Arbitron/Edison Media Research

Internet Study IV:

The Buying Power of "Streamies"

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Overview

Welcome to the fourth Arbitron/Edison Internet study — the latest in an ongoing collaboration between Arbitron Internet Information Services and Edison Media Research. In the last year and a half, our studies have become the primary source of information on the state of the Internet, webcasting and revenue models for broadcasters and webcasters. Every six months, since August of 1998, we have taken a comprehensive look at the state of the Internet and, in particular, the growing streaming media space.

In this study we will focus on a powerful new group of consumers that we call "streamies." These are Internet users who consume either audio or video webcasts and represent a tremendously active group of Internet consumers who are far more likely to click on advertising and purchase products online. Streamies are on the cutting edge of e-commerce and interactive media, and can represent the webcaster's "secret weapon" for attracting advertisers and realizing increased Internet revenue.

This document, along with all the research findings from our prior studies, can be found free of charge at http://internet.arbitron.com and http://www.edisonresearch.com. We will begin with a summary of the significant highlights of the study. Then key findings will be reviewed, followed by 10 recommendations.

Significant Highlights

- "Streamies," those people who watch or listen to Internet audio and video, are consumers worth their weight in gold. Streamies represent 43% of Web users and 24% of all Americans. These are the most experienced Web users, spending 46% more time online than the average person. Streamies, twice as likely to click on Web ads and make online purchases, spend lots of money online and plan to spend even more. Streamies are very interested in new devices that will enable them to consume streaming media in more convenient ways.

- Between 17 million and 40 million Americans say they are "very" interested in new content-delivery technologies such as: downloading music files to a walkman-like device; commercial-free music channels for the car; Web-enabled cell phones, cars, personal digital assistants; and devices that play webcasts via a radio-like device, or via radios throughout the house. Persons 12 to 24 show significant interest in these concepts.

- Nineteen percent of Americans (34% of Web users) have now listened to online audio (radio stations on the Web or Internet-only audio channels). Fourteen percent of Americans (25% of Web users) have viewed video on the Internet.

- In the last six months, the number of people listening to audio available only on the Internet has doubled.

- Consuming streaming media is not easy. Nearly 20% of people who tried to access video and audio from the Web were unsuccessful. Nearly one in three says trying to listen/watch webcasts is difficult.

- The number of American Internet users who have visited a Web site as a result of radio advertising surges from 29% to 45%. Visitation to radio station Web sites also continues its steady rise.

- Radio is the top companion to Web usage. More Americans say they listen to the radio while online than listen to recorded music, talk on the phone or watch TV.

- Dotcom advertisers have mostly targeted America's largest markets, based on the premise that this is where Internet usage is strongest. There is actually very little difference in Web use and online purchasing behavior between large and small markets.

- The majority of senior advertising executives indicates webcasters will get a significantly larger share of ad spending in the next three years. Yet only half of the advertising agencies reports having been approached by webcasters trying to sell time.

How the Study Was Conducted

Two thousand interviews were conducted to probe America's Internet usage, webcast activity and interest in a variety of webcast audio and video devices.

In January 2000, telephone interviews were conducted with radio diarykeepers from Arbitron's Fall 1999 survey. A national random sample of diarykeepers over the age of 12 was selected. Throughout this research, we will compare these findings with our three prior Internet studies conducted in August 1998, January 1999 and July 1999.

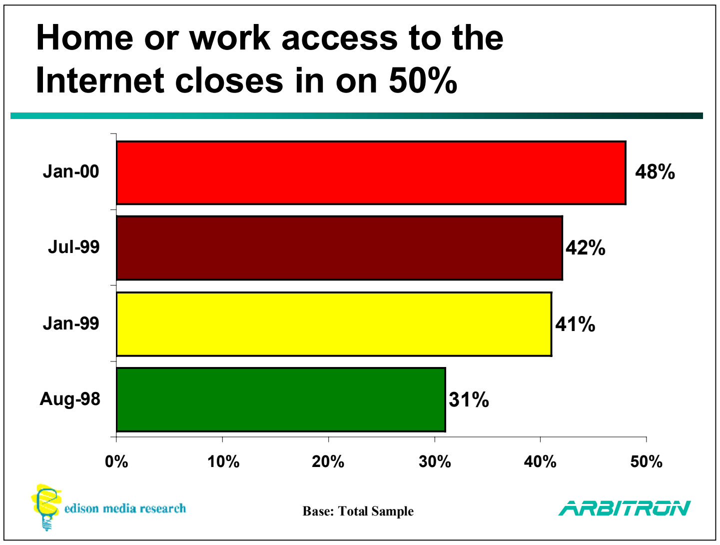
An additional survey of advertising agency executives was conducted. These senior decision-makers were probed on their perceptions of webcasting and current and future webcast spending plans.

Where appropriate, we have also incorporated qualitative data from Scarborough Research. Additionally, we will cite relevant data from the United Kingdom courtesy of Continental Research, Arbitron's full service market research company located in London. Continental Research reports quarterly on Internet access and usage among the U.K. population.

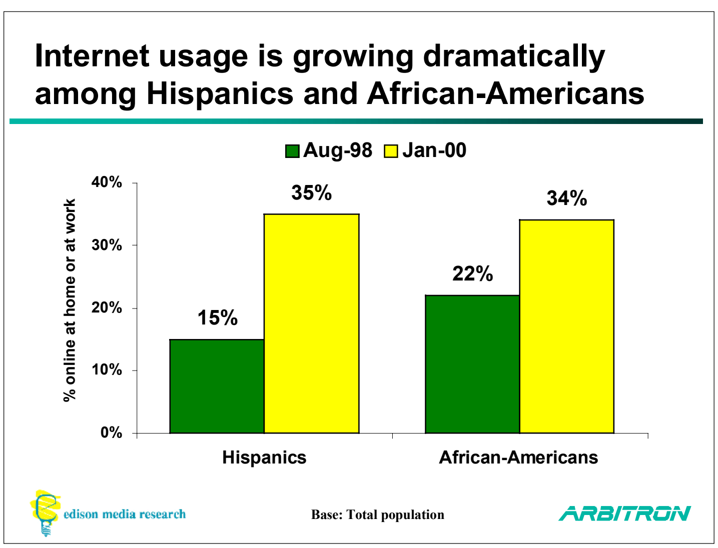
Key Findings — Internet Usage

1. **PC ownership and online usage is up sharply.** The percentage of Americans with a PC in the home rises from 53% in July 1999 to 61% in January 2000. Internet access in the home rises from 37% to 43% during the same period. The percent of Americans accessing the Internet at work increases from 12% in August 1998, to 17% throughout 1999, and hits 21% in January 2000. One quarter of those online became Web users in the last year.

   Currently 48% of Americans access the Internet either at home or at work. When school and library usage is included, 55% of all Americans access the Internet at any location. A greater proportion of those with home PCs are now going online. In August of 1998, only half of homes with PCs were online. By January 2000, 71% of households with computers are using the Web.



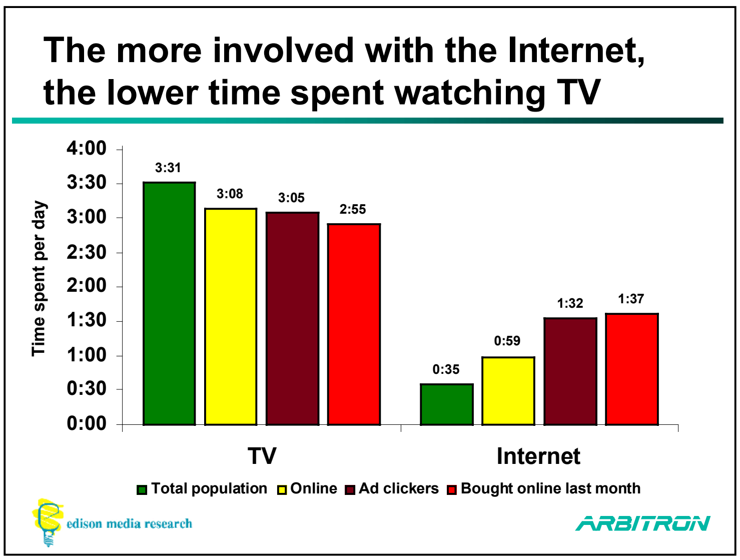
2. **Internet use among ethnic groups is growing rapidly.** Hispanics show the strongest growth in Internet usage. The percentage of Hispanics accessing the Web at home or work has more than doubled from 15% in August 1998 to 35% in January 2000. Over the same period, Internet use among African-Americans has grown from 22% to 34%. Half of African-American Web users say they have gone online in the last year, a great marketing opportunity for advertisers and media outlets.

