

ASGA Conference 2008

Sporting Goods and the Changing Online Landscape

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Hitwise

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About Hitwise

- Source of online information on how **25 million** people interact with over **1.4 million** online businesses across 160 industry categories **every day**
- Partnerships with ISP's across Australia anonymously monitoring internet usage of approximately 3 million Australians
- 1400+ Corporate, Government and Education clients worldwide.
- Operations in the US, UK, Australia, New Zealand, Hong Kong and Singapore
- Acquired by the Experian Group in April 2007

View Industry Statistics



Food and Wine includes lifestyle and refi recipes, or food or wine appreciation, as of food brands, or wine and alcoholic dri catering services and guides to restaurai retailing of food and wine are categorise Classifieds - Grocery and alcohol'.

Total domains that ranked with currently Category Contribution Percentage: 0.30

RankName - [Show Domain]	Related	Market Share
1. Food Network	▶	10.28%
2. Lifesavers Candystand	▶	6.26%
3. Kraft Foods USA	▶	Site Details
4. All Recipes	▶	Rank Statistics
5. NabiscoWorld.com	▶	ClickStream ▶
6. Dew U Competition	▶	Demographics ▶
7. Epicurious.com	▶	Media Mentions
8. About Southern Food	▶	Search Terms
9. Omaha Steaks	▶	Chart ▶
10. Pizza Hut USA	▶	1.34%
11. Cooks.com	▶	1.27%
12. Food and Drug Administration	▶	1.09%
13. RecipeSource	▶	1.05%
14. Papa Johns	▶	0.96%
15. Gevalia	▶	0.94%
16. Pepsiworld	▶	0.94%
17. BettyCrocker.com	▶	0.89%
18. Aquafina	▶	0.88%
19. Recipezaar	▶	0.88%
20. Chuck E. Cheese	▶	0.83%

In this presentation we will cover:

- Global Trends in Online Retail
- Australian Online Sporting Retail – Where it's Placed
- Market Analysis – Home and Abroad.
- Online Consumer Behaviour – Who is Shopping Online and Why?
- Strategies for Online Marketing
- Summary and Conclusion

USA

- 2007 total e-commerce sales grew by 19.8%
- Search engine marketing grew by 30% to \$12.2 billion in 2007

