

# The Influence of Requirement Concepts of Search Engines on Web Market Lists

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## Abstract

A search engine is a program that takes a query from the user and fetches a listing of results that match the query. It employs a mechanism to build an index or a directory of all the information available in various data formats and use such index to fetch results when a user poses a query. A query can be a keyword, a phrase, a sentence or a visual[9]. However, this definition of search engines may not hold good for today or a type of search engines which have evolved to become a gateway to the web. This paradigm shift in the search engines by becoming a web interface from a navigation tool shows the influence it has on the browsing behavior of the users as well as the expansion to the web itself. It is observed that over 50% of online buying decisions begin at a search engine and for domain like travel and tourism the figure is nearly 75% [1]. These are significant numbers which are demonstrating the power of search engines in the web economy. The phenomenal growth of e-Commerce activities and online trade are compliments by the growing sophistication of the search services. This has created a huge market of search advertising, in other words advertising on search engines. Further note, with the growing complexity of the web in terms of its size and scope, users are turning to search engines as their web interface rather than navigating individual websites using URLs. This signifies a huge behavioral shift of users towards search engines. While emphasizing on the indispensability of search engines, Danny Sullivan, founder of the 'Search Engine Watch' blog site says "Originally, we turned to them just to locate stuff on the web. We continue to do that but they're going through a metamorphosis into being our trusted guide to everything". This paper will look at few aspects of the growing landscape of the search engines market as well as the advertising and marketing on search engines and discusses the influence it had on the entire web market lists [2].

**Keywords:** Value of Search, Search Marketing, Advertising on Search Engines, Web Economy

## 1. Introduction

[In the mid 1990's, there was lot of search engines market with lot of search engines are competitions, each one trying to challenge the other in providing better results]. There are several innovative techniques were developed to index the web and fetch most appropriate results in the quick possible time. In the year 1997 the founder of ([www.goto.com](http://www.goto.com))- now called "overture services", as a part of yahoo- search engines had come out with the idea of collecting listing charges from websites to ensure

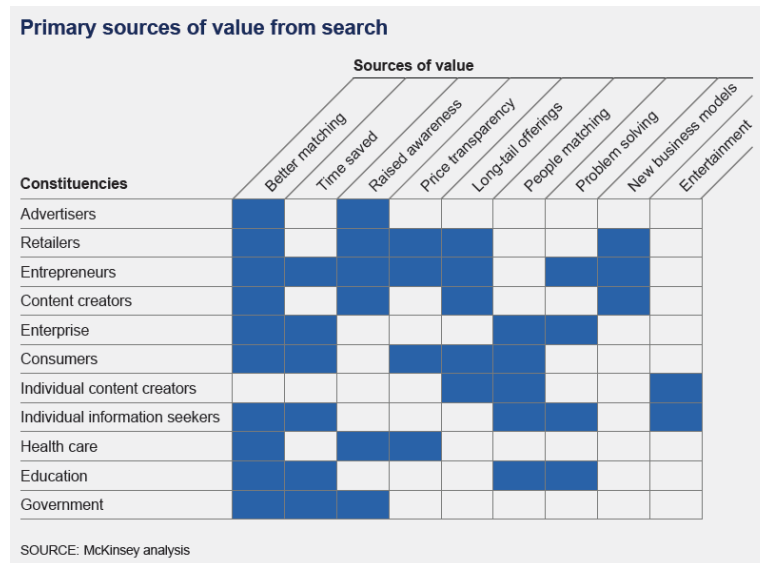
their listing in the search results for a given category. Comscore Network "The evolution of search engines as everyday consumer web tools has made them a vital resource for marketer". Search engines are obviously a critical vehicle in reaching consumers during the buy cycle, but they also offer a rich source for consumer profiling, segmentation, and measurement of product demand." [3]. The idea behind search engines, it's important for the web marketers to have their websites listed on them, otherwise there is a risk of being ignored by the user in the crowded world of the web.

**1.1 The Value of Search: Who Benefits and How?**

Search affects the activities of individuals and all sorts of organizations, so they cast of the research net wide when trying to assess its value. They wanted to look at its impact on businesses, individuals, and public service entities, and so they have examined 11 constituencies within these main groups—for example, advertisers and retailers in business, and health care and education in public services—analyzing how the nine sources of value affected each. The results should be regarded as case studies that demonstrate the value of search rather than as a fully exhaustive analysis. If the task of quantification was too uncertain for some sources of value—such as calculating the value of better matching for retailers—or if the value was likely to be minor, it was not included in our analysis [6].

The study showed that value accrues to all constituencies. The three most-studied sources of search value—time saved, raised awareness, and price transparency—are important. However, the study illustrated the additional impact of the other six sources of value, emphasizing the extent to which previous views of how search creates value have been too narrow. Fig.1.Describes the sources of value for each constituency.