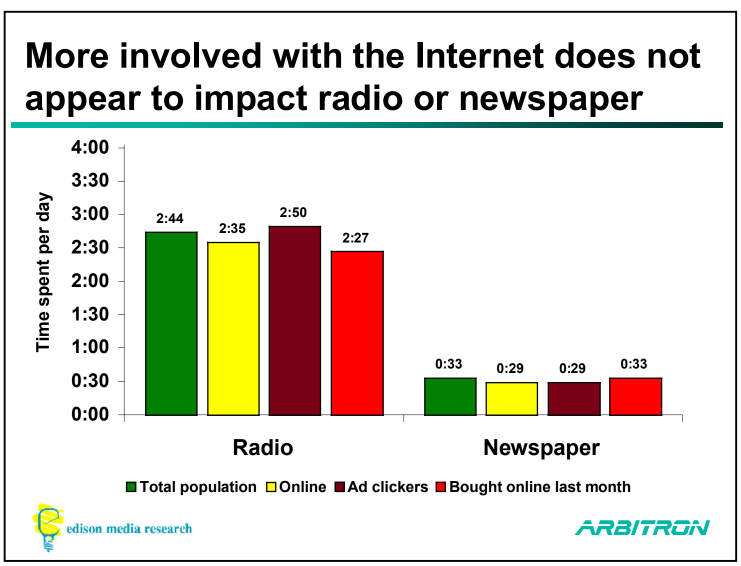


Accessing the Web at school is significant among Hispanics and African-Americans. African-Americans and Hispanics are as likely to go online from a school as any other location. Due to the strength of school usage, Internet access in "any" location is comparable among nonethnics (56%) and Hispanics (56%) followed by African-Americans (45%). When only home/work Web access is examined, Hispanics (35%) and African-American (34%) Internet usage trails nonethnics (51%).

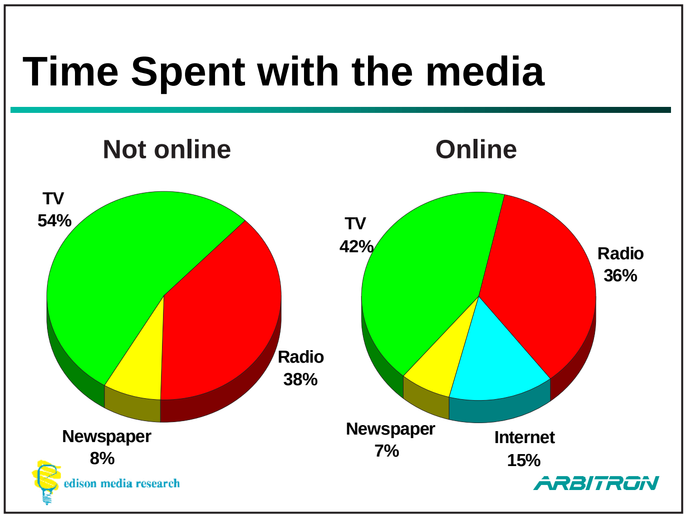
African-American and Hispanic households with a PC are less likely to be online. While 71% of nonethnic PC households are online, a smaller proportion of Hispanic households with a PC (61%) and African-American PC households (64%) are online. Therefore, Web measurement that only focuses on home and work usage significantly understates Internet use among Hispanics and African-Americans. To fully capture Internet usage among these lifegroups, the usage of the Web at school must be included.

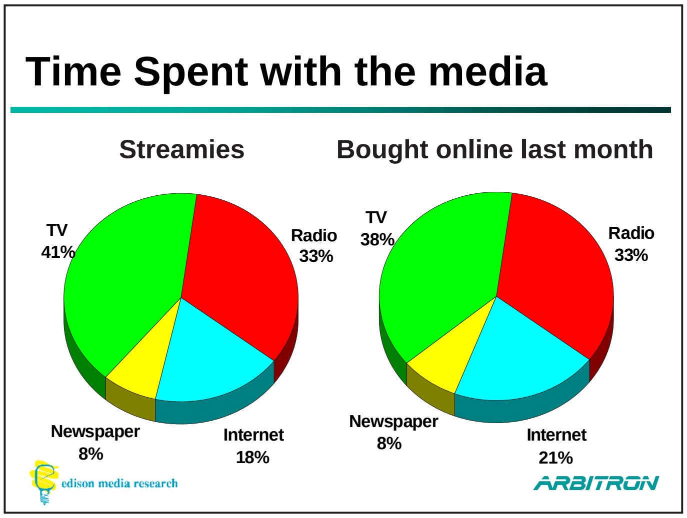
3. **The more involved with the Internet, the less time spent with television.** Internet use does not appear to impact time spent with radio or newspaper. When asked to account for the amount of time spent with media in a 24-hour period, Americans say they spend more than three hours a day with TV, more than two hours with radio, 35 minutes with the Internet and 33 minutes with newspaper.



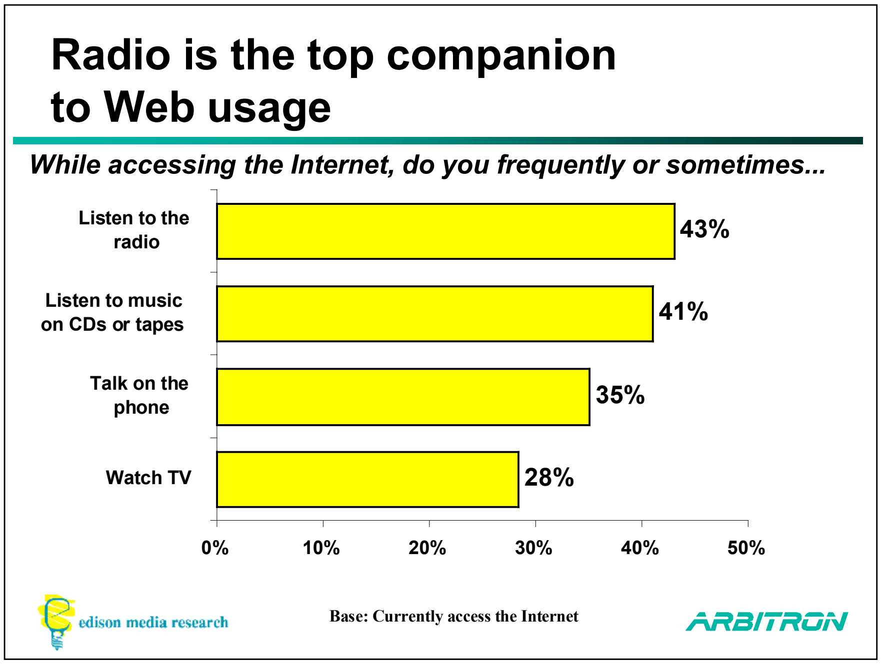


One method of understanding the impact of the Internet media usage is to examine the percentage of time spent with each media in a typical day. Americans not online spent lots of time with television (54%), followed by radio (38%) and newspaper (8%). Among those online, media time spent with television drops to 42%, followed by radio (36%), the Internet (15%) and newspaper (7%). The more interactive the Web user, the greater the proportion of media time spent online. Thus, the percent of media time spent with the Internet (18%) is greater among streamies (those who listen to or view webcasts and purchase online) (21%).