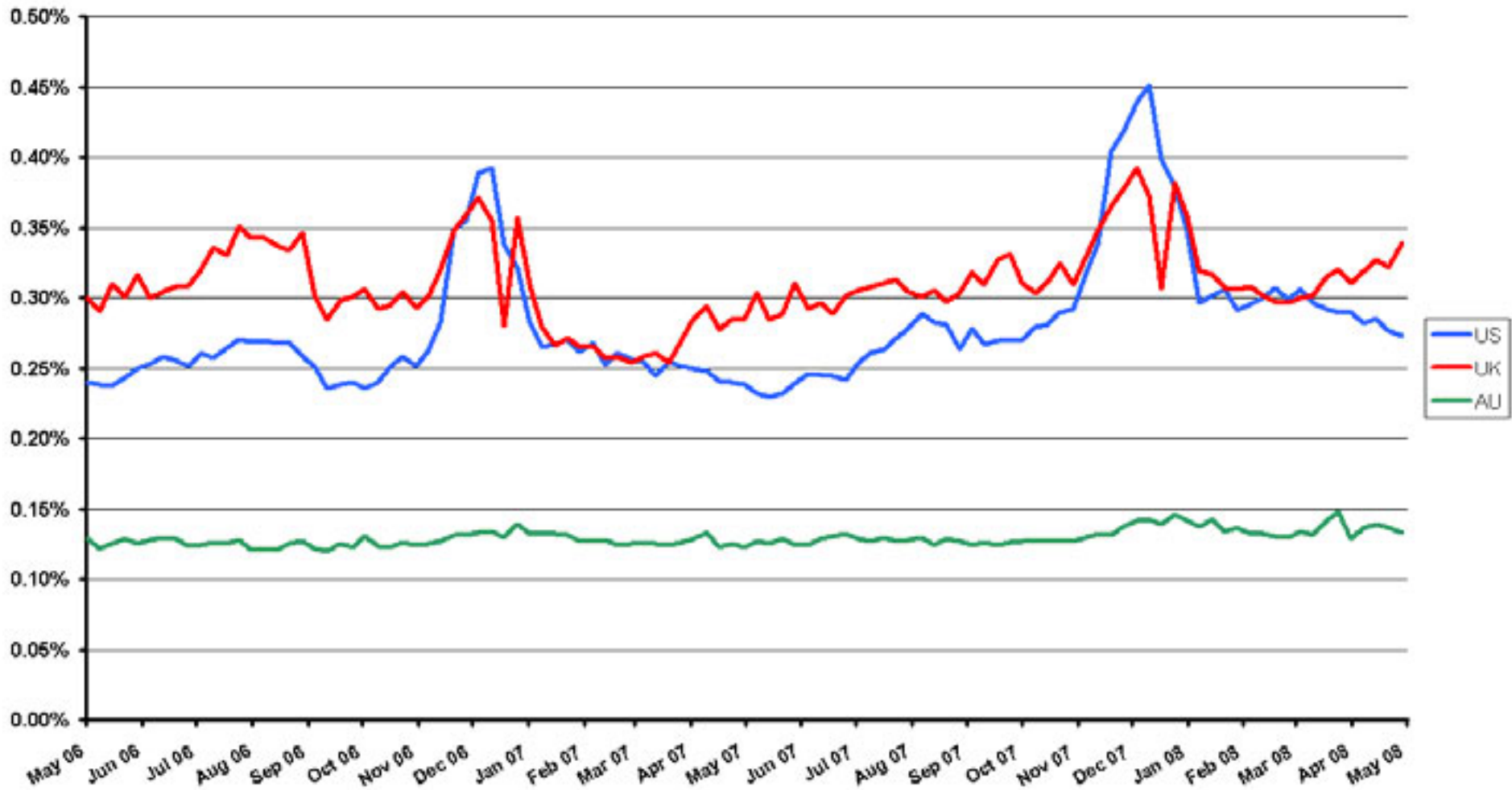
UK

- 2007 total e-commerce sales grew by 54.0%
- 15% of all British retail sales took place online last year.

Australia

- Online advertising worth over \$1.3 billion.
- Digital advertising grew by 30% last quarter over the same period last year.
- In 2008, the Australian public will spend over \$12 billion on goods and services over the Internet.

Market Share of Sport & Fitness Online



USA (Sport & Fitness)

Local Competitiveness Index

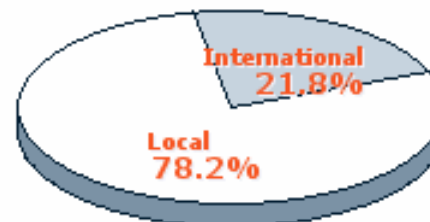


97.8%

of traffic to the 'Shopping and Classifieds - Sport and Fitness' category was directed at local sites.

UK (Sport & Fitness)

Local Competitiveness Index

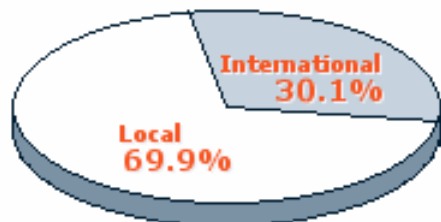


78.2%

of traffic to the 'Shopping and Classifieds - Sport and Fitness' category was directed at local sites.

Australia (All Shopping)

Local Competitiveness Index

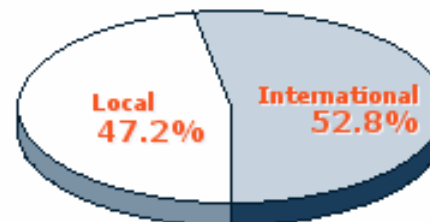


69.9%

of traffic to the 'Shopping and Classifieds' category was directed at local sites.

Australia (Sport & Fitness)

Local Competitiveness Index



47.2%

of traffic to the 'Shopping and Classifieds - Sport and Fitness' category was directed at local sites.

Rank	Website	Market Share			
1.	Cabela's	7.11% 	✓	✓	✓
2.	Bass Pro Shops	3.43% 	✓	✓	✓
3.	The Sportsman's Guide	3.35% 	✓	✓	✓
4.	Eastbay	2.95% 		✓	✓
5.	Dick's Sporting Goods	2.73% 	✓	✓	✓
6.	L.L.Bean	2.72% 	✓	✓	✓
7.	BodyBuilding.com	2.05% 			✓
8.	Nike	1.98% 			
9.	Midway USA	1.71% 		✓	✓
10.	Finish Line	1.67% 	✓		✓
11.	23isBACK.com	1.66% 			✓
12.	Sierra Trading Post	1.61% 	✓	✓	✓
13.	Foot Locker	1.59% 	✓		✓
14.	The Sport Authority	1.45% 	✓		✓
15.	REI	1.43% 	✓		✓
16.	Major League Baseball - Shop	1.33% 			✓
17.	CCS Mailorder	1.11% 		✓	✓
18.	CheaperThanDirt.com	0.90% 		✓	✓
19.	Golfsmith International	0.88% 	✓	✓	✓
20.	CampingWorld.com	0.87% 	✓	✓	✓

- Majority are full service retailers (Stores, Mail Order & Online)
- Low number of pure online businesses
- Category dominated by hunting, fishing & outdoor.

Period: Month of April 2008
Metric: Visits

Rank	Website	Market Share			
1.	Halfords	4.49%	✓	✓	✓
2.	M and M Direct	4.08%	✓	✓	✓
3.	JJB Sports	2.86%	✓	✓	✓
4.	JD Sports	2.79%	✓	✓	✓
5.	Wiggle	2.54%	✓	✓	✓
6.	Chain Reaction Cycles	2.19%	✓	✓	✓
7.	Pro-Direct Soccer	1.63%	✓	✓	✓
8.	Kitbag	1.36%	✓	✓	✓
9.	Evans Cycles	1.29%	✓	✓	✓
10.	Nike Store	1.24%	✓	✓	✓
11.	Sportsdirect.com	1.22%	✓	✓	✓
12.	OnlineGolf.co.uk	1.13%	✓	✓	✓
13.	American Golf Discount	1.08%	✓	✓	✓
14.	Direct Golf UK	1.02%	✓	✓	✓
15.	Nike	0.92%	✓	✓	✓
16.	Millets Direct	0.84%	✓	✓	✓
17.	Liverpool FC Online Store	0.74%	✓	✓	✓
18.	BodyBuilding.com	0.74%	✓	✓	✓
19.	Blacks	0.67%	✓	✓	✓
20.	Milletsports.co.uk	0.61%	✓	✓	✓

- No full service businesses represented.
- Majority are traditional Bricks & Mortar retailers with an online presence.
- Wide mix of sports represented.
- Wide distribution of market share.

