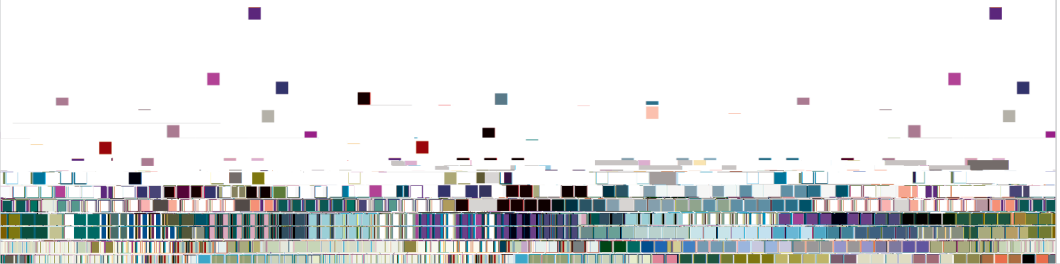


With global trends indicating continuing decline of ad spends in the traditional media, budget spends on interactive media continue to grow

A lot of optimism is associated with the Internet as an advertising medium in India. The dot com bust in the 90s wiped out a substantial number of online properties and businesses, but it is heartening to see the relentless effort of folks who survived, in driving the medium to reach where it has today.

plan to effectively target, reach and communicate with consumers? Or will it stay relei e00 0.00 0.uperipheral', a 'nice 0.0have' and 'good for projecting a new age image' for 0 0.brand?

T 0.answers one gets 0.00 0se questions will depend on which side of 0 0.umarketing telescope' is us00 0.0look at consumers online. From 0 0.'far side' of 0 0.telescope, if we0look at 0 0.percentage of our target audience online for sale of mass products like soaps & detergents, 0 0n we0find a very small percentage of such us0rs (as many still don't have access 0.0a computer or 0 0.lnternet 540.0000 l396n(willS?00 lindiccess clony .percef0.'fng tene0 0.tel'scope, if we0look a a vege o40.0000 many ste onlire) Fotire 'inrelnli,iietanedta / disto y ad3t som





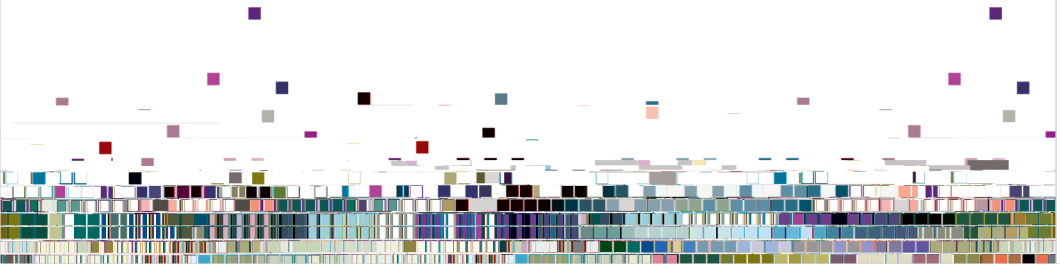
Current Scenario

82% of the top 500 marketers

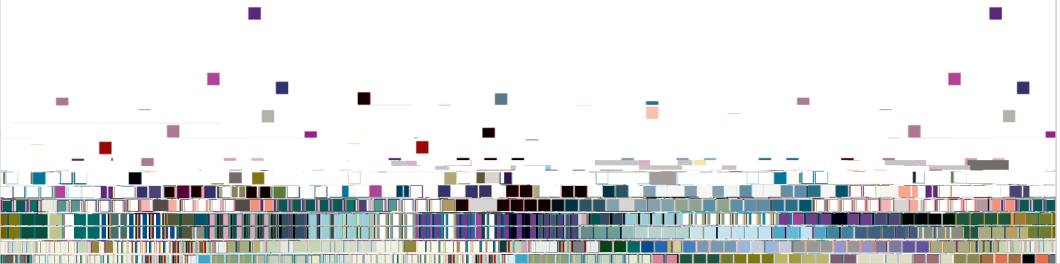
It is interesting that while almost 82% of the top 500 marketers allocate ad spends to the Internet, the spend share of this medium is just 5%. We estimated that the top 500 advertisers in India spent close to Rs. 5,163.26 crore in advertising, during FY 2008-09. From this, only 5.4% was spent on the Internet - approximately Rs. 278 crore. We expect this Rs. 278 crore to be not more than 64% of total spends on the Internet by all marketers (making the total online ad spend to be over Rs. 435 crore or so).

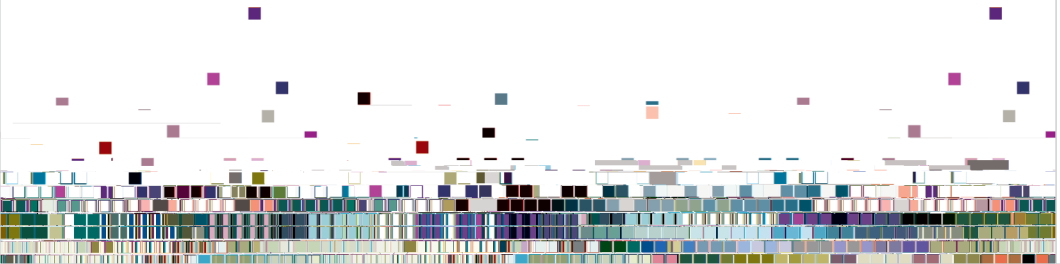
82% of Scenariad-on the mar marketers

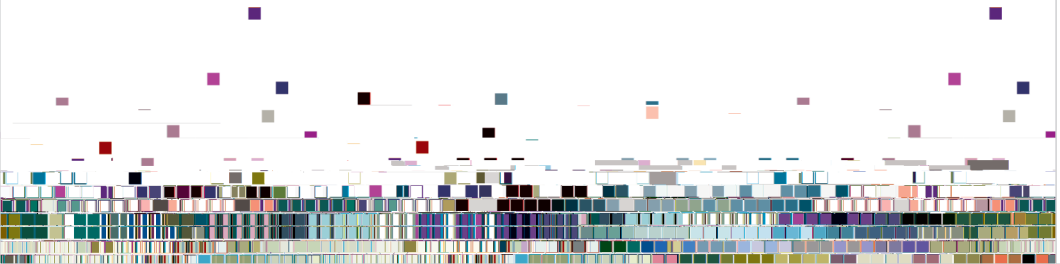
Marketers across verticals explain that ‘reaching the target audience’ or ‘building awareness’ is the biggest driver in allocating ad spends across mediums. This explains why the Internet accounts



While mapping marketers' perception of the Internet as a medium of advertising the emerging 'mis-perception' is evident. The perceptual map clearly depicts how marketers from almost all







It is ironical to see that while marketers look at the Internet for ‘lead generation’ as their objective, they feel that it is not as effective in generating leads vis-a-vis conventional mediums. This innate contradiction in marketers’ mind-set is the real reason for ‘Mis-perceptions’ arising around the medium. Marketers in India still need to decide which side of the telescope they choose to view their online consumers.

The good news is that they feel it is equally adept as the other

