

Average Keyword Price For Online Advertising Rises 2% In The Fourth Quarter To \$1.51

Seasonal Slowdown, Higher Quality Scores Tempers Increase; Prices Up 4% Year-Over-Year

San Francisco, Feb. 6, 2007 – After rising sharply in the third quarter, the average keyword price paid by online advertisers rose just 2% percent in the fourth quarter of 2006 to \$1.51, according to the Keyword Price Index® from Fathom Online, a leading provider of Search Marketing and technology services to the Fortune 1000.

The 2% increase in the fourth quarter followed a 16.5% jump in the third quarter of 2006, when prices climbed to \$1.48. Compared to the fourth quarter of 2005, keyword prices were up 4% from \$1.45. In the second quarter of 2006, the average keyword price was \$1.27, down from \$1.39 in the first quarter of 2006.

“Continued strong demand from advertisers increased keyword prices in the fourth quarter of 2006, but the rise was much smaller than in the third quarter,” said Dean DeBiase, Chairman and CEO of Fathom Online. “The traditional spending slowdown at the end of December and the growing importance of ad quality and placement accounted for the smaller increase compared to third quarter of 2006.”

DeBiase said advertisers tend to make significant buys at the end of the third quarter in anticipation of the holiday shopping season, but cut back dramatically after the holiday shipping deadline passes, particularly in the last two weeks of December. As a result, reduced demand in December tends to push down keyword prices for the entire quarter.

At the same time, DeBiase noted that advertisers are realizing discounts through better quality scores due to higher click-through rates, but only the most sophisticated marketers are maximizing this opportunity because of their use of technology and analytics.

“The quarter again showed why price doesn’t always win,” DeBiase said. “The quality of the keyword buy – its effectiveness in drawing the interest of end users – is clearly rising in importance. The good news is that, despite the long-term upward trend of keyword prices, advertisers can mitigate the price increases by managing their Search Marketing initiatives more aggressively through technology and analytics. The ability to monitor, measure and adjust is more important than ever to improve return on investment.”

About The Keyword Price Index®

The Keyword Price Index is a weighted average of more than 20,000 active keyword prices across all major search engines covering a broad range of industries, including automotive, computing, consumer services, electronics, finance, healthcare, media, entertainment, retail, telecom, and travel. The Keyword Price Index® is designed to be a representative sample of keyword prices. Actual market prices for keywords often vary widely and depend on demand, competitive bidding and other market factors. The Keyword Price Index® should not be used to make financial projections or be considered a proxy for the financial state of the Search Marketing industry.

About Fathom Online

Fathom Online is an award-winning marketing and technology services company that

provides global search marketing and advertising services; digital and traditional media management and buying; and analytics platforms and marketing intelligence solutions. Working with public and private sector clients, advertising agencies and channel partners, Fathom Online enables organizations to develop and execute cross-media, multi-channel campaigns that deliver actionable results. Fathom Online is headquartered in San Francisco and has offices in New York and Chicago. For more information, visit www.fathomonline.com, or 415.284.9100.