Period: Month of April 2008
Metric: Visits

Rank	Website	Market Share			
1.	Fishing Australian	9.93% 			
2.	Rebel Sport Australia	6.27% 	✓		✓
3.	torpedo7.com Australia	4.04% 			✓
4.	Trigger Bros	3.23% 	✓		✓
5.	Nike Australia	3.08% 	✓		
6.	Cell Bikes	2.70% 	✓		✓
7.	Strictly BMX	2.40% 	✓		✓
8.	The Bicycle Store	2.01% 			✓
9.	Amart Allsports	1.93% 	✓		
10.	Anaconda	1.80% 	✓		
11.	Adidas	1.67% 	✓		
12.	Whitworth's Marine and Leisure	1.67% 	✓	✓	✓
13.	Kathmandu Australia	1.33% 	✓		✓
14.	aussieBum	1.27% 			✓
15.	Foot Locker Australia	1.25% 	✓		
16.	Paddy Pallin	1.20% 	✓	✓	✓
17.	Workout World	1.17% 	✓		
18.	Rip Curl Splashpage and North America	1.14% 	✓		
19.	Paul's Warehouse	1.10% 	✓		✓
20.	Melbourne Bicycle Centre	1.02% 	✓		✓

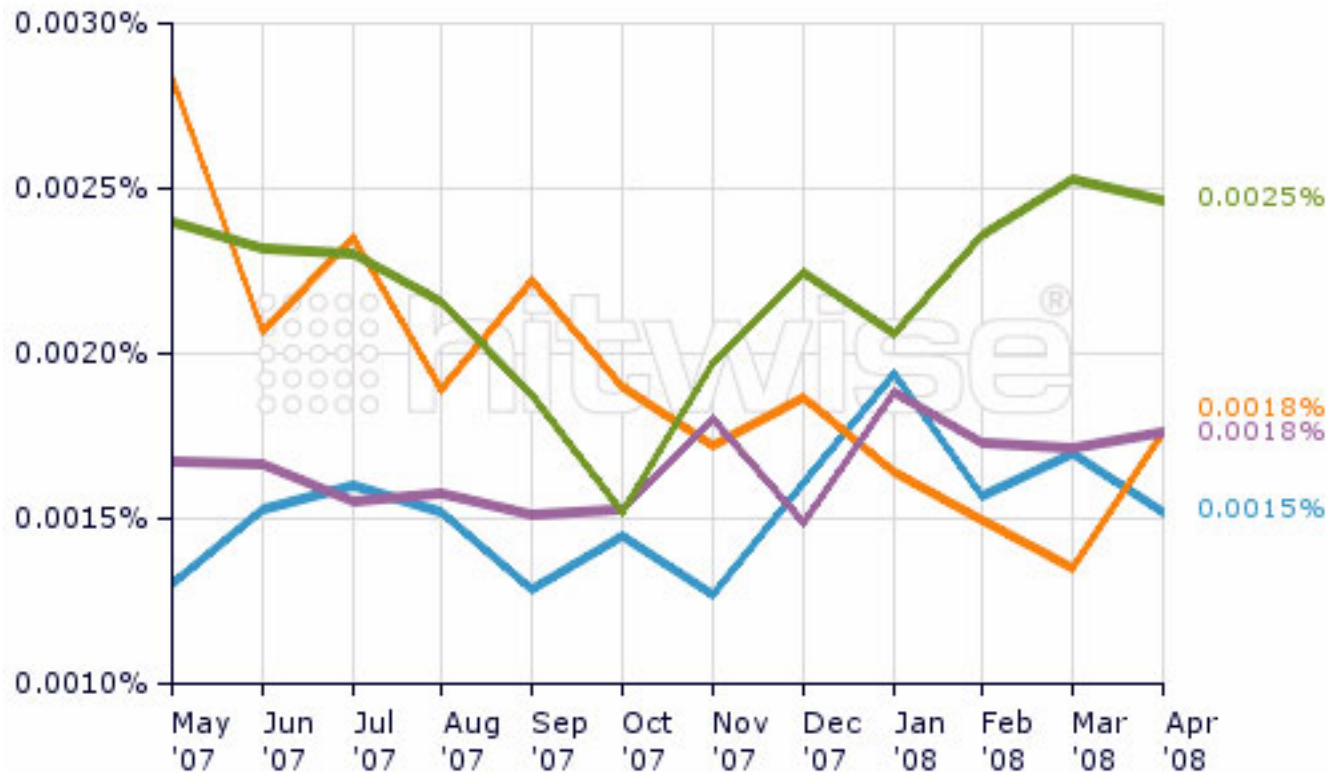
- Mail order not a strong factor.