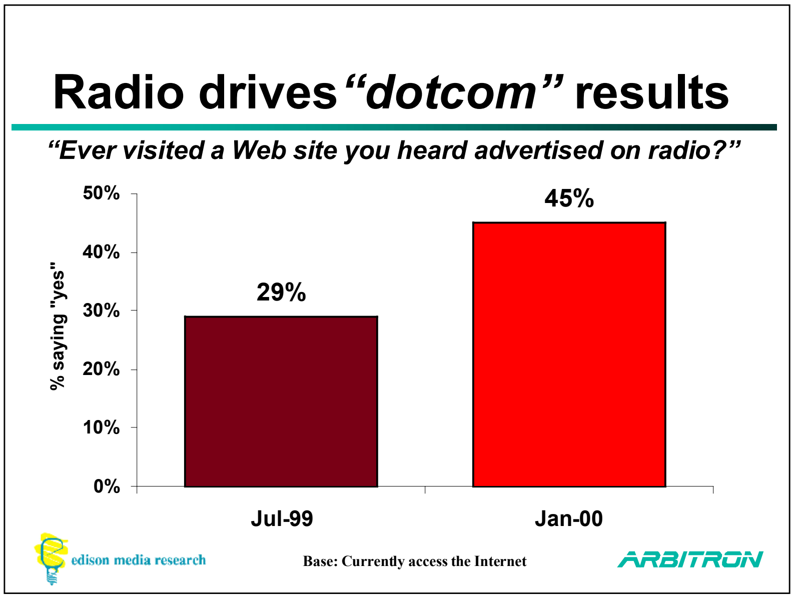




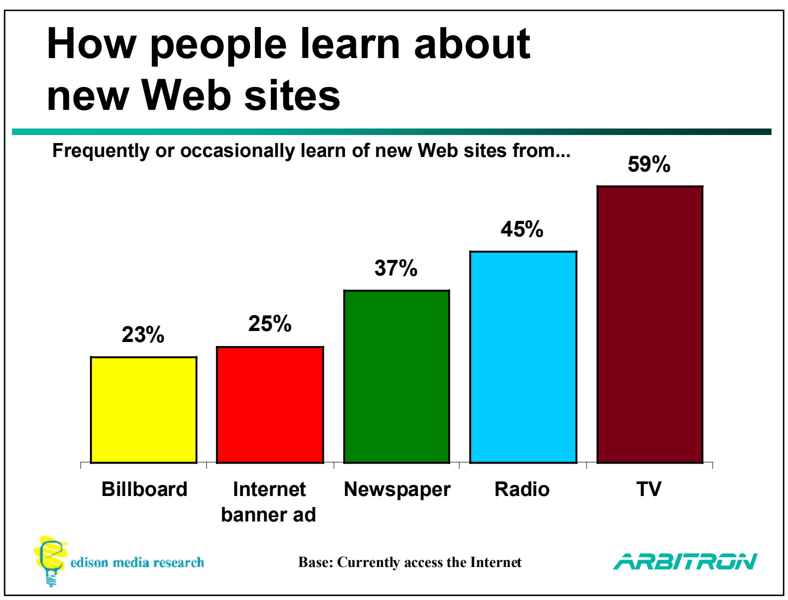
4. **Radio is the top companion to Web usage.** Among all Persons 12+, 43% report they surf the Web at the same time they listen to the radio, followed by listening to tapes and CDs (41%), talking on the phone (35%) and watching TV (28%). Persons 12-24 are far more adept at "multi-tasking." Sixty-three percent report that while surfing they listen to the radio, 59% listen to tapes and CDs, 48% talk on the phone and 40% watch TV while online.



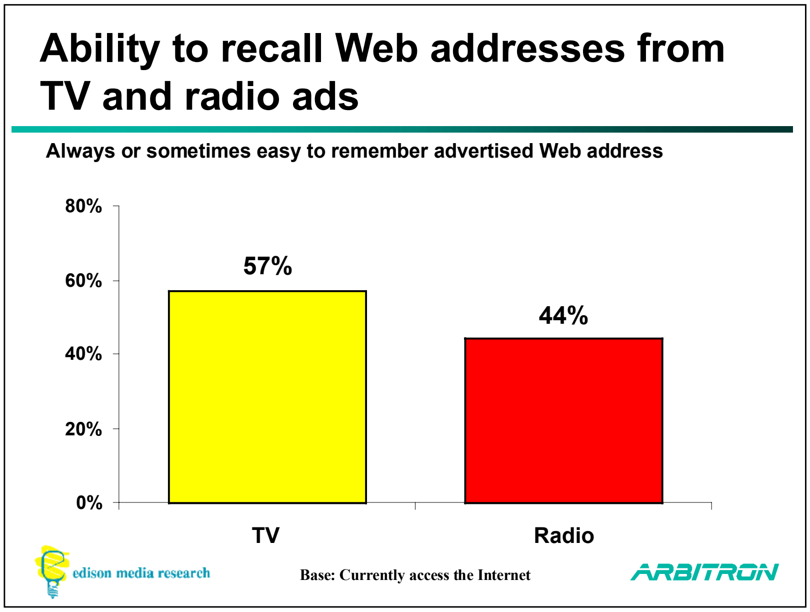
5. **The proportion of online Americans who have visited a Web site as a result of radio advertising surges from 29% to 45%.** Thus, 56.8 million Americans have visited a Web site due to a radio ad. In July 1999, nearly one out of three online Americans (29%) had visited a Web site as a direct result of a radio advertisement. Due to the huge onslaught of dotcom ad spending in the third and fourth quarters of 1999 and the effectiveness of these ads, now 45% of online Americans have visited a Web site as a result of a radio commercial. Sixty-nine percent of those online say they are likely to visit a Web site of a company that advertises on the radio station they listen to the most.



Fifty-nine percent of Web users have learned about Web sites from TV ads. More consumers have checked out a Web site because of a radio ad (45%), compared to an advertisement in the newspaper (37%), an Internet banner ad (25%) or a billboard (23%).



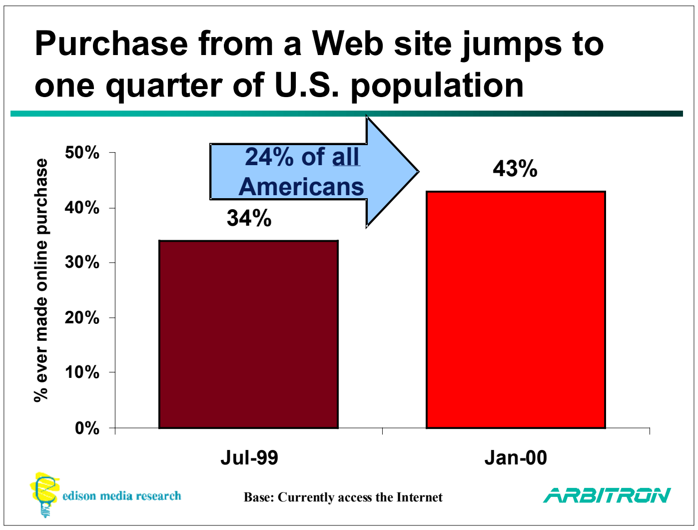
6. **Dotcom advertisers need to make their Web addresses easier to remember.** Fifty-seven percent of those seeing a TV ad for a Web site and 44% of those who hear a radio ad for a dotcom advertiser say it's easy to remember the Web address. There is opportunity for dotcom advertisers to do an even better job of making their Web site address easier to remember among radio listeners, since more than half of listeners who have heard a dotcom spot can't remember that advertiser's Web address.

