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ONLINE CONSUMERS SPENT \$7.4 BILLION IN NOVEMBER, UP 34 PERCENT FROM 2002, AS HOLIDAY SHOPPING GETS AN EARLY START, ACCORDING TO THE GOLDMAN SACHS, HARRIS INTERACTIVE AND NIELSEN//NETRATINGS HOLIDAY ESPENDING REPORT

Apparel Leads Online Purchases with \$1.4 Billion Spent while Search Engines and Shopping Portals Play Large Role in Holiday Shopping

ROCHESTER, NY and NEW YORK – December 9, 2003 – The eSpending report from Goldman, Sachs & Co., Harris Interactive®, and Nielsen//NetRatings today revealed that consumers began their holiday shopping earlier this season, spending \$7.4 billion, excluding travel, during the month of November. The \$7.4 billion spending mark is an increase of 34 percent over the same period last year.

The weekly report showed that this year people began their online holiday shopping earlier with 46 percent of respondents saying that they have started their online holiday shopping during November, jumping from 43 percent during the same time last year.

The eSpending report found that the product categories for video/DVD, books, music and toys/video games (hardware and software) were very popular. Online shoppers spent \$635 million online buying videos and DVDs in November, a 96 percent increase over last year (see Table 1). Books drew in \$624 million in online spending during the same four-week period, an increase of 32 percent from a year ago.

The music category found success in November, with Internet shoppers spending \$365 million, showing an increase of 42 percent year over year. The toys and video games category also attracted significant attention from online consumers, increasing 9 percent from a year ago.

Table 1. Popular Online Shopping Categories Ranked by Percent of Purchasers November 2002 to November 2003

Category	Percentage of Respondents who Purchased in Category	November 2003 Projected Online Revenue in Millions	Year Over Year Growth
Apparel/Clothing	4.4%	\$1,445	22%
Books	4.1%	\$624	32%
Video/DVD	3.9%	\$635	96%
Toys/Video games (hardware and software)	3.3%	\$720	9%
Music	3.1%	\$365	42%

Source: Goldman Sachs, Harris Interactive and Nielsen//NetRatings eSpending Report, December 2003
Number of respondents = 4,765 online users

"We are very enthusiastic about the significant increase in online spending this holiday season." said Lori Iventosch-James, director of ecommerce research, Harris Interactive. "The increase in spending suggests that more consumers are now shopping online and consumers appear to be spending more online as well."

Search Engines and Shopping Portals Play Significant Role in Holiday Shopping

The eSpending report found that search engines and shopping portals are being widely used. Thirty-five percent of online shoppers used Google to search for online retailers (see Table 2). Yahoo! Search followed, attracting 26 percent of online consumers, while eBay was used by 25 percent of consumers searching the Web for holiday purchases. Many online shoppers already knew which sites they wanted to buy from, with 49 percent of online consumers going directly to a retail Web site by typing in the URL.

"Internet shoppers will have a host of resources to guide them through their online shopping experience during this holiday season," said Abha Bhagat, senior analyst, Nielsen//NetRatings. "Shopping portals and search engines are attracting many consumers who rely on the Web to navigate through product offerings and efficiently research pricing and features."

Table 2. Search Engines and Shopping Portals Used by Online Consumers to Find Online Stores, Ranked by Percent of Consumer Audience 11/22/03 to 11/28/03

Search Engine/Shopping Portal	11/22 to 11/28
Google	35%
Yahoo! Search	26%
eBay	25%
I went to sites directly (by typing in the URL)	49%
I used bookmarks to get to shopping sites	19%

Source: Goldman Sachs, Harris Interactive and Nielsen//NetRatings eSpending Report, December 2003

Question asked: "Which of the following search engines or shopping portals did you use to find online stores over the past week?"

Number of respondents = 1,724 online users

The eSpending Report by Goldman Sachs, Harris Interactive and Nielsen//NetRatings is based on a weekly national survey of between 800 and 1,700 online shoppers randomly chosen from Harris Interactive's online panel of survey respondents. The November summary data is based on more than 4,700 responses. The eSpending report offers weekly intelligence on online shopping and spending by market segment and also tracks consumer attitudes and motivations that drive online shopping.

Note: To provide the most accurate view of online consumer spending, these projections are reviewed and updated based upon the most recent market data. For updated information for this and any past releases, please contact Tim Wong or Grace Kim of Nielsen//NetRatings.

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To become a member of the Harris Poll OnlineSM and be invited to participate in future online surveys, visit www.harrispollonline.com.

About Nielsen//NetRatings

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Editor's Note: Please source data to Goldman Sachs, Harris Interactive and Nielsen//NetRatings.