

For Immediate Release  
October 6, 2004  
Press contact: Penny Fichtner, [penny.fichtner@thedrg.com](mailto:penny.fichtner@thedrg.com)  
(800) 489-4540

## **Internet Impact on Offline Spending at All-Time High Online information impacts 70% more spending offline than online**

Online product research conducted by consumers the past year was responsible for driving \$180.7 billion in offline spending, compared to \$106.5 billion in direct online consumer spending, according to new research findings from *The American Interactive Consumer Survey*, conducted by The Dieringer Research Group. The survey of 3,000 U.S. adults covered online and offline purchasing behaviors and impacts during the 12-month period ending the second quarter this year.

“The new annual spending data indicate that at least \$1.70 is spent offline after doing online research for every consumer dollar spent directly online,” said Thomas E. Miller, senior consultant at The Dieringer Research Group. “In reality, the offline spending impact is far greater because many consumers also go online to research financial and insurance products that are not reflected in the retail spending total.”

According to the new research, nearly 15% of total U.S. retail spending (excluding gasoline, food services and inventories) is currently influenced altogether by the Internet, a much higher ratio than is commonly cited.

The study also found that Internet-influenced offline spending is now growing faster than direct online spending. Internet-influenced offline sales grew 31% last year and direct online sales grew 14%, while total U.S. retail spending grew only 5% during the comparable period.

“The data confirm that the Internet’s role as a consumer product information utility is much larger than its role as a direct selling medium,” Miller explained.

Technically, retail spending data does not really capture all the ways in which the Internet impacts the U.S. consumer economy, according to The Dieringer Research Group research. For example, the survey also found that 17% of all U.S. consumers who opened new financial service accounts or took out new insurance policies the past year used the Internet in their product decision-making process. “Those decisions by online consumers affected literally billions of dollars in financial services revenues, making the total dollar impact of online information far greater than anyone is talking about,” concluded Miller.

The study findings have far reaching implications, from emphasizing the growing power of online advertising to drive offline traffic, to the importance of integrating branding, marketing, and customer service messages across media channels.

The **American Interactive Consumer Survey** covers multi-channel consumer shopping and personal finance behaviors. The Dieringer Research Group has been conducting this annual survey continuously since 1995.

More detailed findings are available to sponsors of the research. For more information, contact: Tom Miller at 800-489-4540, or e-mail: [tom.miller@thedrg.com](mailto:tom.miller@thedrg.com).

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