- Outdoor and cycling sites dominate.

- Online traffic share is generally not in line with the retail market.

Period: Month of April 2008

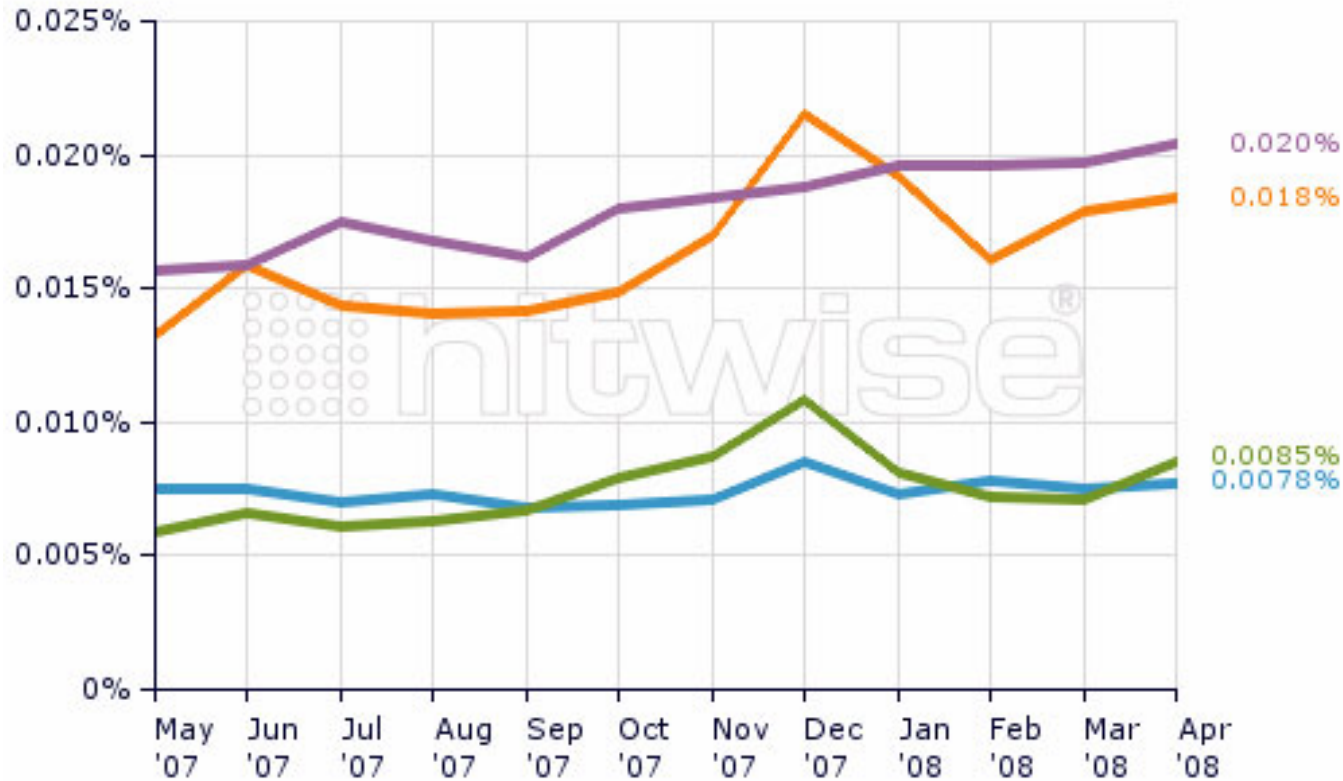
Metric: Visits



■ Retail - Racket Sports (Cust. Cat.) ■ Retail - Apparel (Cust. Cat.)
■ Retail - Footwear (Cust. Cat.) ■ Retail - Football (Cust. Cat.)

Monthly market share in 'All Categories', measured by visits, based on Australian usage.

Created: 19/05/2008. © Copyright 1998-2008 Hitwise Pty. Ltd.



