Most Recent Week of Online Holiday Shopping Season Achieves Above Average Growth

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RESTON, VA (RPRN) 12/08/09 — Most Recent Week of Online Holiday Shopping Season Achieves Above Average Growth as Three Individual Days Surpass $800 Million in Spending

Larger Online Retailers Usurping Market Share from Mid and Long Tail Retailers Amidst Current Economic Environment

comScore (NASDAQ : SCOR), a leader in measuring the digital world, today reported holiday season retail e-commerce spending for the first 34 days of the November – December 2009 holiday season. For the holiday season-to-date, $15.3 billion has been spent online, marking a 4-percent increase versus the corresponding days last year. The most recent week saw three individual days eclipse $800 million in spending, led by Cyber Monday, with $887 million in spending, matching the heaviest online spending day on record. The following Tuesday nearly matched the Cyber Monday total with $886 million in spending, while Thursday, Dec. 3 reached $808 million in spending.

2009 Holiday Season To Date vs. Corresponding Days* in 2008
Non-Travel (Retail) Spending
Excludes Auctions and Large Corporate Purchases
Total U.S. - Home/Work/University Locations
Source: comScore, Inc.

	Millions ($)		
	2008	2009	Percent Change
November 1 - December 4	$14,767	$15,295	4%
Thanksgiving Day (Nov. 26)	$288	$318	10%
Black Friday (Nov. 27)	$534	$595	11%
Cyber Monday (Nov. 30)	$834	$887	5%
Week Ending Dec. 4 (Nov. 28 - Dec. 4)	$4,512	$4,724	5%

**Corresponding days based on corresponding shopping days (November 2 thru December 5, 2008)*

“Cyber Monday, which kicked off the most recent work week matching an all-time spending record with $887 million in spending, was followed by several other strong online spending days helping to accelerate the growth rate for the season-to-date to 4 percent,” said comScore chairman Gian Fulgoni. “Two categories that have been contributing strongly to this growth are consumer electronics and computer hardware, both achieving growth rates well into the double-digits so far, with e-readers, GPS devices, digital cameras, flat-panel TVs and laptops among the most popular sellers. We have now passed the halfway point of the season with the 4 percent growth in online spending to date slightly exceeding comScore’s forecast of an overall 3 percent growth rate for the entire season. It will be interesting to see if the encouraging growth continues as we head into the busiest days of the season. Nonetheless, I

do expect that we will see the industry's first $900 million online spending day during this next critical week of the season."

Large Online Retailers Gaining Market Share from Mid and Long Tail

In challenging economic environments, larger retailers often have a competitive advantage in being able to leverage the scale of their respective operations to offer lower prices and maintain higher levels of marketing spending while small and medium-sized retailers are forced to cut back. This dynamic seems to be playing out online this season. An analysis of the top 25 online retailers shows a sales growth rate of 13 percent through November, while smaller retailers showed a year-over-year decline of 10 percent. The larger retailers accounted for 64 percent of all dollars spent during the period, up 6 percentage points from last year.

Analysis of Spending Growth Among Top 25 Online Retail Sites
Nov. 1-30, 2009 vs. Corresponding Days in 2008
Total U.S. - Home/Work/University Locations
Source: comScore, Inc.

	Spending Growth	Dollar Share	
		2008	2009
Total Retail	3%	100%	100%
Top 25 Retailers	13%	58%	64%
Small and Mid Tail Retailers	-10%	42%	36%

"It's pretty clear that the larger, established retailers have an overall competitive advantage during a recession," added Mr. Fulgoni. "Not only are they better equipped to meet the price demands of cash-strapped consumers, but they are also able to maintain their marketing investments and gain consumer mindshare. Both Amazon and Walmart come to mind as online retailers that appear to be benefitting from this dynamic during this holiday season. To be clear, I'm not saying that all smaller retailers are struggling, but, taken as whole, the smaller retailer segment is clearly underperforming this season."

Fashion week in L.A.

Free Shipping Continues to Rise in Prominence

In recent years, free shipping has become an increasingly important consumer incentive, and its effects have become even more pronounced during the 2009 holiday season. During the week ending November 22, transactions that include free shipping accounted for 50 percent of all online sales, 11 percentage points higher than the corresponding week last year.

Weekly Holiday Free Shipping Analysis in November
5 Weeks Ending Dec. 4, 2009 vs. Corresponding Weeks in 2008
Total U.S. - Home/Work/University Locations
Source: comScore, Inc.

Week Ending*	Share of E-Commerce Transactions Including Free Shipping		
	2008	2009	Point Change
11/8/09	35%	41%	6
11/15/09	36%	46%	10
11/22/09	39%	50%	11
11/29/09	42%	45%	3
12/04/09**	40%	44%	4

**Based on corresponding weeks ending Sunday in 2008*
*** 5 day week*

Importantly, the average order value for orders including free shipping has been about 15 percent higher than those

without free shipping, which suggests that retailers have been successful in using minimum spending thresholds for free shipping to persuade consumers to spend more per order.

About comScore
comScore, Inc. (NASDAQ: SCOR) is a global leader in measuring the digital world and preferred source of digital marketing intelligence. For more information, please visit www.comscore.com/companyinfo.

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