

ConsumerReports Hopes New Affiliates Will Help Subscriptions

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ConsumerReports.org announced this week that it was entering into content distribution agreements with SmartMoney.com and ROAD & TRAVEL.

The agreements entail ConsumerReports sharing revenues with both targeted Web sites.

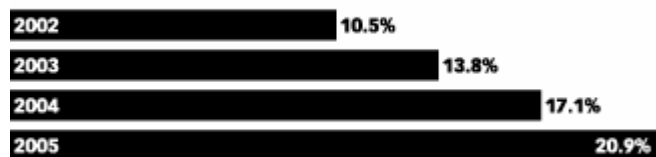
ConsumerReports.org announced this week that it has over 1.4 million paid subscribers. How is this site so successful? According to its releases, content distribution agreements play an important part in building subscribership.

ConsumerReports.org's strategy is that it makes a certain amount of its content free on its affiliate sites. Visitors have the option to click-through to the ConsumerReports.org Web site to order premium subscriptions.

SmartMoney.com is the online property of *Smart Money* magazine, a joint publication from Hearst Communications and Dow Jones & Company concentrating on financial news, planning and market tools. ROAD & TRAVEL is also the online branch of an offline publication that targets women with content specifically addressing them as drivers and consumers interested in purchasing automobiles.

And ConsumerReports has been growing its subscriber base. In December 2003, eMarketer noted in its *Online Paid Content* report that ConsumerReports.org had 1.2 million subscribers. eMarketer projected that by the end of this year, 17.1% of US Internet users would be online content buyers.

Consumer Online Content Buyers in the US, 2002-2005 (as a % of total Internet users)



Source: eMarketer, November 2003

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Are affiliate programs the key to ConsumerReports' success? The company's already well-known brand likely plays a part, and the convenience of the Internet surely appeals to already existent followers. But some industry experts are once again touting the importance of online affiliate marketing and pay-for-performance measurements. Don't be surprised if advertising media begins to buzz once again on the power of affiliate marketing.