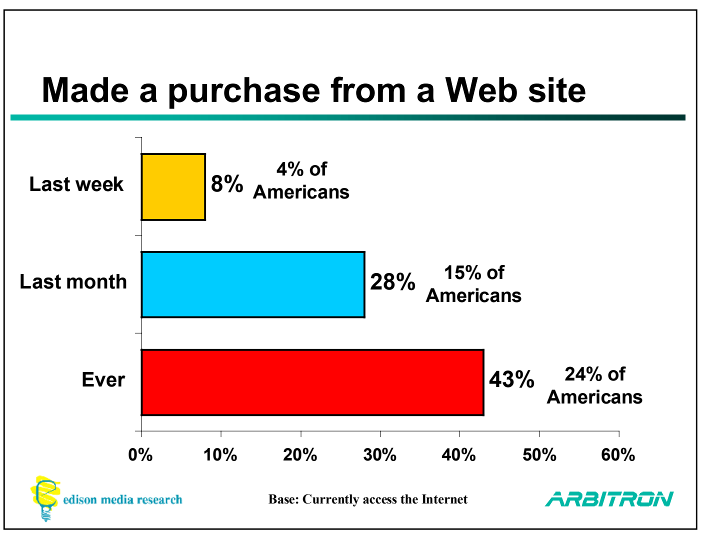


Key Findings — E-Commerce and Web Shopping

1. **More Americans are clicking on Web advertising.** The proportion of online Americans who have clicked on Web site advertising surges from 34% in July 1999 to 48% in January 2000. Among all Americans, 26% have clicked on Web site advertising. The number of those online who have clicked on Web site advertising in the last month nearly doubled (17% to 31%) between July 1999 and January 2000. Web users who have clicked on Web site advertising in the last week jumps from 7% to 13%.

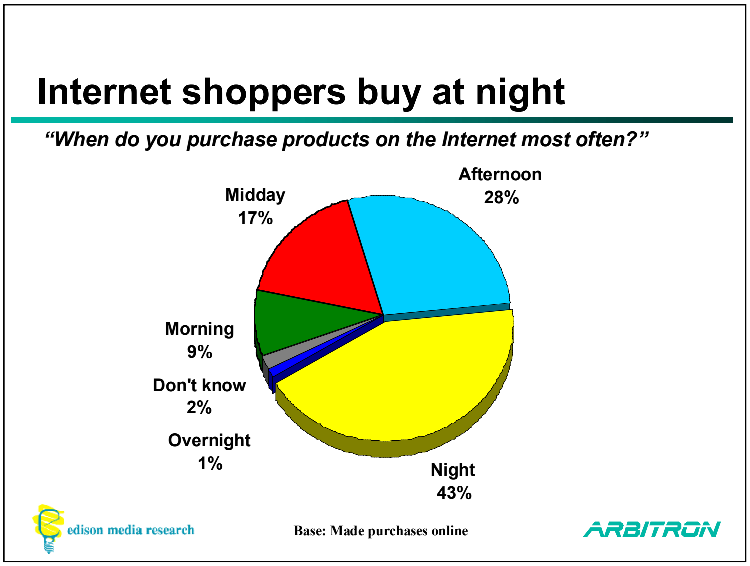
2. **In six months, the number of online Americans who have made a purchase from a Web site surges from 34% to 43%.** Expressed as a percentage of all Americans, nearly one out of four people in the U.S. (24%) have made a purchase from a Web site. While 43% of those online have ever made an online purchase, 28% have done so in the last month, and 8% have made purchases online in the last week.





3. **Compared to six months ago, Internet shoppers are purchasing from a greater number of Web sites.** In July 1999, 43% of Web shoppers were shopping from three or more sites, while currently 57% are purchasing from three or more sites. Men tend to buy from an average of six sites, compared to 3.8 sites for women.

4. **Online purchasing is highest at night.** Overall, shoppers say they purchase most at night (43%), followed by afternoons (28%) and middays (17%). Only 9% said they shop most in the morning. Men are even more likely to do most of their online shopping at night (47%) compared to women (39%). There is a greater proportion of women who shop most middays (21%), compared to men (13%). Not surprisingly, teen online shoppers are buying equally in the afternoons and nights.



5. **Books, music, travel and PC-related items top the list of most purchased items on the Web.** Later we will see that streamies, those who watch or listen to webcasts, are far more likely to buy these items online. In fact, streamies represent the majority of the people buying things online.

Items bought online (Among those online)	
Books	24%
Music CDs or Tapes	19%
Airline, Hotel and Travel Reservations	18%
Computer Software	18%
Clothes	17%
Toys	17%
Consumer Electronics	12%
Sporting Goods	10%
Computers	8%
Banking Services	8%
Flowers	7%
Stock and Mutual Funds	6%
Furniture or Housewares	6%
Beauty Supplies	3%
Vitamins or Medicine	3%
Pet Supplies	3%
Groceries	2%
Cars	1%

6. **Overall, online shoppers estimate they spent an average of $650 shopping online in the last year.** Men indicate they spent $732 in the past year, while women average $559. When asked to think about their future Internet shopping, 36% of online shoppers say they will spend more and 40% say they will spend about the same as the past 12 months. Twenty-one percent say they will spend less this year.

7. **The proportion of Americans who purchased gifts through the Internet for the holidays grew from 8% to 12% (1998 versus 1999).** Among Internet users, the proportion that shopped online for holiday 1998 (14%) grows to 22% in 1999. In the United Kingdom, Continental Research reports 11% of those online purchased holiday gifts, representing 4% of the total U.K. population.

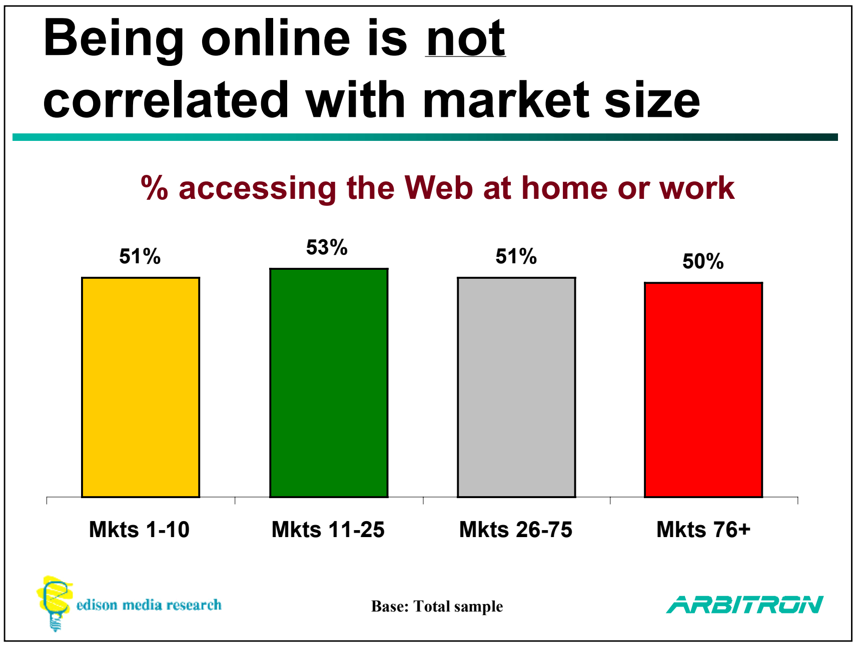
8. **Holiday 1999 online shoppers spent more than twice as much compared to holiday 1998.** In 1999, holiday shoppers report spending an average of $401 over the Internet, compared to $175 for holiday 1998. Among Internet users, online spending was approximately 45% of their total average holiday shopping. In the United Kingdom, holiday 1999 shoppers spent an average of £97 ($160).

