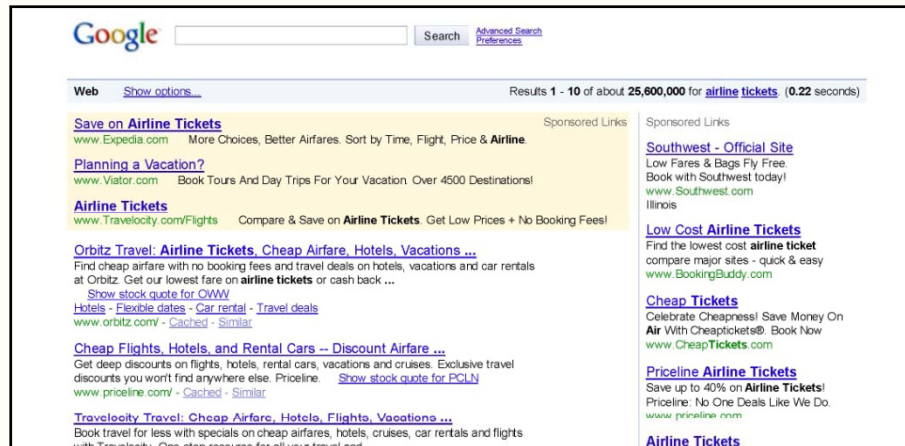




# The Incredible Shrinking Mobile Search Results Page





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**The Critical Issue for the Mobile Web:  
Innovation on  
Connecting Mobile Users and Websites  
via Paid and unPaid Channels**



# Why is this so important?

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- Search engines (Google, Yahoo, Bing, Ask, etc) are the single most important way that users and websites connect to each other on PCs, **but they offer only a very limited means to connect users and websites on the small screens of mobile devices**
- The mobile Web is in its infancy, presents an incredible opportunity, but needs innovation around the role traditionally played by search engines on the PC-based Web
  - Users around the globe are showing a high willingness to use the Web from their mobile devices
  - Websites and companies doing business on the Web will want to reach mobile users ... and vice versa
  - Mobile devices far outnumber PCs and laptops, with 40% or more of the world's population carrying a mobile device
  - The mobile industry (service providers, app developers and device manufacturers) are expending billions of dollars on 3G and 4G networks, devices and apps – based in significant part on forecasting that the people will want to use the Web from their mobile devices



# How connecting users to websites works on PCs

## Search website

(Google, Yahoo, Bing, Ask, ...)

## User's search query

25 million results

The screenshot shows a Google search for "airline tickets". The search bar contains "airline tickets" and the search button is labeled "Search". Below the search bar, the results are displayed as "Results 1 - 10 of about 25,600,000 for [airline tickets](#). (0.22 seconds)".

The results are divided into two sections:

- unPaid results:** This section includes several organic search results. The first result is "Save on Airline Tickets" from [www.Expedia.com](http://www.Expedia.com). The second is "Planning a Vacation?" from [www.Viator.com](http://www.Viator.com). The third is "Airline Tickets" from [www.Travelocity.com/Flights](http://www.Travelocity.com/Flights). Below these are four more results: "Orbitz Travel: Airline Tickets, Cheap Airfare, Hotels, Vacations ...", "Cheap Flights, Hotels, and Rental Cars -- Discount Airfare ...", "Travelocity Travel: Cheap Airfare, Hotels, Flights, Vacations ...", and "Orbitz Travel: Airline Tickets, Cheap Airfare, Hotels, Vacations ...".
- Paid results (sponsored links):** This section is labeled "Sponsored Links" and includes four sponsored results: "Southwest - Official Site", "Low Cost Airline Tickets", "Cheap Tickets", and "Priceline Airline Tickets".

Red arrows point from the labels "Search website", "User's search query", and "25 million results" to their respective elements in the screenshot. Red boxes highlight the "unPaid results" and "Paid results (sponsored links)" sections. Red arrows also point from the "unPaid results" and "Paid results (sponsored links)" labels to their respective sections.

unPaid results

Paid results (sponsored links)



# Paid and unpaid channels are important to users and websites

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- The amount of revenue Google\* generates from its sponsored links – which is generated ONLY if users click on the links – is a strong indicator of the importance users place on sponsored links to discern relevant websites from the huge numbers of unpaid search results
- Over 90% of Google's revenue comes from sponsored ads, and much of that revenue is split between
  - Sponsored links that show directly on Google search results pages (the majority of Google's revenue), and
  - Sponsored links that Google places on its AdSense partners' pages

\* Google is used as an example because it is the leading means on the PC screen-based Web (up to now, the primary Web) to connect users and websites.