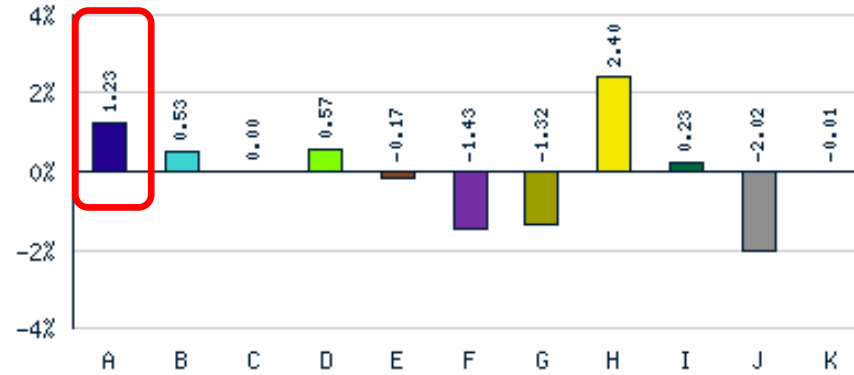
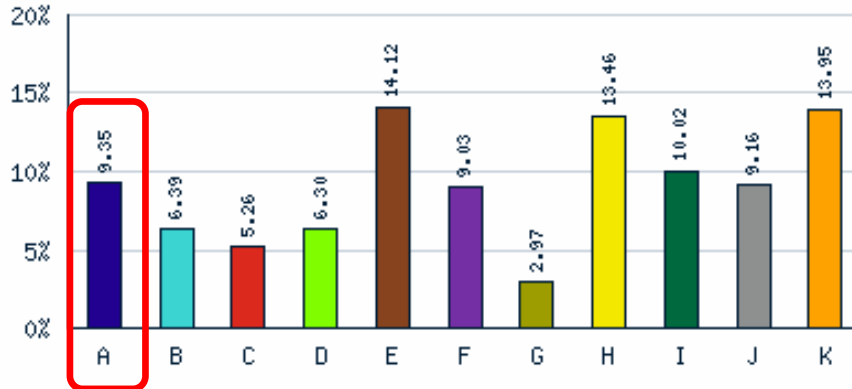
■ Retail - Sporting Goods (Cust. Cat.)
 ■ Retail - Outdoors (Cust. Cat.)
■ Retail - Bikes (Cust. Cat.)
 ■ Retail - Golf (Cust. Cat.)

Monthly market share in 'All Categories', measured by visits, based on Australian usage.

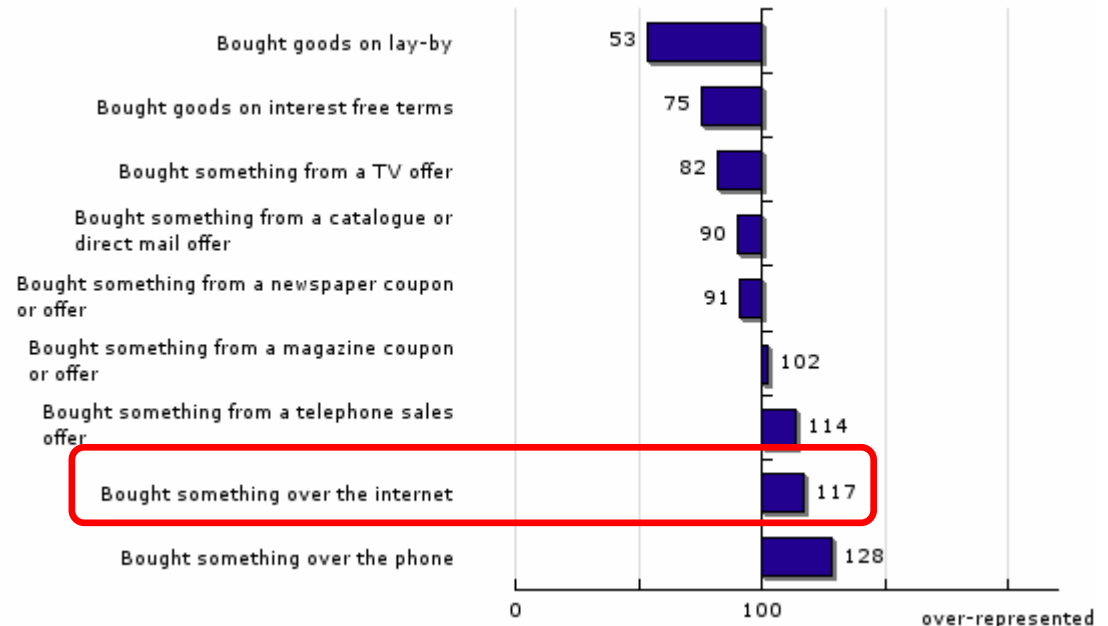
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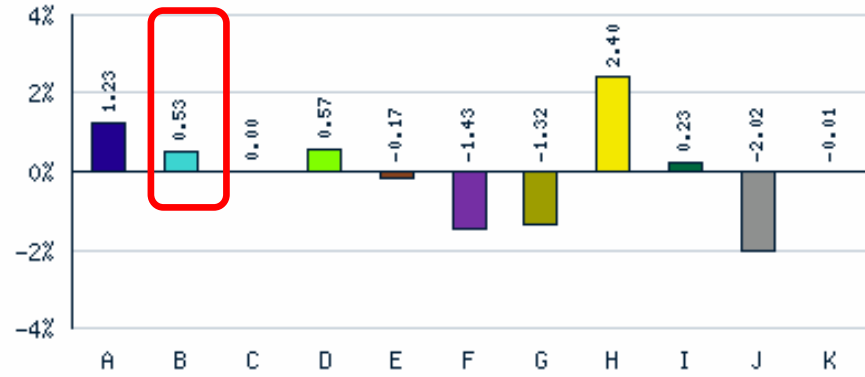
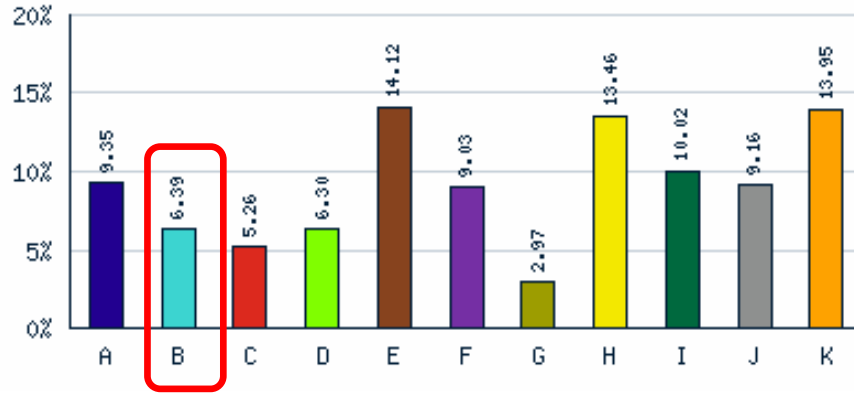
A	Privileged Prosperity	The most affluent families in the most desirable locations
B	Academic Achievers	Wealthy areas of educated professional households
C	Young Ambition	Educated and high-earning young singles and sharers in the inner suburbs
D	Pushing the Boundaries	Young families living in recent developments on the fringes of major cities
E	Family Challenge	Mixed family forms with stretched budgets in outer suburbs
F	Metro Multiculture	Medium to high density areas with much cultural diversity
G	Learners & Earners	Students and professionals living in high density, lower cost suburbs
H	Provincial Optimism	Anglo-Australian blue-collar families in provincial settlements
I	Farming Stock	Rural landowners and workers in agricultural heartlands
J	Suburban Subsistence	Low income, low-spending households in major regional and outer metro areas
K	Community Disconnect	Older blue-collar workers and retirees in country and coastal locations