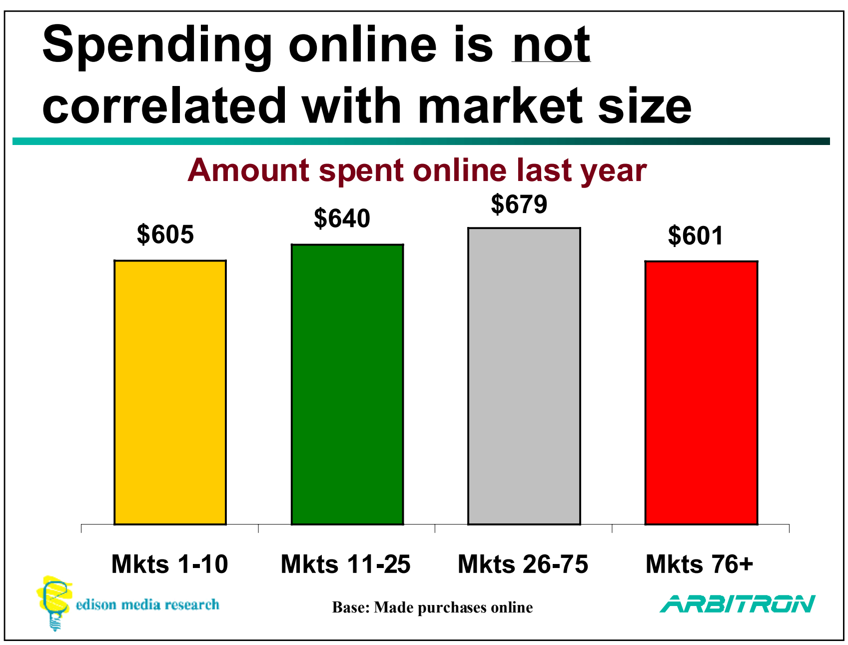
The majority of Americans perceive they spent more buying gifts over the Internet during the 1999 holiday, compared to the prior year. Forty-four percent say they spent "a lot more," and 27% said they spent "a little more." Nineteen percent said they spent about the same, while 6% said they spent less.

9. **Americans are more satisfied with Internet shopping than with "brick and mortar" shopping.** One out of two Americans say they are more satisfied with Internet shopping than they are with traditional stores or the mall. Twenty-nine percent say they are less satisfied and 17% say they are equally satisfied. Compared to the 1998 holiday season, the proportion of those who say they are more satisfied with Internet shopping has increased from 39% (January 1999) to 50% (January 2000).

10. **Web users purchase one out of four of their CDs online.** On average, people say they purchased an average of 14 CDs in the past year. Of those, three were purchased online. Men are more likely to purchase CDs online (33%) than women (11%).

11. **Dotcom advertisers are missing smaller markets.** Being online, buying online, clicking on banner ads and spending online is consistent across market size. Most of the dotcom advertising dollars were spent in the top 25 ranked Arbitron markets in the last year. However, Arbitron markets ranked 26 and smaller represent approximately the same number of Internet users, ad clickers and online shoppers. Plus, people in markets ranked 26 and smaller spent the same amount of money online in the last 12 months.





12. According to Scarborough, listeners to AAA (Album Adult Alternative) and Modern Adult Contemporary are most likely to use the Internet at home or work to shop.

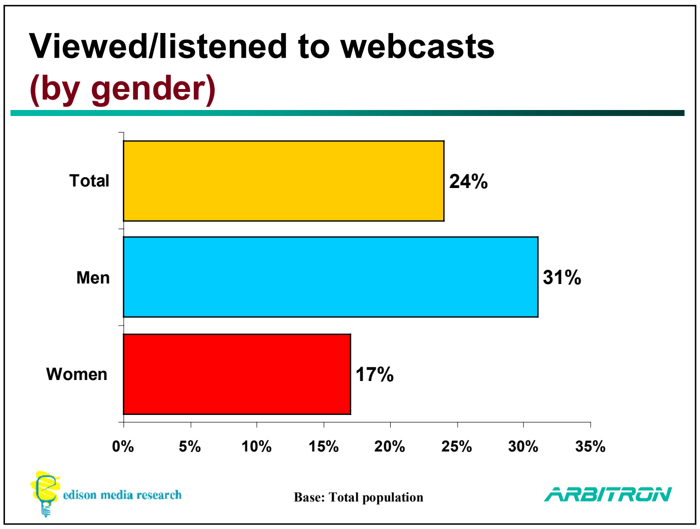
Format	Index
AAA	172
Modern AC	163
Talk/Personality	161
New Rock	160
Alternative	159
Sports	157
Hot AC	145
Rhythmic Oldies	145
70's Oldies	144
Classic Rock	140
AOR	139
Public Radio	132
CHR	119
NAC/Smooth Jazz	117
AC	116
Soft AC	116
Jazz	115
Oldies	115
All News	110
Classical	106
News/Talk	106
Urban Oldies	100

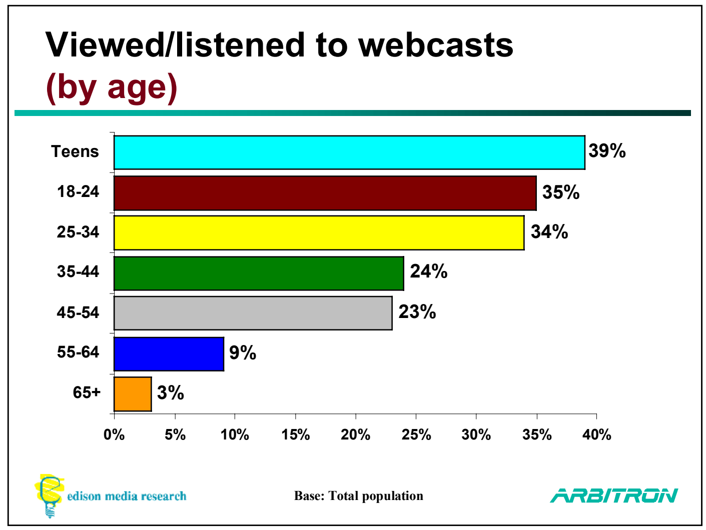
* Scarborough release 1, 1999. 61 markets and over 75,000 consumers interviewed.

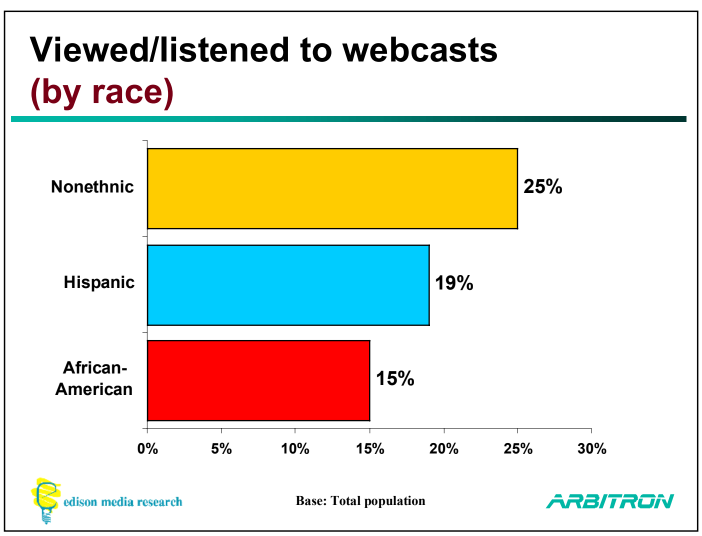
Key Findings — Webcasting

1. **Seventy-six percent of online Americans are aware that it is possible to view video online and 65% are aware it is possible to listen to radio stations online.** Compared to a year and a half ago, the proportion of Americans aware that one can listen to radio stations online has increased from 57% (August 1998) to 65% (January 2000). Expressed as a proportion of all Americans, 42% are aware that one can view video online and 36% know you can hear radio stations on the Web.