# Why are both paid and unpaid channels important?

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- Unpaid search results provide both the user and websites with an impartial way for users to begin their search through the web for the most relevant site or set of sites
  - People use search engines for multiple purposes, such as
    - Looking for one specific site that they don't know
    - Looking for a set of relevant sites that they can compare for relevance/information
    - Looking for something, but not sure what or how to describe it
    - Looking for one thing, but finding results for unrelated, but interesting, things
    - Looking for one specific site that they do know, but that they are not sure of the URL
    - Other purposes (such as, vetting a URL for a scam site)
- Paid search results provide both the user and websites with a shortcut through the long lists of unpaid results based on a simple measure that, at least arguably, is easily understood on both sides: how much a website has paid to jump to the front in relation to the search terms the user has entered



# The 3 screens

Connecting Users to Websites via Paid and unPaid links is optimized only on PC/Laptop-size screens

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## TV Screens

- 36" W x 20.5" H
- Frequently much larger



## PC Screens

- 18" W x 11.5" H
- Frequently larger

## Laptop Screens

- 13" W x 8.5" H (or larger)
- Netbooks: 10" W x 8" H

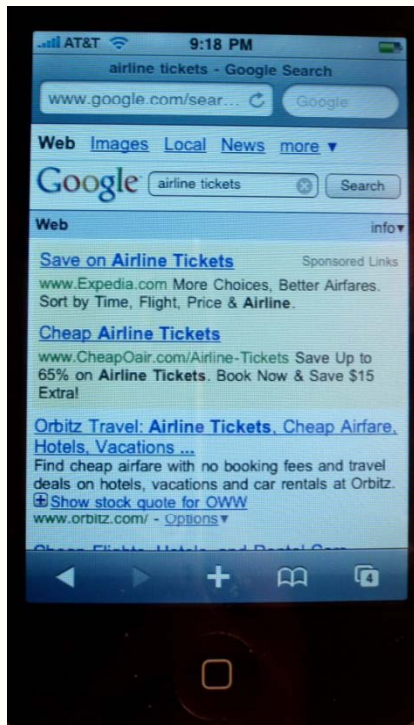


## Mobile Phone Screens

- 2" W x 3" H
- Frequently much smaller



# How connecting users to websites works on smartphones



iPhone showing first page of Google search results for "airline tickets" showing 2 paid links in tan background and 1 unpaid link



Many search results do not have any paid links



(A browser and a data/access plan/service are prerequisites for a user to access the Web (on any device). Browsers on many phones display highly altered versions of websites. Once a user accesses the Web using a browser, the question becomes what tools people and websites use to find each other.)



# Try it

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- Step 1: Open your phone's browser
- If your phone has a direct way to do a search without first opening the browser, click on the search icon
- Step 2: Do a search for "airline tickets" ... look at the results
- you can use whatever search term you want
  - we suggest "airline tickets" so it compares with the searches we use in the preceding slides
- Step 3: Assess how workable are the search results for connecting users and websites



# Assessment questions

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- How are the paid and unpaid results displayed?
- How many paid (sponsored links) results show?
- How many unpaid results show?
- How likely is it that you (or the majority of phone users who want to search the web for any of the purposes outlined in preceding slides) will look through the results to find what you or they want?
- Does this offer a viable solution for lots of websites to connect to mobile Web users?
- How much less revenue will this generate for a search engine compared to the number (and ease of viewing/clicking) of multiple paid results shown on PC-size screens?
  - This is a measure of how many fewer mobile connections will occur between users and websites using standard PC search engine results on mobile screens



# What Google Says

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- Google, in the Risk Factors section of its most current annual report, says
  - “More individuals are using non-PC devices to access the internet. If users of these devices do not widely adopt versions of our web search technology, products or operating systems developed for these devices, our business could be adversely affected.”
  - In further explanation, the risk factors state
    - “The number of people who access the internet through devices other than personal computers, including mobile telephones, [PDAs], smartphones and handheld computers and video game consoles, as well as [tv] set-top devices, has increased dramatically in the past few years. The lower resolution, functionality and memory associated with alternative devices make the use of our products and services through these devices more difficult ....”



# Some of our conclusions

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- Because of the inherent size limitations of the small screens on mobile devices
  - It is harder for users to look through even a few of the millions of links organized on hundreds of pages of unpaid search results
  - There can only be one or two sponsored (paid) links on each page of on-screen search results
  - There will be fewer clicks on sponsored links that a search engine places on its ad program's partners' pages
- The smartphone examples shown in the preceding slides have some of the largest screens available
  - Many phones have much smaller screens, making the problems outlined in this white paper even more serious for much of the mobile phone user population (and for websites and search engines hoping to generate PC-comparable revenue via mobile)



## This goes beyond the browser

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- Browsers are a prerequisite and can affect the efficacy of the tools people and websites use to find each other, but browser-independent search engine websites are the key way users and websites connect to each other on PCs/laptops
  - Browsers are the software application that provides the user with access to the Web
  - Browsers in large part control how websites are displayed
  - Browsers generally put users in a default or user-selected home page, and it is up to users to find their way from there to other websites