Mosaic Group Profile: April 2008



A Privileged Prosperity

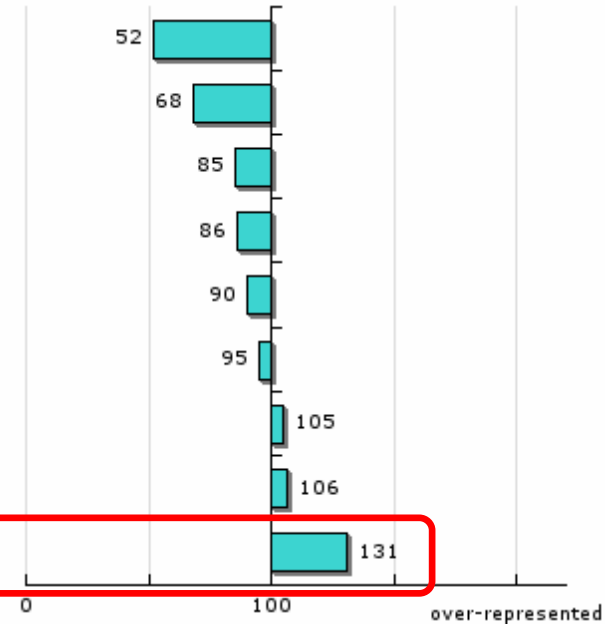


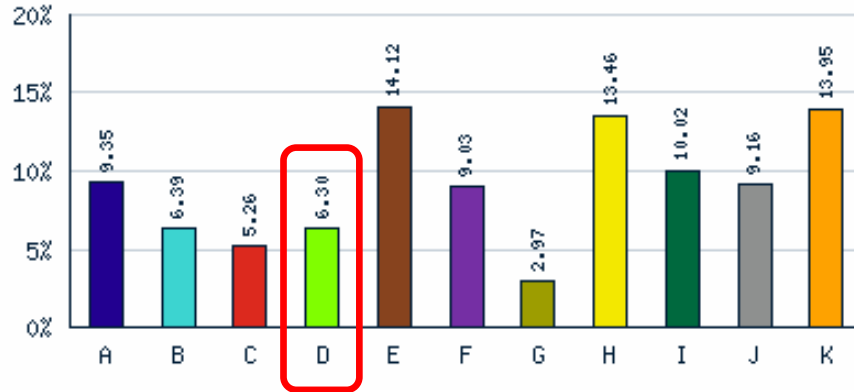


B Academic Achievers



- Bought goods on lay-by
- Bought something from a TV offer
- Bought something from a catalogue or direct mail offer
- Bought goods on interest free terms
- Bought something from a telephone sales offer
- Bought something from a magazine coupon or offer
- Bought something over the phone
- Bought something from a newspaper coupon or offer
- Bought something over the internet**