2. **One in four Americans has tuned into webcasts. Streamies, those who have tried Internet audio and video, are more likely to be male, under the age of 34, and nonethnic.**



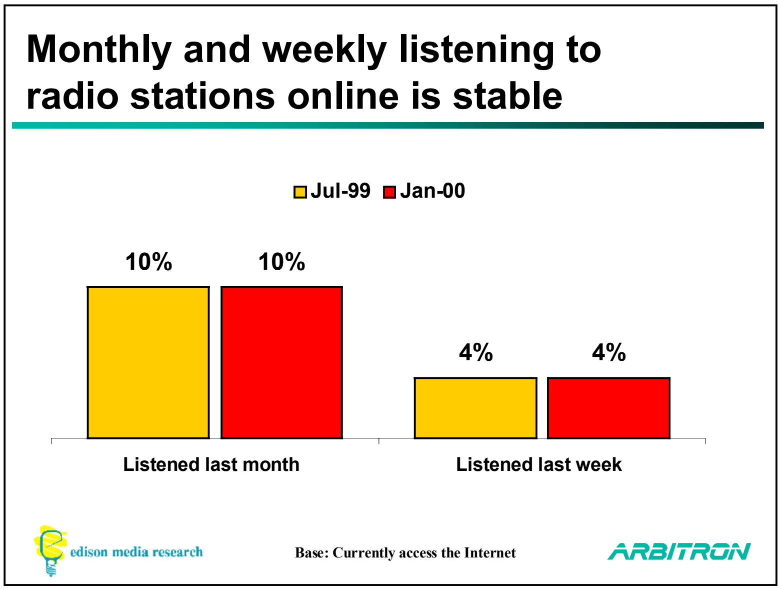




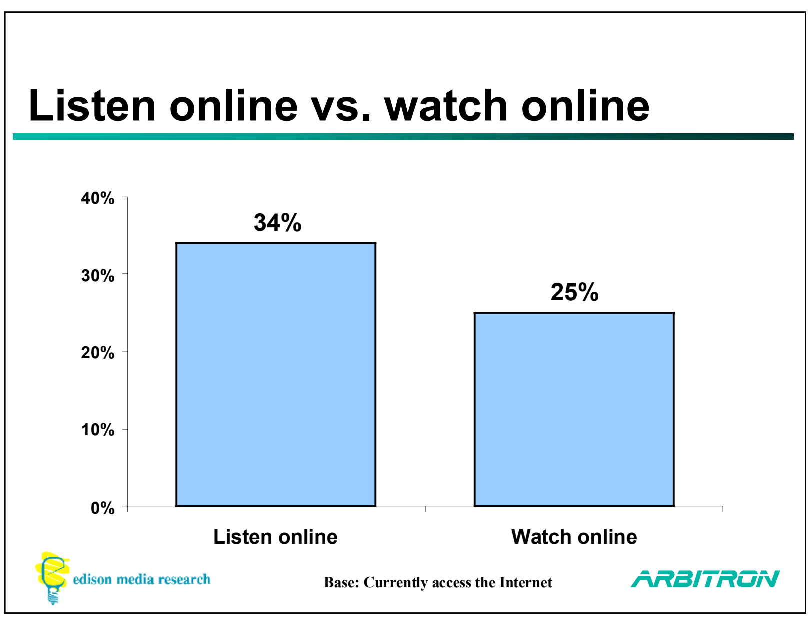
3. **Streamies are online veterans.** Sixty-two percent of streamies have been online for more than two years (versus 48% of all Web users).

4. **Watching and listening to webcasts is not a weekly habit.** The number of people who have ever tuned into a webcast is five to six times the number of people who tune into a webcast in a given week. The weekly audience for webcasts is about half the monthly audience. Twenty-five percent of Web users have ever viewed a video online and 13% have viewed a video in the last month. Similarly, 21% have ever listened to radio stations online, and 10% have heard radio station webcasts in the past month. Growth in webcast audience will occur equally through infusion of new viewers and listeners, and through a greater conversion from trial to habitual use.

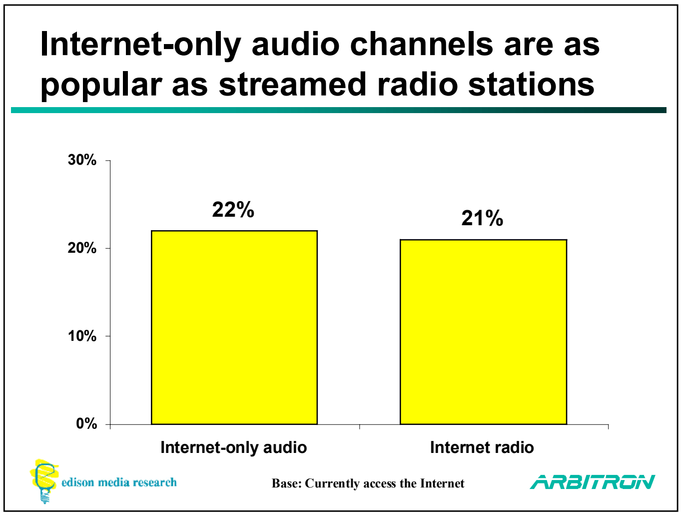
5. **Monthly and weekly audience levels for listening to radio station webcasts are stable.** The proportion of those who say they have listened online in the past month is stable at 10% and those who say they listened in the past week remains very consistent at 4%.

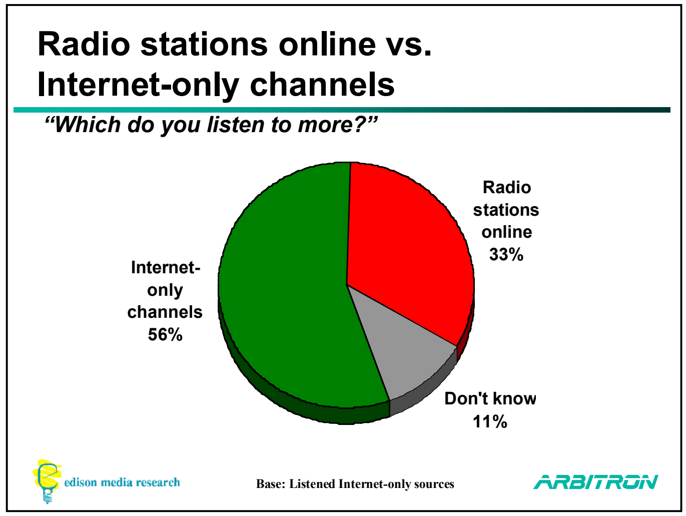


6. **Thirty-four percent of those online (19% of Americans) listen to Internet-only channels or radio stations on the Web.** Twenty-five percent of those online (14% of Americans) have watched Internet video.

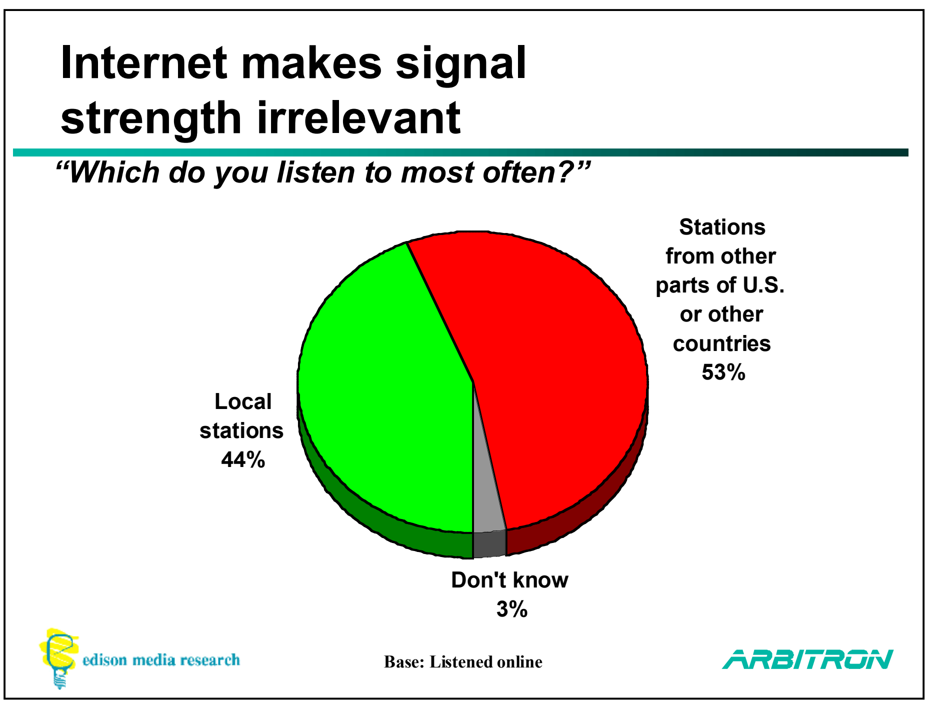


7. **The number of people who have listened to Internet-only channels on the Web is about equal to the number of people who have listened to radio stations online.** Those who have listened to Internet-only channels indicated they listen more to audio channels from Internet-only sources (56%), compared to traditional radio stations streamed over the Internet (33%).





