



## **New Harris Interactive Poll Indicates Strong Online Success For Small Businesses During Holiday Season**

### **Online Presence During Holiday Season Enables Small Business Merchants to Reach New Customers and Increase Sales**

**SUNNYVALE, Calif. & ROCHESTER, N.Y. -- Nov. 4, 2002** -- With the holiday season just around the corner, a new survey shows that now is the time for small businesses to get online to reach new customers and increase sales.

Yahoo! Inc. (Nasdaq:YHOO - News) today released the results of a recent Harris Interactive<sup>®</sup> survey demonstrating the power of the Internet during the holiday shopping season. Of those small businesses online during the holiday season last year, 81 percent said being online allowed them to reach new customers, 59 percent said it increased sales - with an average increase of 29 percent; and 54 percent said it increased profitability.

"The Internet levels the playing field for small businesses who want to reach a huge audience economically and efficiently," said Rich Riley, vice president, Yahoo! Small Business. "The holiday shopping season is a great time for small business owners to reach customers who are looking for that unique or hard to find gift. Yahoo! makes it easy for small businesses to set up an online store and reach the world's most heavily trafficked website."

As the leading online store hosting service, Yahoo!<sup>®</sup> Store (<http://store.yahoo.com>) has enabled 20,000 merchants and small business owners to establish an online presence, sell their products and services on the Web, and promote and market online.

Forrester Research predicts that nearly two-thirds of all U.S. households will shop online by 2007, nearly double the amount currently(1). Gartner Group reports that in the fourth quarter of 2001, Internet retail sales reached \$25.3 billion worldwide, exceeding the previous year by 39 percent(2). Additional Harris Interactive results from the survey of 252 online small businesses from around the country, include:

- 74 percent of respondents say the ability to reach new customers is the reason why they took their business online. In order of importance, they say motivations for an online presence were: (1) ability to reach new customers; (2) increased visibility; (3) increased sales potential; (4) to be competitive; and (5) to reduce costs
- 44 percent of respondents say they only have an online presence, versus a physical presence
- 64 percent of small businesses were online during the last holiday season
- Overall, 70 percent say taking their business online was a worthwhile investment for their company

"In a matter of speaking, Yahoo! Store has put us on the map," said Lynne Bingham, owner of The Stork Delivers. "For years, the vast majority of our sales were generated locally through local advertising and word of mouth. It wasn't until we launched our Yahoo! Store that we started delivering gift baskets all over the country. Our Yahoo! Store gives us a very cost-effective way to market our themed and trademarked gift baskets to a truly global audience."

#### **Holiday News**

Just in time for the holidays, Yahoo! Store (<http://store.yahoo.com>) has a new look and feel featuring eye-catching colors, crisp new graphics, and a convenient sign-in link to replace the previous sign-in box. Yahoo! Store merchants can enjoy the same functionality in the Store Manager and improved access to information on the Yahoo! Store site.

Tips from Yahoo! Store for small businesses to get online include:

- **Online Store:** Consider setting up an online storefront. Several online commerce solutions enable merchants to create their own online storefront - some for as little as \$50 dollars per month.
- **Online Tools:** Use online tools to promote the business, such as online directories and search engines. Including an online store or Web site in Internet search engines and directories is a simple and cost-efficient way to reach potential customers. Some search engines and directories offer pay-for-placement, so that small businesses elevate their business' listing to reach new audiences.
- **Online Yellow Pages:** Take advantage of online yellow pages. Businesses can let customers know how to find them, on the Internet and off, by including their business listing in online yellow pages. Many yellow page directories offer "featured placement" for a small fee - offering more prominent placement as well as include more information about the business, such as hours of operation, payment methods and a link to the business' Web site or online store.
- **One-Stop Shop:** Look for a solution that provides everything from domain registration to hosting to inventory tracking and promotional tools. This one-stop-shopping approach will save time and money in the long run. A

wide distribution to an audience of online shoppers is critical.

- **Communicate:** Communicating with customers is the key to building a profitable, long-term relationship. When communicating to existing customers, building awareness and invoking action is critical to success.

#### **Harris Interactive Methodology**

The Harris Interactive survey, fielded from September 11 to 16, 2002, was conducted online using a targeted nationwide sample of 252 adults (18+), business owners and senior executives from small businesses with less than 100 employees. The businesses had to have an online e-commerce presence.

#### **About Harris Interactive®**

Harris Interactive ([www.harrisinteractive.com](http://www.harrisinteractive.com)) is a worldwide market research and consulting firm best known for The Harris Poll®, and for pioneering the Internet method to conduct scientifically accurate market research. Headquartered in Rochester, New York, U.S.A., Harris Interactive combines proprietary methodologies and technology with expertise in predictive, custom and strategic research. The Company conducts international research through wholly owned subsidiaries--London-based HI Europe ([www.hieurope.com](http://www.hieurope.com)) and Tokyo-based Harris Interactive Japan--as well as through the Harris Interactive Global Network of local market-and opinion-research firms, and various U.S. offices.

- (1) Forrester U.S. E-commerce, The Next Five Years, 2002
- (2) Gartner Retailers Report, 2002

#### **About Yahoo!**

Yahoo! Inc. is a leading provider of comprehensive online products and services to consumers and businesses worldwide. Yahoo! reaches more than 237 million individuals worldwide each month, and is the No. 1 Internet brand globally. Headquartered in Sunnyvale, Calif., Yahoo!'s global network includes 25 World properties and is available in 13 languages.

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