WEBWATCH

The weekly analysis of UK at-home internet usage sponsored by Freeserve

Top business and finance and entertainment sites

Top UK business and finance sites, at-home panels, April 2001

Rank	Site	Unique visitors (000)	Digital media reach (%)
1	**LloydsTSB.com**	906	6.5
2	**Egg.com**	760	5.4
3	**Barclays.co.uk**	585	4.2
4	**Nationwide.co.uk**	498	3.6
5	**Abbeynational.co.uk**	416	3.0
6	**Nationet.com**	414	3.0
7	**HSBC.co.uk**	325	2.3
8	**Halifax.co.uk**	318	2.3
9	**Directline.com**	268	1.9
10	**NatWest.com**	262	1.9
-	**Total digital media**	5249	37.5

Top UK entertainment sites, at-home panels, April 2001

Rank	Site	Unique visitors (000)	Digital media reach (%)
1	**Virgin.net**	934	6.7
2	**ITV.co.uk**	665	4.8
3	**Windowsmedia.co.uk**	588	4.2
4	**WWF.com**	407	2.9
5	**Shockwave.com**	395	2.8
6	**Channel4.com**	379	2.7
7	**Bananalotto.co.uk**	350	2.5
8	**Netbroadcaster.com**	303	2.2
9	**Teletext.co.uk**	284	2.0
10	**Iwin.com**	274	2.0
-	**Total entertainment**	7904	56.5

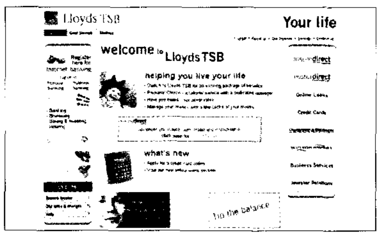
MMXI Europe is an internet audience measurement company. Data is compiled from a representative panel of people at home across the UK, tracking everything they do online click by click, page by page. On a monthly basis it reports individual sites by the number of unique visitors, reach, time spent per page and per month as well as recording demographic information on the users such as age, gender and income level. MMXI Europe also has panels in Germany, France and Sweden, and will have data for Denmark, Italy and Spain by the end of 2000.

Jupiter MMXI

Lloyds TSB continues dominance of financial services on internet

By Dominick Addison

Almost 40% of people accessing the internet from home in the UK used a business and finance site in April 2001, according to the latest research from Jupiter MMXI. Traditional financial institutions such as the high street banks and building societies dominate the top rankings; no online brokerages make the list.



LloydsTSB: 1.2 million internet customers

All the major banks and building societies have now adapted their customer base model to include online offerings. In January of this year Lloyds TSB had 1.2 million registered internet customers and has been the most visited financial services site since December 2000.

Lloyds TSB has now established itself as the most successful bank at driving consistent amounts of visitors to its site. They had previously been involved in a heated battle with Egg.com.

ITV.co.uk was the fastest growing site from March to April this year and leapfrogged other broadcast competitors, but trailed Virgin.net. Gambling sites Bananalotto.co.uk and Iwin.com have established themselves as regulars within the top ten most visited UK entertainment sites.

Jupiter MMXI recently highlighted gambling as one of the most profitable areas of the web and that as the penetration of iDTV increases, people will be able to search massive amounts of sports-related content, watch live sport and bet all, from the comfort of their armchair.

Dominick Addison is marketing manager of Jupiter MMXI Europe

DEFINITION OF KEY WEBWATCH TERMS

Reach
Number of visitors to a site expressed as a percentage of total internet population.

Unique visitor
Site visitors are counted only once, regardless of the number of visits they make.

Domain
Individual site (such as Amazon.co.uk or Amazon.de).

Global domain
Measures brand strength and combines all site addresses for one brand name.

Digital media
Software, hardware, proprietary e-mail services (such as AOL online).

Properties
Combines all the sites that are majority-owned by the same company.

Categories
In this section, sites are grouped together by their market sector classification.

WEB WORDS

Content providers must get survival strategy in place

Content providers and ISPs have to think a lot harder about how to make money

The sale of Megastar to Sports.com for a pittance, and the announcement by FT.com that it plans to begin charging subscriptions for certain areas of its content, represent the first rumblings of an avalanche that will change the face of the online media landscape.

There are a number of survival strategies that content providers can employ; the skill will be in finding the one that suits your business and is acceptable to your users.

One of the opportunities is likely to be subscription, but this won't work for all types of content.

News and financial content providers will make a success of it, as users find huge value in having immediate and current updates, which can be delivered wherever they want. Specialist or archived material already commands fees, so transferring this charge to online content won't require much of a shift in consumer behaviour.

Now that the pressure for profitability is really on, content providers and ISPs are having to think a lot harder about how to make money. So they'll need to think of more offers and benefits that are unavailable anywhere else, such as unique competitions, games, useful functionality, shopping or offers, that give users value for money and a reason to buy.

Where subscription is unlikely to work is in cases where no additional benefit is bestowed by using the internet. Lifestyle publications, with their glossy, tip-on-scented pages and rich colour have a cachet and a glamour that justifies their high cost to the consumer and where the internet simply cannot compete. Similarly, any information th at is available elsewhere for free will not retain its customers if they are suddenly charged for the service. This has been the age-old rationale behind not charging for subscriptions and it remains valid.

Another opportunity that media-owners will look to capitalise on is the premium advertising rates they can charge for reaching highly targeted, niche audiences. The further fragmentation of media into more focused offerings is shown in the case of Zoom, which is reducing its channels to focus on its core brand strengths of fashion and beauty. We will continue to see sites that are dependent on advertising attempting to find ways to attract advertisers through offering a unique, well-defined and highly relevant audience.

However, this strategy has several potential pitfalls. It will only work for sites whose targeted audiences can still reach a critical mass capable of generating enough revenue to sustain the editorial team and resources required to retain and grow the audience. The advertising revenue must not have seasonal peaks and troughs that leave it vulnerable in the off season. Sites also need to be able to deliver on advertisers' objectives in a cost-effective way.

Finally, consolidation with other brands could be an option for survival, but mainly as a way for shareholders to recoup their money, as only the most synergistic of mergers will allow both titles to retain their separate identities as brands in their own right.

An alternative is for titles to be consolidated into a portfolio, so that they retain their individuality, while their resources can be shared across their sister titles, as in traditional publishing.

However, the dangers outlined above will still impact the business, as we've seen when traditional publishers, such as IPC, close or consolidate the online versions of their successful offline publications.

The question remains whether advertisers will benefit from the shrinking pool of advertising vehicles, or whether reduced choice will lead to reduced quality and higher prices.

Kirsty Race is media superviser at Organic