8. **Signal strength is irrelevant on the Web. Online radio listeners say they listen more often to stations outside their local market (53%), compared to stations from their local area (44%).** Men are far more likely to listen most to stations outside their local area (61%), compared to women (39%). Women say they are more likely to listen most to stations from their local area (56%), compared to men (38%). Teens favor local stations to out-of-town stations 57% to 47%.



9. **Many people are not able to make video and audio streaming work.** Twenty percent of video and audio streaming attempts are unsuccessful. Among Web users, 26% say they've tried to listen to a radio station over the Internet. However, only 21% of those online say they were able to successfully connect to the streaming content. Thus, only 80% of those attempting to listen to radio stations over the Internet were successful. A similar situation occurs with those attempting to view video over the Internet. Thirty percent of Web users have tried to view video, while only 25% have successfully connected. Thus, only 83% of those attempting to view video over the Internet were successful.

10. **Three in 10 say it is difficult to get a webcast.** Thirty-six percent of those who have listened to radio stations over the Internet find the process of listening to be very easy. Thirty-five percent say it is somewhat easy and 28% say it is difficult. Similarly, 33% of those who have watched a video online say it is very easy, while 39% say it is somewhat easy and 28% say it is difficult. While most Americans would say it's very easy to turn on a TV or radio, it's not that easy in the world of streaming media.

11. **The most popular streamed-media content tends to be unique and compelling.** The chart below is from Arbitron's November 1999 InfoStream℠ webcast ratings report. The most listened-to stations are eclectic and unique formats not commonly found in most markets.

Top 10 Measured Webcasts by Monthly Cume				
URL	**Internet Affiliate**	**City, State**	**Format**	**Monthly Audience**
www.kpig.com	Magnitude Network (via RBN)	Monterey, CA	Album Adult Alternative	60,700
www.cd93.com	Magnitude Network (via RBN)	Monterey, CA	Modern Adult Contemporary	59,000
www.khyi.com	Magnitude Network (via RBN)	Dallas, TX	Country	58,100
www.klaq.com	Magnitude Network (via RBN)	El Paso, TX	Album Oriented Rock	52,100
www.abcnewsradio.com	RealBroadcast Networks (RBN)	N/A	News/Talk Information	47,400
www.tomjoyner.com	RealBroadcast Networks (RBN)	N/A	Talk/Personality	32,700

Top 10 Measured Webcasts by Monthly Cume (continued)				
URL	**Internet Affiliate**	**City, State Base**	**Format**	**Monthly Audience**
www.wkpo.com	Magnitude Network (via RBN)	Madison, WI	Urban Adult	32,700
www.93x.fm	Magnitude Network (via RBN)	St. Louis, MO	Alternative	31,700
www.weqx.com	Magnitude Network (via RBN)	Albany, NY	Alternative	27,200
www.wbap.com	RealBroadcast Networks (RBN)	Dallas, TX	News/Talk Information	25,000

Note: To learn more about Arbitron's InfoStream webcast ratings contact Joan FitzGerald, director of marketing, Arbitron Internet Information Services, at (410) 312-8380 or send her an e-mail at joan.fitzgerald@arbitron.com.

12. **Senior advertising agency executives are bullish on webcast advertising, but few report having seen a webcast sales pitch.** Most agencies report advertising on the Internet, while one in five says it has allocated media budgets to webcasting. The vast majority of agency decision-makers agrees that webcasting will get a significantly larger share of ad spending in the next three years. Despite this, few agencies have been approached by webcasters trying to sell advertising time.

Key Findings — Radio Station Web Sites

1. **Awareness and visitation of radio station Web sites continues its steady increase.** In August 1998, 58% of those online had heard radio stations talking about their Web sites on air. Now, 71% are aware of radio station Web sites. The proportion of those online who have visited a radio station Web site continues a steady increase from 25% in August 1998 to 36% in January 2000.

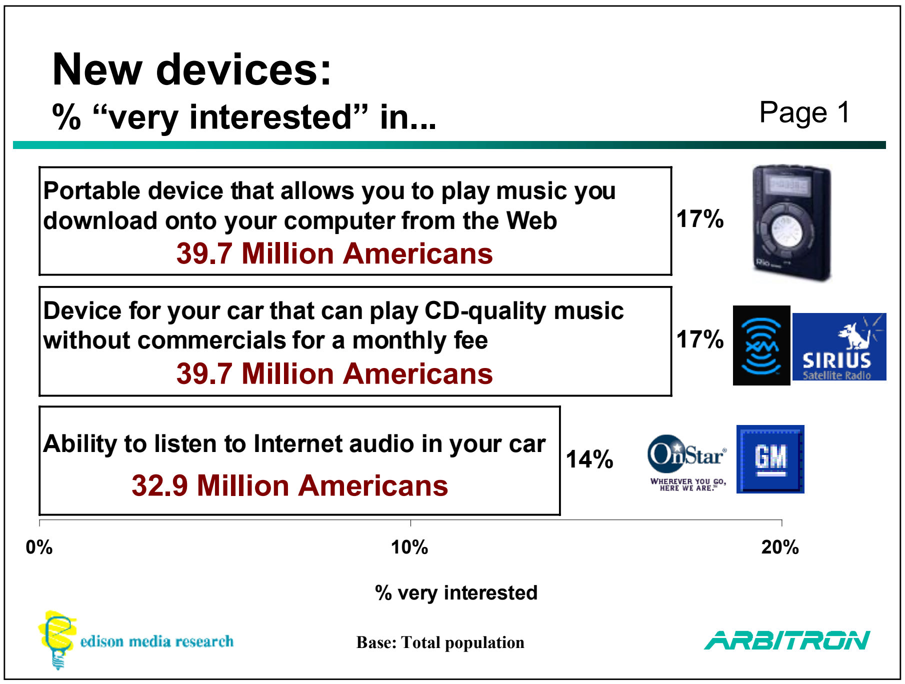
2. **Community information and the ability to listen to a radio station are the most desired elements on a radio station Web site.**

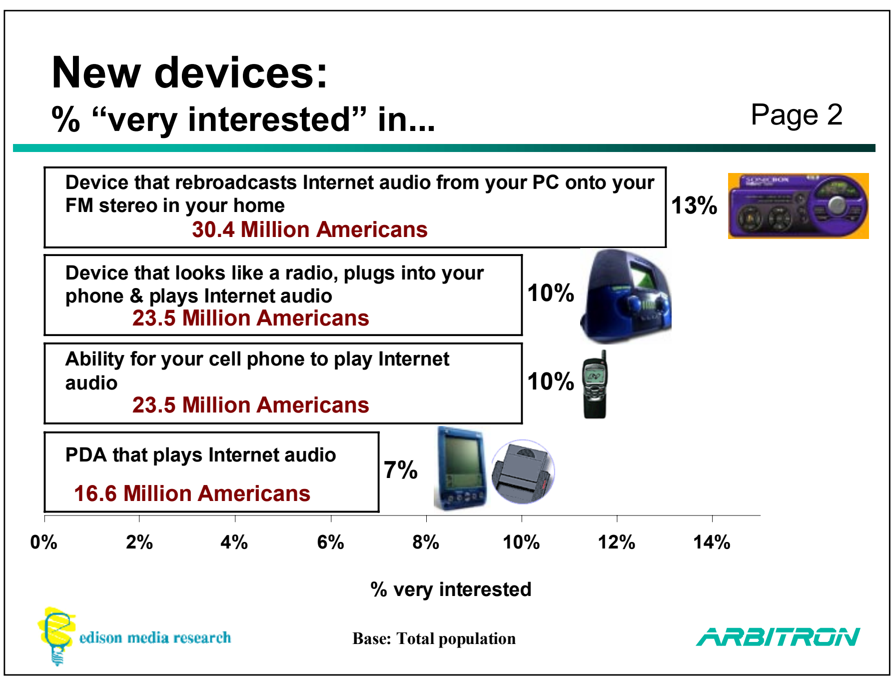
Interest in visiting a radio station Web site for...	VERY INTERESTED	SOMEWHAT INTERESTED
Information about local concerts	29	36
Ability to listen to that radio station	25	35
Listing of fun & interesting places to visit in your community	25	44
School closing information	24	23
Reviews and schedules of movies playing in your area	24	39
Titles and artists of songs played on the radio	23	34
Opportunity to vote on whether songs are good or not	18	27
Ability to print out coupons from advertisers	16	29
Information on pro sports in your area	16	30
Schedule of programming	16	35
Ability to enter contests	15	28
Listings of local restaurants and bars	14	31
Local shopping and merchant information	13	40
Information on charity events in your community	11	43
Ability to shop through Web sites of local businesses	11	32
Info. on upcoming DJ/personality appearances in your area	11	26
Ability to see an advertiser's products	8	37
Information on and pictures of the DJs	8	23
Ability to quickly link to the Web site of advertisers	7	29
Ability to buy products or services	6	35

Key Findings — Interest in New Devices

1. **Three out of four Web users are aware that it is possible to download music files over the Internet and 23% have actually done so.** As with webcast tuning, two thirds of those who have downloaded music files from the Internet are men.

