

# Traditional retailers and brands look online for growth, says dealgroupmedia

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Traditional retailers and brands look online for growth

Traditional retailers and brands are increasingly turning to the Internet to win new customers according to dealgroupmedia, a leading UK online marketing group.

dealgroupmedia, whose 350-strong client base includes: the AA, John Lewis, NTL, Powergen and William Hill believes the key factor in today's uncertain retail environment that's driving brands online, is the guaranteed return on investment deliverable through the internet.

Online retail growth during December 2003 and 2004 to date has increased by over 100% for some clients. This includes a 165% leap in new customers delivered for John Lewis at the end of quarter four over preceding months, and a 17% rise for the AA for sales of their services online during January of this year.

"The AA sees the internet as a cost effective marketing channel," says the AA's Vicky Ryan. "Online marketing is 100% measurable, it supports our brand, delivers us customers, and is increasingly seen by us as an essential part of our mainstream marketing efforts."

The rise reflects latest Interactive Advertising Bureau (IAB) figures which revealed that UK online advertising spend reached record levels in the first half of 2003 reaching £151.6 million, an 85% increase from the same period the previous year. The IAB target of reaching 2% of overall UK ad spend by autumn 2004 was beaten 12 months ahead of schedule.

Clients at dealgroupmedia are using a combination of channels including search, online advertising and performance based marketing to deliver growth. All are monitored to ensure campaigns deliver a return on investment for advertisers. The integrated approach is delivering results.

Nicky Iapino, Chief Operating Officer of dealgroupmedia, said: "Online marketing is in an exciting new phase. We are seeing an increasing number of new and existing online retailers putting increased emphasis on the Internet. They are using an integrated approach to their online marketing and a growing trust in the measurable returns from online campaigns.

"Traditional brands are looking more than ever before to the Internet to increase sales, retain customers and reinforce brand messaging. The fact the web can deliver all three is making it the marketing weapon of choice for retailers."

Iapino also believes dealgroupmedia's recent acquisition of WebGravity offers a winning formula for retail brands looking for a real return from online spend. "We now offer a fully rounded online

marketing package, seamlessly linking search engine marketing, online marketing and performance based campaigns. Clients can now turn to us for their entire Web marketing needs.”

For further information, please contact:

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Notes to Editors

dealgroupmedia is a leading online marketing group. The company uses a range of online channels and media to deliver the highest possible return on investment for its clients, including performance based marketing, online advertising on major portals and targeted websites, and search engine marketing. All business is assessed to ensure return on investment is delivered for clients with over 60% percent of fees performance-based, i.e. clients only pay on results.

Founded in 1999, the company now has more than 350 clients, including the AA; BT; First Direct; John Lewis; Powergen; RAC; Tiscali; Virgin Wines; William Hill and Woolworths. Marketing and media buying agencies using dealgroupmedia include: Carat; Ehs Brann; Manning Gottlieb Media; Tequila; Zenith and more.

dealgroupmedia delivered customers worth more than £150 million in sales to its advertisers in 2003 - an estimated 20 percent of the total sales generated by the performance-based marketing sector.

In October 2003 the company merged with IBNet plc in a reverse takeover and is now listed on the London Stock Exchange (AIM).

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