

Exhibit N-3

Paid Placement

Netscape Search, which is owned by AOL, used paid placement listings supplied by Google. These results appeared at the top and bottom of the results page and were distinguished from the main results by a heading and hyperlink to a disclosure page.

All testers noted the eye-catching red "Sponsored Links" heading (which, at the time this report was written, had been changed to a less-obvious dark gray). Most testers also believed the language effectively conveyed paid placement.

Although all testers said the "About This" hyperlink suggested the availability of a disclosure, several said the small, gray hyperlink tended to blend in with the page. (As with the heading, this font has since been made even fainter since testing was concluded.)

Clicking on the "About This" hyperlink opened a pop-up window. A disclosure of "Sponsored Links" was prominently featured near the top and earned praise from testers for being simple and straightforward. "Good disclosure of paid placement," said one. "It also includes a link to Google for further information."

One tester faulted Netscape for giving users a URL for Google, rather than a clickable link, forcing users to click away from the disclosure or manually open a separate browser. "The Netscape disclosure says 'For information on how Google determines relevancy or to learn more about having your Web site appear in this area, please go to <http://www.google.com> and click on the 'advertise with us' link.' But in following the reference, I could find no such information," complained the tester.

Paid Inclusion

Netscape did not use paid inclusion. Main results, which were grouped under the heading "Matching Sites" and an "About This" hyperlink, were also provided by Google.

Netscape sometimes uses "content promotion" in the "Matching Sites" results, which included both Netscape

and sponsored results selected by in-house editors. As with its sister site and owner AOL, Netscape's use of content promotion confused some testers, and led several to incorrectly conclude the site used paid inclusion, such as this one:

"It is not possible to easily identify paid inclusion in Netscape search results; however, the following phrase indicates the possibility of paid inclusion: 'Text search results may be preceded by a visually distinct graphic containing information related to your search query, our research staff selects this information or accepts sponsored information powered by a third-party.'"

The previously noted difficulty in determining whether Google used paid inclusion (it does not) fueled further uncertainty.

"I can't tell if they use paid inclusion because they get some links from Google, and I can't tell if Google uses paid inclusion," said another tester. "I don't think they do, but they don't really say on the Google site."

OVERTURE

<http://www.content.overture.com>

Dates tested: May 1, 3 & 4

See Figure 17

Paid Placement

Overture, which is owned by Yahoo, used paid placement almost exclusively, and supplied its own results. Paid placement listings typically dominated the results pages—particularly for more commercial searches—and were identified on a result-by-result basis with headings hyperlinked to a disclosure pop-up.

Most testers said the "Sponsored Listing" headings—which appeared after the URL on the last line of the listing and feature a small, pale blue font within parentheses—contrasted only slightly with the page and were, therefore, difficult to find. "Sponsored links are not very obvious, since they all appear in one long list with other search results, with 'sponsored listing' in very small type," said one tester.

FIGURE 16: NETSCAPE SEARCH

The screenshot shows a Netscape browser window with a search bar containing 'Europe + tours'. The search results are displayed in a list format. At the top, there is a 'Sponsored Links About This' section with four items. Below that is a 'Matching Sites About This' section with ten items. On the right side, there is a vertical sidebar with navigation options like 'FID', 'TR', 'FIS', 'The', 'Map', 'SER', 'by', 'rel', 'to', 'f', 'tw', 'CAL', 'inh', 'lang', 'ren', and '>>'. The main content area is framed by a dark border.

Netscape Search Go powered by Google

Now! Search the Web for images of 'Europe + tours'

Sponsored Links About This

- **Tour Europe with Globus**
Get \$200 off for two when you buy select Globus European vacations
<http://www.globusjourneys.com>
- **Europe Tours Discounted**
Large selection of European tours Every package is discounted
<http://affordabletours.com>
- **Free Airfare to Europe**
Purchase any European tour and get free companion airfare to Europe!
<http://www.goaheadvacations.com>
- **Contiki: Save \$100 Europe**
Save on fun affordable Contiki Europe trips for 18-35 year olds.
<http://www.contiki.com/deals.asp>