2. **Americans show a great deal of interest in new devices that will enable them to consume content in more convenient ways.** The proportion of Americans who say they are "very" interested in a variety of devices ranges from a projected 16.6 million to nearly 40 million Persons 12+. Twelve- to twenty-four-year-olds show a high degree of interest in these devices.





Key Findings — The Buying Power of Streamies

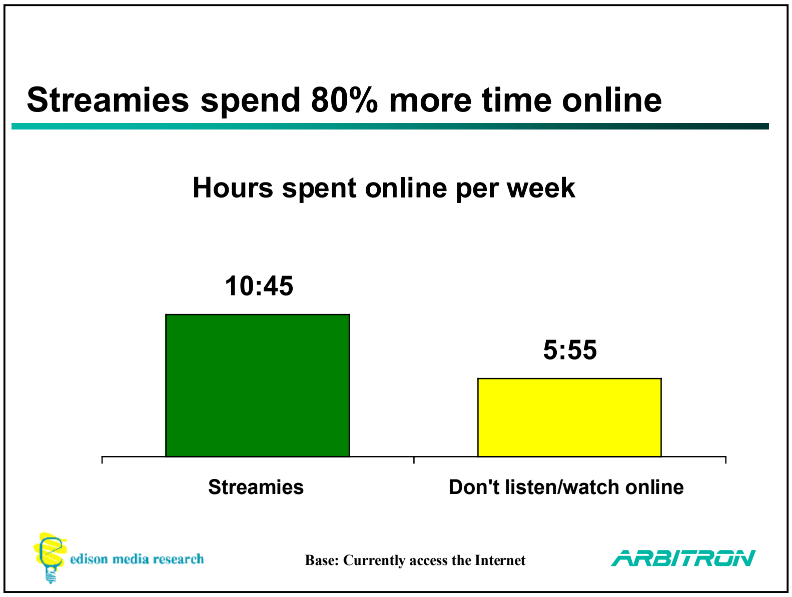
1. **Streamies are far more active Internet users, more into e-commerce and more valuable to advertisers.** The chart below details the significant differences between those who have consumed webcasts (streamies) and Internet users who have not. Streamies are far more likely to bookmark favorite Web sites, visit media Web sites, purchase a variety of products online and visit Web sites based on advertising and banner ads.

	Streamies Have listened or viewed webcasts	**Nonstreamies** Internet users who have not listened to or viewed webcasts
$100,000+ annual household income	18%	12%
Attended graduate school	15%	10%
Likely to visit site of company that advertises on favorite station	80%	61%
Have visited Web sites learned about from radio ads	59%	34%
Have visited a radio station Web site	57%	20%
Have bookmarked radio station Web site	23%	3%
Have clicked on Web site advertising	63%	36%
Have made purchases over the Internet	60%	32%
Have made purchases over the Internet in last month	41%	19%
Have made purchases over the Internet in last week	13%	4%
Feel “completely safe” about shopping online	15%	6%
Purchased gifts over the Internet during holiday season 1999	31%	16%

2. **Streamies are far more likely to buy online than those who don’t listen or view webcasts.** Those who view/listen to webcasts represent the majority of the online shoppers.

Items bought online	**Streamies** Have listened to or viewed webcasts	**Nonstreamies** Internet users who have not listened to or viewed webcasts
Books	35%	16%
Music CDs or tapes	31%	10%
Software	29%	9%
Airline/travel reservations	29%	10%
Clothes	25%	11%
Consumer electronics	20%	6%
Toys	20%	9%
Sporting goods	15%	5%
Computers	14%	3%
Banking services	14%	3%
Stock and mutual funds	12%	2%

3. **Streamies spend over 80% more time online than Web users who don't listen/watch online.** Those who watch/listen to webcasts are clearly more Web-involved. All of their shopping, ad clicking, purchasing and Internet interaction results in much higher time spent than the norm.



Recommendations:

1. **Sell the value of streamies. They are worth their weight in gold.** Streamies are more Web savvy, buy more online, and they have more discretionary income. Enhance the value of your Web site by attracting streamies. Streamed content makes Web sites more compelling.

2. **One key to unlocking the power of webcasting is providing the consumer with unique, compelling content not being delivered through traditional media.** Streamies listen more to stations outside of their home market. They listen more to Internet-only channels, compared to radio stations on the Web. The top-rated stations in Arbitron's Infostream webcast ratings tend to be eclectic and unique-sounding stations not commonly found in most markets. Online Americans are searching for and consuming content they can't get easily through traditional home-market media. Programmers need to "work the fringes" of what's available on traditional media and provide totally new content or variations that will appeal to specific consumers. Specialization and narrow focus are the keys. If consumers can't get the content they want from radio or TV, they will find it on the Web.

3. **Streamers have to make tuning to a webcast much simpler, as failure rates for those attempting to tune in are too high.** Listeners and viewers to radio and TV don't fail when they try to tune in! The entire streaming media business community needs to make it easier and faster to tune into webcasts. Take AOL's lead. Their TV campaign sells the value of ease of use. *"The easiest way to get online just got easier. So easy to use, no wonder we're number one."* The streaming business model that makes webcasting easy for the consumer to use will be a huge success.

4. **Ad insertion (à la cable) is a possible business model for webcasters.** Like cable several years ago, webcasters may be able to make ad dollars grow by inserting different commercials on their streamed content rather than rebroadcasting their existing spots.

5. **Dotcom advertisers should consider small and medium markets in their media plans.** This will enable dotcoms to extend their reach, circumvent large market dotcom ad clutter, and tap into valuable audiences that their competitors are largely ignoring.

6. **Broadcasters have the talent and skills to create new Internet audio and video channels to complement their traditional properties.** If today's broadcasters don't jump in soon, someone else will become the Ted Turner of the webcasting world. The technology exists to create different versions of over-the-air programming for the Web, as well as unique Web-only programming.

7. **Content providers (radio, TV, webcasters) need to think about ensuring that their content is compatible with new devices.** There is significant interest in a variety of innovative devices that make tuning to webcasts convenient, portable and easy.

8. **It is crucial for broadcasters to align their Web site content with their consumers' needs.** Local content and the ability to listen to the station are the features online Americans want from broadcasters' Web sites. All local media have the opportunity to satisfy Americans' thirst for local community information via the Web.

9. **"Eighty percent of success is showing up." Webcasters need to sell and get greater share of mind among advertising agencies.** Many agency executives say they have not been approached by webcasters trying to sell advertising time. With agencies saying that they anticipate a significant increase in webcast ad expenditures in the years ahead, webcasters need to be proactive and tell their story.

10. **Advertisers and media targeting African-Americans and Hispanics have tremendous marketing opportunities via the Internet.** Internet usage among ethnic groups is surging. From August 1998 to January 2000, Hispanic Internet use has more than doubled from 15% to 35%. African-American Web use is also up significantly (22% to 34%) and half of African-American Web users report they have gone online in the past year. Advertisers and media outlets should move decisively to build their brands and establish relationships with this rapidly growing online segment.