**Figure 1:** Describe the primary sources of value from search[6]



Here are some examples of how the different constituencies benefit from search:

- a) The value of search to retailers was estimated in 2009 at 2 percent of total annual retail revenue in developed countries and 1 percent in developing ones. That is equivalent to \$57 billion to \$67 billion in the United States and \$2.1 billion to \$2.4 billion in Brazil.
- b) Search-enabled productivity gains enjoyed by knowledge workers in enterprise were worth up to \$117 billion in 2009 in the five countries studied. The figures ranged from \$49 billion to \$73 billion in the United States to \$3 billion to \$4 billion in Brazil.

- c) They calculated that the value created for consumers was worth around \$20 per consumer per month in France, Germany, and the United States in 2009, and \$2 to \$5 in India and Brazil.
- d) Depending on geography, 30 to 60 percent of all Internet users—that is, some 204 million people in the five profiled countries—create their own content. The shares are higher in developing countries than in developed countries. It is hard to measure the value of search to these people, to the extent it helps make their voices heard. However, the sheer number of those who create content to express themselves in one way or another helps explain the power of social networks to influence social dynamics around the globe.

## 1.2 Growing Search Engines Market

Search Engines are important part of advertising and marketing for businesses such as newspaper and magazine ads, trade shows other traditional medium. Top ranking on search engines are like Google, Yahoo, MSN can drive more new sales prospects to a website than a full page ad in a leading newspaper or magazine, that too at a fraction of cost. Logic is simple, more activity on the search engines means more visibility of your website, implies more traffic to your website and hence more leads and more sales. It may be disputed that increased traffic on website necessarily does not mean increased sales; but the relevance and power of any advertising medium lies in the same logic, improve the visibility to generate more leads and hence more business. The trend of search marketing and growing volumes of dollars spent on it has created a congenial environment for an explosive growth of the search engines market characterized by the entry of too many number of players. Hundreds of search engines, with customized, specific, innovative service offering have popped up in the last few years. Today, search engine for specific sector, industry, purpose, content type and technology are a common place on the internet. Growing number of search engines have paved the way for the emergence of search engines to search through multiple search engines *i.e.*, *Meta Search Engines* e.g., *Dogpile.com*. the early success of subject specific search engines like *Atlastravelsearch.com*, *mednets.com* etc., coupled with the growth of interactive web technologies have encouraged the emergence of search services with more narrower but deeper scope and focused targeting. Search engines for travel and tourism, to locate people and places, to find jobs, community search etc., are a few widely used search services apart from primary search services to locate websites and information. Intense competition in this young industry has made the netizens happy with more and more search engines coming up with better and better service alternatives. The players in this industry are faced with a dual challenge of providing un-compromised service by maintaining the highest relevancy of their search results and simultaneously look for ways to generate more revenues to sustain the business. The concept of pay for listing or sponsored links was invented and reinvented time and time again by the search engines to improve their top line. Today, several revenue models are there for search engine companies, depending upon the level and type of services they are offering, most prominent being pay per click, building affiliates network, revenue sharing on actual sales, fee based specialized services etc. Search engine market has grown both in length and breadth. The services they provide are far and wide ranging from URL search to facilitate comparative shopping. Further search engines have come out of the internet, to facilitate desktop search, mobile search, and network search on peer-to-peer computing networks. As the web economy and the complexity of the web continues to grow the need for better search engines will only increase.

## 2. Advertising on Search Engines / Search Marketing

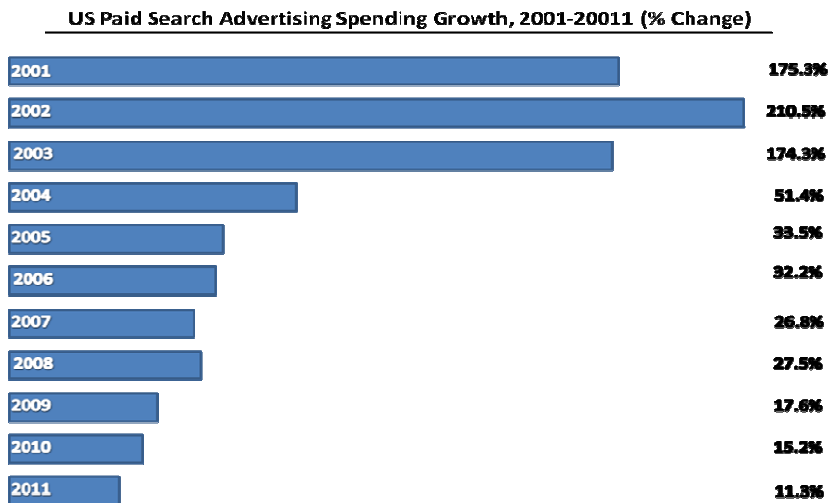
As mentioned earlier, the growing complexity of the web on one hand, and the convenience of obtaining relevant information quickly using search engines on the other, have driven the community of internet user to look at search engines as an interface to the web rather than just a navigation tool. This trend in the last few years had a profound influence on the way people transact on the web.