Page: 1 2 3 next

Matching Sites About This

1. **Rick Steves Europe Tours, Rail Passes, Travel Books, Luggage and...**
... for 2004 tours! European Railpasses Plan your itinerary and choose the right pass. Order online, and we'll toss in lots of FREE extras. Rick Steves' Europe on ...
<http://www.ricksteves.com/>
2. **Europe Tours - Tour Europe with your private driver-guide**
Privately guided driving tours of Europe featuring major European cities, historic landmarks and natural sites. Europe Tours ...
<http://www.a-la-carte-europe-tours.com/>
3. **Europe tours | Europe tour booking online | Travellerspoint**
... Tours > Tours Europe. Europe Tours. Choose one of the countries below to find tours in Europe and to book secure Austria ...
<http://www.travellerspoint.com/tours-by-region.cfm?region=Europe>
4. **EUROPE TOURS ITINERARIES**
... Southern France to Paris, 14 Days, April to October. CENTRAL EUROPE. Name of Itinerary. Length. Time of Year. ... EUROPE. Name of Itinerary. Length. Time of Year. ...
<http://www.ehi.com/tauck/europe-itineraries-tours.htm>
5. **CENTRAL EUROPE TOURS ITINERARIES**
tlogo2.jpg (10153 bytes). Travel By Fingertip presents... Central Europe Itineraries Toll Free Reservations & Information ...
<http://www.ehi.com/tauck/central-europe-itineraries-tours.htm>
6. **Contiki - Worldwide Vacations for 18 to 35 Year Olds**
... Tour Plus Contiki Resort Mykonos - Save US\$50 Combine a Contiki Europe tour of at least 10 days long with a stay at the Contiki Resort ...
<http://contiki.com/deals.asp>
7. **Europe Tours Main Page**
Regular tours, discovery cruises, adventures expeditions and customized tour programs to Europe for discerning travelers
http://www.travelvantage.com/eur_tour.html
8. **Europe Tours**
... On this 8-day hiking tour through the peaks of Europe, we will explore some of the most famous and legend-riddled mountains in northern Spain. ...
<http://www.gapadventures.com/continent/Europe>
9. **Europe Tours - Tour Operators**
Europe Tours Tour Operators. ... The following tour operators offer a variety of tours to Europe, so be sure to bookmark and browse their sites. ...
<http://www.bugbog.com/tours/europe/europe.shtml>
10. **Trafalgar Tours The World's Best Selling Escorted Motorcoach Tours**
The World's Best Selling First Class Escorted Tours to Europe, Britain, France, Italy, USA, Canada, Australia, New Zealand ...
<http://www.trafalgartours.com/>

More Sponsored Links About This

All but one tester said the headings suggested paid placement, but most did not believe the hyperlinked headings clearly indicated the availability of a disclosure as effectively as separate headings and hyperlinks. One tester praised the placement of a disclosure link after each result.

Clicking on any of the hyperlinked headings opened a pop-up window headlined "Sponsored Listing," which contained the paid placement disclosure. Most testers liked the wording of the disclosure, using terms such as "clear, concise."

"Overture is very careful to present their search results in an honest way, not attempting to obfuscate the fact that the results appearing at the start of a results set are paid placement entries," said another. "Whatever one might think of the search engine, the candor with which the paid placement information is disclosed is refreshing."

One tester, however, complained the disclosure was not designed with consumers in mind. "There is a link to a 'How Overture Works' page that is very slow loading (over two minutes on my dial-up), requires Flash, comes from a third-party site, requires sound and plays extremely slowly," said the tester, who also found the disclosure less than simple and straightforward. "Definitely not—it is puffery designed to sell placements."

Paid Inclusion

Overture used paid inclusion, although to a much lesser extent than paid placement. These results were supplied by Inktomi, which—like Overture—is owned by Yahoo. Paid inclusion listings were identified on a result-by-result basis with headings hyperlinked to a disclosure page.

None of the testers believed the "Additional Listing" headings adequately conveyed the use of paid inclusion. And because these headings were identical to those for paid placement in terms of look and feel, most testers faulted them for failing to clearly stand out.