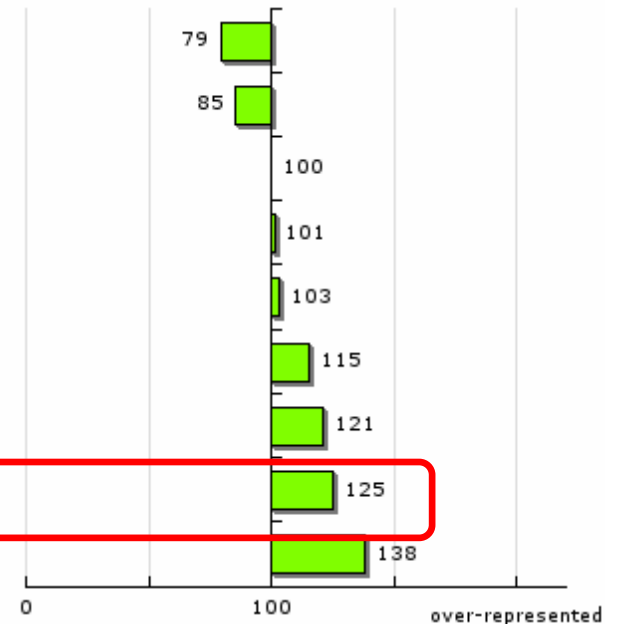


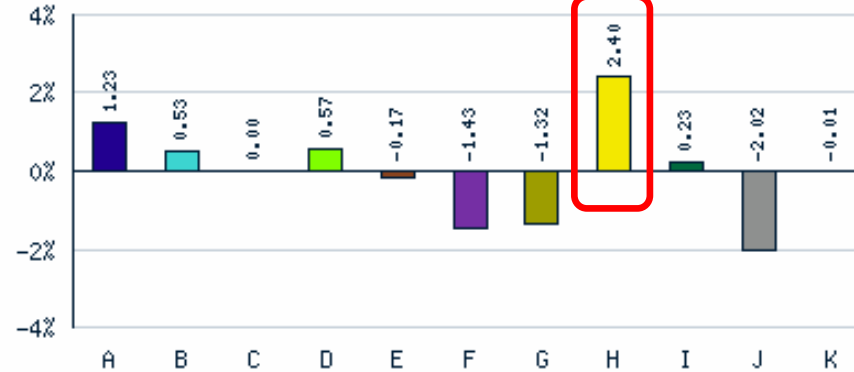
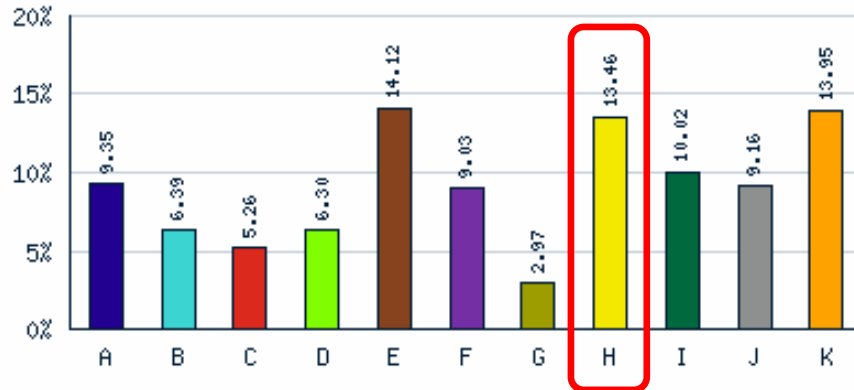


D Pushing the Boundaries



- Bought something from a telephone sales offer
- Bought something from a TV offer
- Bought something over the phone
- Bought something from a magazine coupon or offer
- Bought something from a catalogue or direct mail offer
- Bought something from a newspaper coupon or offer
- Bought goods on lay-by
- Bought something over the internet**
- Bought goods on interest free terms





H Provincial Optimism



Bought something from a newspaper coupon or offer

Bought something from a TV offer

Bought something from a magazine coupon or offer

Bought something over the internet

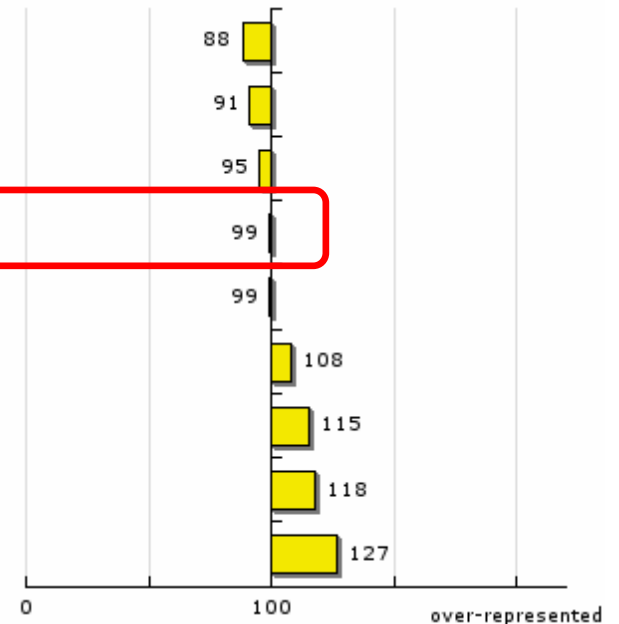
Bought goods on interest free terms

Bought goods on lay-by

Bought something from a catalogue or direct mail offer

Bought something over the phone

Bought something from a telephone sales offer





Paid and Organic Website Search Terms Report - MyCareer (www.mycareer.com.au)

Displaying 1 to 30 of 32,983 search terms.