A significant portion of online sales today is emanated from search engines, may it be Business to Business or Business to Commerce transaction. This scenario warrants the companies, those that are marketing on the web, to look at marketing on search engines (or search marketing, as it its otherwise called) as a critical component of their web marketing strategy. Several studies have observed that search marketing is very useful both in B2B and B2C e-Commerce for triggering online sales. It may not be easy to figure out how much actual online sale can be attributed to as generated by search marketing; nevertheless, if figures are to be believed, an astounding 95% of the B2B transactions are triggered by an online search of which around 64% starts with a search engines[4]. These numbers demonstrate the effectiveness of search engines as a medium of marketing on the web. This fact is proved time and again by several studies, which can be referred on the web. Search marketing is effective than traditional medium, for that matter even the web advertising for three reasons. Search marketing is more 'targeted' ,non-intrusive' and 'voluntary'. Firstly, users who are driven to a website by search engines are actually looking on their own for what it has to offer, hence they are the most qualified leads likely to hear and consider your marketing messages. Hence, better conversion rate, for instance a user searching for airfares for a particular sector on the web is likely to consider a website, featuring in the search results, that claims to offer lowest airfares in that sector.

Secondly, the search by the users is voluntary and triggered by their requirements, and when they are clicking a website they have a reason to explore what it is offering that can satisfy their requirement. Finally, search engine advertising is non-intrusive unlike other media such as online advertising on websites and physical media like magazine and newspapers. In-your-face glossy pop-ups on the websites, dominating ads in the newspapers and magazines actually distracts the reader or the user behavior and hence it is more likely that the users will do their best to avoid such distracters. While in search marketing the users actively seek information and thus are more likely to be delighted to see relevant ads and will be driven to follow the link referred by such ads.

The striking differences between search marketing and traditional media marketing is that the former is pull-based marketing, where potential leads pull information about what a business is offering, while the later is push-based marketing, where the potential leads are pushed with information. Search marketing is growing by leaps and bounds since last few years. The leading search engines like Google, Yahoo, MSN, Ask.com, AOL etc., are generating revenues of billions of dollars through search marketing alone. A chunk of online marketing and advertising budgets of corporate across the world are allocated for advertising on the leading search engine advertising. This is evident from the robust growth of search advertising spending in the last few years[5].

**Figure 2: US Paid Search Advertising Spending Growth, 2001-2011(%Change)[5]**



Search marketing is done in many ways in that the most widely used is reserving keywords with search engines for fee for a specific period. Such reservation will ensure preferred listing of the website by the search engines in their search results, albeit subject to several conditions. Keywords are traded on day-to-day basis and in some cases hour-to-hour basis ranging from few cents to few dollars per keywords per click. Websites owners often choose for paid placement or paid inclusion apart from adopting all techniques to optimize their website to achieve better ranking in organic search. Proliferation of better internet infrastructure, thanks to broadband and wireless connectivity revolution, is steering users to go for online shopping. The deep reach and the value adding services provided by search engines naturally prompt the serious online shoppers to look at search engines as their web interface. This trend has given rise to a virtuous cycle of growth triggered by an increase in web activity prompting more search activity thereby triggering intense search marketing thus resulting in better sales hence boosting user confidence and ultimately giving rise to a whole new economy, often referred to as 'search economy'. Several new business like consulting services such as website optimizing services to achieve better search engines ranking at a lower cost; keyword trading exchanges; where keywords on leading search engines are traded, etc. have cropped up ever since the emergence of the search economy. This industry, still in its nascent stage, generating billions of dollars annually is poised to redefine several established rules of the internet and the web economy. The strength and usefulness of a search engine depends on the relevance of the results set it produces for a given query and the manner in which the results are presented. Though there are several search engines available on the internet but all are not equally efficient. Different search engines employ different methods and criterion for web crawling, indexing, query handling, ranking the results and presentation. However, all have the same objective of providing the most relevant results first and the least relevant later in the rapid possible time.

### 3. Conclusions

In the last few years, the business of search engines has emerged as a major economic activity on the web that has triggered a lot of competition among search engines companies often leading to certain unethical practices by search engines companies in their quest to generate more revenues[7]. Biased special results, misguiding keywords, annoying banner and pop-up ads, irrelevant sponsored links are a common place even on leading search engines, making the entire search experience cumbersome for the users. It is always to be borne in mind that the search engines market can only grow stronger and richer as long as the players realize that they need to serve the best interests of the user in good faith. This paper have surveyed to influence of search engines on web economy depending on the properties of search engines or subject directories. Search marketing is a very important topic that give the percentage of the different items in all the world with collect the information about each imparity among them.

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