Clicking on the hyperlink opened a pop-up window headlined "Additional Listing," which contained only the paid inclusion disclosure. Reviews were mixed. While

one tester praised Overture for its "clear and succinct explanation" of paid inclusion, another expressed uncertainty: "It is not clear whether paid inclusion is being hinted at in the disclosure under 'additional listings.'"

One tester questioned the accuracy of the following sentence: "These sites are ranked using an algorithm applied to all listings within each section, with no change in rank due to payment." Notes the tester: "It fails to disclose that paying for a listing may give the advertiser information about the selection algorithm or advice on how to change their pages to benefit from the search algorithm."

WEB SEARCH

<http://www.websearch.com>

Dates tested: April 30, May 3, 4 & 5

See Figure 18

Paid Placement

Web Search used paid placement and displayed results from Google, Overture, Ah-ha, FindWhat and Kanoodle. The meta-search engine allowed users to view results on an engine-by-engine basis or by relevance. Testers were asked to conduct searches by relevance. Paid placement listings were interspersed throughout the results page without any headings and were only disclosed with a single hyperlink at the bottom of the page.

Some months after the testing was conducted, Web Search altered its results page to identify paid placement on a listing-by-listing basis, much like Overture and InfoSpace. The site now places the phrase "Sponsored by" before the URL of each paid placement listing—using an identical font size and color. The site, however, continues to rely on a single hyperlink at the bottom of the page, and the disclosure page remains unchanged.

All testers noted the lack of any heading, and most said the "About Results" hyperlink—located at the bottom of the page in a faint, gray font—was easy to miss, since it blended in with the page and was one of nine links. All, however, agreed that it indicated the availability of an explanation.

FIGURE 17: OVERTURE

overture 

WANT A FREE PHONE EVERY YEAR? **SELECT PHONE WITH NEW QUALIFIED 2-YEAR PLAN** **Choose a Phone Now** **AMT Wireless** **Go** Requires you to be eligible. Some restrictions may apply. Promotional only.

auto insurance + New Jersey **SEARCH** **View Advertisers' Max Bids** **Search Tips**

Other Categories:
 Computing
 Education & Career
 Entertainment
 Finance
 Health
 HomeLife
 Reference
 Shopping
 Travel

You searched for **auto insurance + New Jersey**.

Get listed in these results and reach 80% of active Internet users on sites like MSN, Yahoo!, InfoSpace and AltaVista.

- 1. Great New Jersey Auto Insurance Quotes**
 Since 1989, we've provided consumers with a fast, free and effective way to comparison-shop for New Jersey insurance. See for yourself why over 5 million consumers have shopped Netquote@.
www.netquote.com (sponsored listing)
- 2. Auto Insurance New Jersey**
 Looking for auto insurance? Answer Financial offers side-by-side quotes from leading companies. Find the right coverage at competitive rates. Click here to shop and compare.
www.answerfinancial.com (sponsored listing)
- 3. New Jersey Auto Insurance**
 Receive up to three quotes within minutes by phone/e-mail from our nationwide network of insurance professionals. Compare auto insurance from hundreds of companies with one form.
www.localinsurance.com (sponsored listing)
- 4. Great New Jersey Auto Insurance Info**
 Looking for New Jersey auto insurance? We offer fast free information on insurance. Stop searching and start shopping. Visit us today.
www.new-jersey-auto-insurance.org (sponsored listing)

- 21. NJM Insurance Group**
 New Jersey Manufacturers Insurance Company (NJM), based in West Trenton, is a personal and commercial lines property-casualty insurer operating in New Jersey and eastern Pennsylvania.
www.njm.com (additional listing)
- 22. NJ Dept of Banking and Insurance**
 Just For Producers consumers -complaints & inquiries -insurance, banking, real estate info -auto/homeowners insurance -consumer guides -premium and fee comparisons and much more..... Insurance What's New. Welcome to the DOBI Web ... Auto Insurance Purchasing Planner - Learn more about coverage ...
www.state.nj.us (additional listing)
- 23. Homeowners Insurance, Auto Insurance, Discount Car Insurance New Jersey, NJ**
 instant quotes for homeowners insurance, applications for homeowner's, renters, condominium, townhouse and auto insurance, qualify online for discounted car insurance for New Jersey residents in discounts between home and auto insurance, claims free discounts and more. New Jersey drivers pay some of the highest ...
www.insurance-policy.com (additional listing)