<input type="checkbox"/>	Rank	Search Term	Volume	Paid Rate/Organic Rate	Paid/Organic Ratio
<input type="checkbox"/>	1.	my career	5.62%	26.55%	73.45%
<input type="checkbox"/>	2.	mycareer	4.60%	23.97%	76.03%
<input type="checkbox"/>	3.	jobs	3.65%	23.59%	76.41%
<input type="checkbox"/>	4.	job search	1.51%	46.40%	53.60%
<input type="checkbox"/>	5.	mycareer.com.au	1.10%	14.58%	85.42%
<input type="checkbox"/>	6.	www.mycareer.com.au	0.84%	11.92%	88.08%
<input type="checkbox"/>	7.	my career.com.au	0.52%	25.30%	74.70%
<input type="checkbox"/>	8.	career	0.50%	21.89%	78.11%
<input type="checkbox"/>	9.	employment	0.45%	34.57%	65.43%
<input type="checkbox"/>	10.	careers	0.38%	25.99%	74.01%
<input type="checkbox"/>	11.	resume	0.34%	35.41%	64.59%
<input type="checkbox"/>	12.	job	0.31%	17.63%	82.37%
<input type="checkbox"/>	13.	work from home	0.29%	3.86%	96.14%
<input type="checkbox"/>	14.	the age	0.20%	0.00%	100.00%
<input type="checkbox"/>	15.	mycareer.com	0.20%	38.64%	61.36%

Paid/Organic Ratio



Paid Traffic
 Organic Traffic

This chart shows the ratio of paid to organic traffic for 'www.mycareer.com.au'.

View Statistic:
Paid/Organic Ratio

- 15% of search traffic is from paid sources
- Analyse paid & organic traffic split to determine search marketing strategy
- Bidding on both brand & generic search terms with 'jobs' driving 3.65% of search traffic, 23.59% of which is paid



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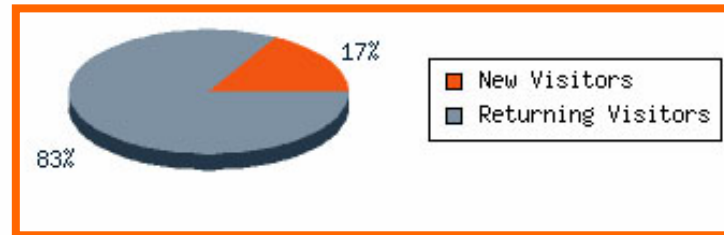


New and Returning Visitor Clickstream - Top Websites - www.anz.com

The following report shows the most popular upstream and downstream websites for the 'www.anz.com' website for the week ending 23/02/2008.

Upstream - websites visited before ANZ Australia and New Zealand

Of 'www.anz.com's total upstream traffic, **16.92%** consisted of new visitors and **83.08%** consisted of returning visitors.



Displaying results 1 to 20 of 9,124 websites.

<input type="checkbox"/>	Rank	Website	Related	Upstream Share	New/Returning Rate	Representation
<input type="checkbox"/>	1.	Google Australia	▶	18.39%	18.81% / 81.19%	111
<input type="checkbox"/>	2.	ninemsn	▶	10.06%	15.52% / 84.48%	
<input type="checkbox"/>	3.	eBay Australia	▶	4.65%	12.35% / 87.65%	
<input type="checkbox"/>	4.	Windows Live Mail	▶	3.13%	15.97% / 84.03%	
<input type="checkbox"/>	5.	CBA NetBank	▶	2.56%	14.50% / 85.50%	
<input type="checkbox"/>	6.	Yahoo!7	▶	2.54%	13.02% / 86.98%	
<input type="checkbox"/>	7.	Facebook	▶	2.20%	18.55% / 81.45%	
<input type="checkbox"/>	8.	Gmail	▶	1.86%	13.69% / 86.31%	
<input type="checkbox"/>	9.	MySpace	▶	1.72%	27.56% / 72.44%	
<input type="checkbox"/>	10.	Google	▶	1.57%	22.68% / 77.32%	
<input type="checkbox"/>	11.	Westpac Online Banking	▶	1.28%	20.34% / 79.66%	
<input type="checkbox"/>	12.	Bureau of Meteorology	▶	1.08%	10.90% / 89.10%	
<input type="checkbox"/>	13.	National Internet Banking	▶	1.00%	15.27% / 84.73%	
<input type="checkbox"/>	14.	Yahoo!	▶	0.95%	14.73% / 85.27%	87
<input type="checkbox"/>	15.	MSN	▶	0.94%	20.09% / 79.91%	119
<input type="checkbox"/>	16.	Windows Live Search	▶	0.92%	20.97% / 79.03%	124

- **New Visitors** – identify new lead sources
- **Returning Visitors** – loyal user base behaviour
- Find online partners & affiliates

In Conclusion:

- Sporting Goods generally not well catered for online in AU.
- Online sales growth continuing to outpace bricks & mortar in the US and the UK.
- Evidence supports changing attitude to online purchases by the Australian consumer.
- Online marketing not yet widely adopted in Australia when compared to other markets.
- Times are a changin' (Rebel Sport, JB HiFi, Harvey Norman Ofis)

Learn More

- weblogs.hitwise.com
- www.hitwise.com/datacenter



Thank You!

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