



Model of Excellence

Company:	Business Model:
GlobalSpec Inc. Troy, New York www.globalspec.com	Advertising and Transaction Supported: Sales Leads

Overview of General Business Model Characteristics

The Advertising and Transaction Supported: Sales Leads business model is the newest one to appear on the Infocommerce Business Model Matrix. It reflects the convergence of capabilities (the ability to capture and report user activity) with necessity (providing demonstrable value to advertisers pressured by an economic downturn and still less than certain about the value of online advertising).

While there are variants of this model, the most prevalent and accepted approach is the one adopted by **GlobalSpec**. Visitors to the site are required to register, and their registration data is forwarded to the advertising company. The publisher is paid some combination of a base fee, and an additional fee for each lead that is delivered. The publisher gains rock-solid proof of performance, and a sales advantage, because it's much easier to sell sales leads than advertising impressions. The advertiser gets concrete value for their advertising investment, with little, if any risk, by paying on a "per inquiry" basis.

Models of Excellence Benchmarks

GlobalSpec is one of the most successful implementations of this business model. Specific characteristics that commend it:

- A parametric search engine provides highly targeted search results through a remarkably simple and elegant user interface
- Category-specific parametric searching (with limited search results available to visitors prior to registration, providing strong proof that the site has enough information to justify the effort to register)
- A focus on product-level data, providing far more information than is available in a traditional buying guide product --- 850,000 searchable product families, and nearly 10,000 supplier catalogs can be found and searched online
- Steady growth that has taken it from 190,000 registered users in January 2002 to over 790,000 registered users today

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