

Survey Shows Online Business Set to Boom During the Bust

10 February 2009 - "Online business owners are more confident, more profitable, more likely to be planning business growth, and are performing better than the general business community. Fact!" says Larry Bloch, CEO of Netregistry. The second annual survey of Netregistry customers indicates that online business is behaving very differently to the average small to medium enterprise (SMEs) during the current downturn.

The results of the survey, conducted in November 2008 by Sweeney research for the Sensis Quarterly Business Index, showed that online business promises to be far more resilient and should see substantial growth through 2009.

What Does Sensis Say About Online Business?

- **Online businesses are younger.** Netregistry SMEs are three times more likely than SMEs across the board to be aged between 0-9 years. 75% versus 25%
- **Online business owners are more confident.** 46% versus 13% - 3.5 times.
- **Online businesses are more likely to be planning expansion.** 57% compared to 39%
- **Online business performance indicators are higher.** In all key areas – including sales, profitability, capital expenditure and employment.
- **Online businesses are twice as likely to export.** 28% compared to 15%
- **Online businesses are more profitable.**
 - Twice as likely as the average SME to be earning between 51k-100k
 - As likely as the average SME to be earning between 101k-500k
 - As likely as the average SME to be earning between 501k-1m
 - **Three times as likely as the average SME to be earning over 20m**

With significant year-on-year growth in online sales in 2008, particularly in the final quarter leading up to Christmas, online business seems to be defying all the economic trends, as Bloch explains. "As budgets tighten and families stay home more, they are turning to the internet to find bargains. With fewer overheads, online stores often deliver more competitive prices than some major high street stores and consumers have been discovering the convenience of shopping without leaving the house."

Netregistry expects to see a rise in the launch of online stores in 2009, with traditional retailers tapping into the online revenue stream and new businesses taking advantage of the low cost of internet business.

The Sensis survey of this group was balanced against a sampling of the general SME community.

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About Netregistry and Nett Magazine

Netregistry was founded in 1997 with a mission to deliver best of breed online products and services to the Australian SME market. Its world class infrastructure and global award winning customer service operation underpin the rapid growth that has seen it become the largest provider of Australian domain names and associated services, with over 250,000 Australian businesses serviced daily.

Netregistry publishes NETT Magazine, Australia's most widely circulated SME Business publication. NETT Magazine inspires and motivates small business owners to take advantage of the opportunities online offers to survive, compete and win. With the company's core strengths in domain names, hosting, ecommerce and search marketing Netregistry is a one stop shop SME's wishing to take their business

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further online. Netregistry provides SME's with all the required elements of 21st century digital business infrastructure.

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