# This goes beyond non-search engine tools

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- Other tools (blogs, bookmarks, social bookmark sites, service provider sites, social sites, location-based services and apps) play a smaller role in facilitating users' access to a full selection of websites
  - These other tools frequently rely, at least in part, on a full screen presentation and paid links provided by the search engine
  - Some of these tools attempt to become the primary "portal" for users
    - These can potentially reducing access to the full scope of the Web by focusing the user on a set of partner/pre-selected sites or on snap-shots of information pulled from selected sites (sometimes based on user profiling)
  - Paid links on standard websites may well be hard to see, read and/or click on when the website page is presented on the small screen of mobile devices
    - A full website can be displayed on small, mobile screen, especially when a user can zoom the site in and out, such as by multi-touch on the iPhone, but is still a much more limited experience for finding non-central content/links than the experience on a PC-size screen



# The problem

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- The lack of an effective solution to connect users and websites is a problem for small screen devices on many fronts
  - For users, the preferred PC-paradigm for connecting to websites becomes far less effective
  - For websites, one of the most powerful channels for reaching users is far less effective
  - For search engines, the revenue opportunity from their PC-style business comes under significant pressure, particularly if people switch some of their web search from PCs to mobile devices
  - For network service providers/operators, it means there is a hurdle to increased web usage because websites are simply harder for people to find than on PCs



# The opportunity

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- There is a huge revenue opportunity for the innovation (a web search engine analog for mobile devices) that steps away from dominant PC-screen paradigm, and solves how to efficiently connect users and websites on small screen devices for both paid and unpaid search results listings
- The opportunity is significantly larger than the search engine opportunity on PCs because globally far more people use phones than use PCs, and people carry their phones everywhere they go, and those phones (and the networks behind them) are increasingly capable of providing an attractive mobile Web user experience
  - Phones are now positioned roughly where PCs and the Web were when portals (AOL, Yahoo and Earthlink) ruled the PC user's dial-up Internet experience



# Can mobile bookmarking help?

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- It can help for users, but is not nearly a full solution
  - Mobile screens are small for bookmarking solutions that rely on pull-down menus, on-screen icons, lists and groupings
  - Browser bookmarking generally consists of sites users already have flagged which means that user-created bookmarks do not provide a channel for new websites to reach users
  - Social bookmark sites rely heavily on a full size screen, and frequently have rules that severely limit their effectiveness as a channel for websites to use to promote themselves
  - Bookmarking functionality offered by browsers, apps and social bookmarking sites serve a relatively small percent of web users compared to search users, based on numbers of site visitors to these sites compared to visitors to search engine sites



## Maybe people don't want to access lots of websites on their mobile devices

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- The opposite seems far more likely
  - All trends show a global growth in scope of uses of mobile devices as an integral part of people's personal and business lives
  - All trends show the Web as an increasing source for voice, information, apps and entertainment – with access coming across a mix of wired and wireless networks to a mix of static (PC, TV), moveable (laptop) and mobile (handheld) devices
  - In many of the largest markets, PC and broadband penetration is relatively low, meaning phones and the cellular network are the primary means people use to access for the Web
  - Substantially more users may choose to use the mobile Web if the cost of data plans could be reduced
    - This can be achieved, for instance, with a revenue sharing of paid results between a cellular network operator and the new connection solution (somewhat analogous to Google's revenue share arrangement with its AdSense partners)



# What's needed?

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- A new way to connect users with websites (and vice versa) that is optimized for the small screens of mobile devices that provides both
  - Paid results
  - Unpaid results
- What will a really powerful solution be, and what will it look like?
  - It should work on both touchscreen and non-touchscreen devices and independently of any specific browser – in other words, it should provide a common solution for all users of the mobile Web
    - It could be in the form of an add-on app that works cross-browser
  - It should work for users' converged lifestyles, meaning it should work across PCs, laptops, netbooks, mobile phones and even tvs



# Related white papers

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- Related “White Paper” Slide Decks
  - The Changing Face of User Input on Mobile Devices
  - Compound versus Elemental Devices – New Mobile Device Market Strategies
  - Monetizing the Keypad Real Estate on Mobile Devices
  
- Download these from
  - Links from [www.yuvee.com](http://www.yuvee.com)
  - [www.slideshare.net](http://www.slideshare.net)
  - Tim Higginson’s profile on [www.linkedin.com](http://www.linkedin.com)



# Contact us

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- Contact us for
  - More information and context on this and related issues
  - Our view of the optimal solution, ways to implement it and to capture its revenue potential
  - Other advisory services



# About Yuvee

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- Yuvee
  - develops and licenses advanced user interfaces and related device designs that make the mobile Internet and advanced mobile apps/data services effortless and immersive
  - provides advisory services in multiple areas relating to mobile and converged devices including
    - differentiated, physical and graphical user interface design
    - mobile and converged device design
    - innovation management processes (“IMP”) optimization
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