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## YAHOO BUYS INTERCLICK INCORPORATION



The Yahoo Incorporation has decided to purchase the Interclick Incorporation. The Yahoo Incorporation will pay \$270 million dollars for Interclick. The purpose of the purchase is to help with the advertisements on their website. By purchasing Interclick, advertisers for companies and businesses will be able to target certain audiences with specific messages and advertisements. This will benefit the advertisers and the companies and products that are being advertised. It will also work in the favor of the Yahoo Incorporation because it will help them to earn advertisement revenue and increase their shares. It is believed that Yahoo may use Interclick to help bring up the sales of their advertisements. Because Yahoo has many competitors that also display advertisements on their websites, the corporation is hoping that Interclick will help with the sales of advertisements from the Yahoo website. With stiff competition, Yahoo is failing to increase their shares. Buying Interclick may be one of the best ways for Yahoo to get out of the rut and grow as a company. An analyst for BGC Partners, Colin Gillis, has shared his opinion about Yahoo and Interclick. He has said, "The company needs to improve their display advertising business; it's not a major acquisition for Yahoo." During his interview, he was also quoted as saying, "The deal is not going to change whether buyers are going to come or not."

In the most recent months, Yahoo shares seem to have fallen dramatically while the Interclick shares have risen. Yahoo will be displaying around 13 percent of ads in the United States for the year of 2011. In 2010, a little over 14 percent of ads in the United States were displayed on the website. While the shares for Yahoo have declined in just one year, Facebook's share continues to increase which means that the website is Yahoo's major competition. In fact, Facebook has the highest number of shares for advertisement when compared to any other competing website.

Kerry Rice, an analyst who supports Interclick and highly suggests buying shares from the company, has said, "Interclick's behavioral targeting technology could help Yahoo to grow its display advertising revenue faster. Yahoo could give Interclick more resources to expand into areas like mobile and video advertising," In other words, buying Interclick could be extremely beneficial for Yahoo. It will likely help them to expand as a company and increase some of the advertisement on the website. If Yahoo and Interclick can join forces, Yahoo may possibly be able to beat out Facebook for advertisement shares. This is not something that will happen overnight but with the help of Interclick, Yahoo can begin to increase their shares and the percentage of advertisements that are displayed on the website.

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