

Online advertising market

- 8 affiliate companies reported their data based on the questionnaire
- The data gathered comprises 59% of the total market by revenue
- The figures are drawn up on the basis of site declaration and have not been verified

Definitions

Categories

- Display
  - Embedded formats (banners, buttons, skyscrapers etc)
  - Interruptive formats (rich media, over the page, page take-over etc)
  - Tekstlinks (incl. AdSense)
  - Video (pre-/mid-/ postroll)
  - Other uncategorized display advertising
- Online classifieds, directories & listings
  - B2B
  - B2C
  - C2C

Payment models

- Fixed Fee: Payment model based on a fixed fee
- CPM: Cost per Mille = Payment model where the advertiser pays per thousand viewers
- CPC: Cost per Click = Payment model based on the number of clicks on an advertisement
- CPL: Cost per Lead = Payment model that is based on the number of leads generated. A lead is an online conversion where the consumer shares its contact details and indicates to be interested
- CPS: Cost per Sale = Payment model based on the number of sales generated

Contact

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Dutch IAB research includes the IAB / Deloitte Ad Spend Study, all IAB commissioned research and assisting IAB members with their research projects. Also responsible for shaping the IAB knowledge base so that it meets members' needs moving forward

Deloitte.

