



## Marchex Unveils Marchex Pay-For-Call Exchange

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Marchex, Inc. (NASDAQ: MCHX), a call advertising and small business marketing company, today announced the Marchex Pay-For-Call Exchange, a performance-based call advertising product that connects advertisers to customers through phone calls driven from online, mobile and offline marketing channels. Initially introduced to select customers in 2009, Marchex has seen significant early adoption of this product.

"Pay-For-Call advertising is the natural next step in the evolution of performance media. It is the last mile for advertisers, literally connecting them to their prospective customers through the phone. Each iteration of advertising products and business models - from pay-per-view, to pay-per-click, to pay-per-conversation, brings advertisers closer to customers and the actual transaction while increasing efficiency and ROI," said Pete Christothoulou, Chief Operating Officer at Marchex.

### The Pay-For-Call Market:

According to BIA/Kelsey, advertisers spend more than \$35 billion per year driving phone calls. These dollars are spent on multi-channel marketing products across Yellow Pages, radio, television, print and other media forms.

While performance-based call advertising is in its early stages of adoption, Marchex predicts that the market will grow rapidly over the next several years due to several factors:

- a. **Explosion of Digital Supply.** While the number of opportunities to place digital media dollars to drive calls is relatively small today, it will increase markedly over the next several years. Acceleration of mobile advertising, the transition of directory assistance to ad supported, the entrance of ad-supported models by PC-based phone call providers and the efforts of directories to better monetize their listings will usher these changes into the industry rapidly.
- b. **Technology Evolution.** Technologies have emerged and will continue to develop that cost-effectively serve, track, optimize and filter phone calls, while providing more customer intelligence than other mediums, such as caller geography, demographic data and information extracted from call recordings.
- c. **Performance Models Drive Results.** As more digital media opportunities and technologies emerge, performance-based models are following. Performance-based business models, such as paying only for qualified phone calls, are materializing and driving high advertiser return on investment ("ROI"), while reducing monetary risks. According to Marchex internal data, over the last nine months, many advertisers using its Pay-For-Call Exchange have experienced higher ROI than leading pay-per-click programs, with conversion rates for certain customers as high as 50 percent.

### Marchex Pay-For-Call Exchange Overview:

The Marchex Pay-For-Call Exchange combines a robust telephony platform with campaign creation expertise and call filtering technologies to create, manage and optimize advertiser campaigns across more than 50 publisher partners in online, offline and mobile media. Additionally, advertisers have access to rich call analytics and customer intelligence, including caller geography and call recordings.

Advertisers that have joined Marchex's Pay-For-Call Exchange have experienced significant ROI, including an average call conversion ranging from 20 percent to 30 percent for many advertisers, with some seeing as high as 50 percent; typical consumer engagement on the phone averages more than eight minutes, with certain categories and advertisers experiencing up to 12 minutes; and typical advertiser budget increases have averaged 200 percent of their initial commitment. Additionally, companies that have joined Marchex's Pay-For-Call Exchange have been able to monetize their inventory more effectively.

While still in its relative infancy, Marchex has built a significant, growing customer and partner base for its Pay-For-Call Exchange, including leading digital agencies such as Razorfish, one of the largest interactive marketing and technology companies in the world; ADT, the world's largest electronic security company; PRIMEDIA, a provider of online, print and mobile platforms that provide real estate rental listings; and Jingle Networks, the nation's leading advertiser-supported directory assistance service at 1-800-FREE-411.

### Customer and Partner Feedback:

"The Marchex Pay-For-Call Exchange is one of the fastest growing marketing programs for us, and it's been a great complement and expansion to our digital programs," said Danny Huynh, Director of Search Marketing, Razorfish. "It's quickly becoming a mandatory marketing program for our direct response clients, and one where we see opportunities to grow our participation significantly."

"We are very focused on identifying and executing against the most effective and efficient marketing programs available," said Frank Rivera, Director of Digital Marketing, ADT. "As consumers are exposed to more communication channels and touch points, we have to diversify our tactical efforts for conversions beyond the click through innovation such as the Marchex Pay-For-Call Exchange. We are seeing efficiency in helping us leverage marketing across online, offline and mobile."

"In these early stages, the Marchex Pay-For-Call Exchange has been a successful marketing program for us, helping us drive more leads to our apartment advertisers," said Tracy Dodd, Director, Interactive Marketing, Consumer Source Inc., a PRIMEDIA company. "I've been impressed not only by Marchex's ability to generate incremental customers at scale very quickly, but also with their level of service and expertise in this medium."

"Marchex has quickly become one of our largest customers and is definitely the fastest growing," said John Roswech, President of Jingle Networks / 1-800-Free-411, a Marchex Pay-for-Call Exchange publisher. "Their unique collection of call-focused assets and resulting ability to drive advertiser results is proving to be a competitive advantage."

#### **About Marchex**

Marchex's mission is to unlock local commerce everywhere by helping advertisers reach customers wherever they may be - in mobile, offline and online channels, including on our own local and category Web sites.

Our performance-based call advertising products, Marchex Pay-For-Call and Marchex Call Analytics, are reinventing how businesses acquire new customers through the phone. Our award-winning Small Business Marketing products empower local businesses to efficiently monitor their online presence, communicate with their customers, and acquire new ones. Every day, our products support tens of thousands of advertisers and partners, ranging global enterprises to local businesses.

For more information about Marchex, please visit [www.marchex.com](http://www.marchex.com).

#### **Forward-Looking Statements**

This press release contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this press release regarding our strategy, future operations, future financial position, future revenues, acquisitions, projected costs, prospects, plans and objectives of management are forward-looking statements. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements we make. There are a number of important factors that could cause Marchex's actual results to differ materially from those indicated by such forward-looking statements which are described in the "Risk Factors" section of our most recent periodic report and registration statement filed with the SEC. All of the information provided in this release is as of May 11, 2010 and Marchex undertakes no duty to update the information provided herein.

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