FIGURE 18: WEB SEARCH

Web Images Audio Multimedia News

Web Search [Preferences](#) [Help & Tips](#)

LookSmart | AltaVista | Yahoo! | Teoma | Ask Jeeves **Web Search**

View By Relevance View By Search Engine Send these results to a Friend

Meta-Search results for "Atkins diet" (1 - 10 of 129) page: 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 - 10 - 11 - 12 - 1

Atkins Diet Super Sale - 50% off
 Save up to 50% on all Atkins products. Atkin's low carb bars, Atkin's shakes, pasta, breads and more. Hund of low carb products in stock now. Shop and save. Buy now.
<http://www.vitacost.com>

Get with the Atkins Program
 Follow the Atkins plan with eDiets. Atkins has never been easier thanks to personalized meal plans created for you by eDiets. Get started today with a free profile and newsletter.
<http://www.ediets.com>

Save on Atkins at CoolSavings
 The Atkins Diet is now online. Get your personalized plan for just \$2.99/week. Join CoolSavings today to see this great offer. Plus, print real coupons, get free stuff and more.
<http://www.coolsavings.com>

Atkins at Home Fresh Food Delivery
 The fast and easy way to lose weight. Gourmet meals delivered daily for only \$36.95 per day. No cooking, cleaning, planning or preparing, just open your front door.
<http://atkinsathome.com>

Everyday Low Prices on Atkins Products
 One of the most complete online low carb stores serving the U.S. and Canada for brand-name Atkins Diet products and other low carb selections.
<http://thebetterhealthstore.com>

Atkins Diet & Low Carbohydrate Weight-Loss Support - Low Carb Diet ...
 Atkins diet and low carbohydrate diet resources for all low carb diet plans: Research, recipes, information, support forums, tools and tips for all low carb ...
<http://www.lowcarb.ca/>

The Atkins Center Atkins Nutritionals, Inc
 Official site of the Atkins Center for Complementary Medicine. Includes information about Dr. Robert C. Atk and the Atkins Diet, a low-carb...
<http://www.atkinscenter.com/>

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Clicking the link took users to an "About Results?" page containing all the disclosures. A blanket statement explained "Sponsored Sites" would occur with greater frequency than what it called "Matching Sites" for more commercial searches, before proceeding to a paid placement disclosure. Most testers said Web Search's disclosure fell short of the mark in every respect.

"Most people would never see the disclosure," said one tester. "Paid placement is disclosed neither clearly nor conspicuously, with no attempt to label or delineate results," said another.

"As with the other meta-search sites, it is difficult to know the provenance of each link and therefore difficult to discover paid placement at work," remarked another. "Additionally, without having sponsored sites and matching sites visibly segregated from one another, it is hard to come to any conclusions about the paid placement program."

Paid Inclusion

Web Search used paid inclusion and received results from AllTheWeb, Yahoo, Alta Vista, Ask Jeeves and Inktomi. The meta-search engine allowed users to view results on an engine-by-engine basis or by relevance, which was how the testers were asked to conduct searches. As with paid placement results, paid inclusion listings were interspersed throughout the results page without any headings and were disclosed with a single hyperlink at the bottom of the page.

Because Web Search used the same "About Results" heading to disclose paid inclusion, testers again found fault with its location at the bottom of the page as one of nine, hard-to-spot hyperlinks.

Clicking on the hyperlink took users to an "About Results?" page containing all the disclosures. The page explained "Matching Sites" would occur with greater frequency in searches of a more non-commercial nature and might contain paid inclusion listings, which it confusingly refers to as "Sponsored Sites."

All but one tester indicated the use of paid inclusion, but

most found fault with the nature of the disclosure. "Web Search is yet another search engine attempting to harness the power of the Internet by displaying results from several search engines, some of which themselves use other sites for their content source," noted one tester. "As a result, it is more difficult than ever to trace back which results may have been included as a result of payment."

"This seems to be the only search engine that mixes paid placement and paid inclusion without any attempt whatsoever to distinguish one type of listing from the other," complained another. "The disclosure is also confusing for its use of the term 'sponsored sites' to describe both paid inclusion and paid placement listings."

YAHOO! SEARCH

<http://search.yahoo.com>

Dates tested: April 30, May 4 & 5

See Figure 19

Paid Placement

Yahoo Search used paid placement results from its Overture subsidiary. Visually, paid placement results appeared at the top and bottom of the results page and were separated from other results by a heading, hyperlink to a disclosure page, and thin red horizontal borders. (These red borders have been changed to light gray since testing concluded.) Paid placement results also occurred in the right-hand column, under a non-hyperlinked heading in blue-shaded boxes.

Yahoo sometimes promoted its own content at the very top of the results page, under the heading "Inside Yahoo!," which it acknowledged in the disclosure page. Unlike other engines that used content promotion, Yahoo's straightforward placement and labeling seemed to preclude any confusion among testers.

All testers applauded the easy-to-spot, bold red "Sponsor Results" heading, and all but one said the terminology clearly conveyed the engine's use of paid placement. One tester, however, noted the heading above the right-hand column was not nearly as noticeable.

FIGURE 19: YAHOO

Yahoo! My Yahoo! Mail Welcome, Guest (Sign In)

YAHOO! search Europe + tours [Advanced Preferences](#)

INSIDE YAHOO!

[Europe Vacations | Visitor Guide](#)

Categories: • [Tours by Destination > Europe](#) • [Europe > Baltics > Travel > Tour Operators](#) • [European Professional Golfers' Association](#) • [More...](#)

SPONSOR RESULTS [\(What's this?\)](#) [\(Become a Sponsor\)](#)

- **Tour Europe with Globus** With 75 years of experience in travel packages, let Globus escort you on your next European vacation. See Britain, Italy and more. Visit the Globus Web site to plan your next vacation. www.globusjourneys.com
- **Save up to 40% with Europe Tours** Our escorted Europe tours will save you up to 40% off the price of traveling the same itinerary on your own. For discounts offered, visit our easy Web site now. Registration required. www.tourvacationstogo.com
- **Free Airfare to Europe** Purchase any European tour and get free airfare to Europe. www.goaheadvacations.com
- **European Tours Discounted** Offers discounted tours and cruises to Europe from most touring companies. Choose from independent city stays, budget tours, deluxe tours, escorted tours and all-inclusive tours. www.affordabletours.com

TOP 20 WEB RESULTS out of about 5,990,000 Search took 0.295 seconds. [\(What's this?\)](#)

1. **Europe Tours - Tour Europe with your private driver-guide** Privately guided driving tours of Europe featuring major European cities, historic landmarks and natural sites ... 1-206-202-4712. tours@e-la-carte-europe-tours.com. <http://www.e-la-carte-europe-tours.com/> - 20k - Cached
2. **Rick Steves' Europe Through the Back Door** features travel tips, upcoming tours, message board, European railpass information, newsletter, country-by-country information, and guidebook publications. Category: [Tours by Destination > Europe](#) www.ricksteves.com/ - 11k - Cached - [More pages from this site](#)
3. **Europe Tours, Tour to Europe, Tours of Europe, Tours in Europe, Travel Tour Europe, Europe Travel Packages, Travel to London...** NCS Travels and Tours - Europe tour operators offering tours in europe, europe tours, tours europe, tours of europe, travel tour europe, europe travel packages, travel to london, london travel ... [International Tours > Europe Tours](#). Europe Tours— Northern & Southern Europe. Mediterranean. Paris Weekend ...

Sponsor Results

Fly Singapore Airlines to Europe
Save on e-fares to Europe and Asia with Singapore Airlines. Book online. save now... www.singaporeair.com

DMI Tours: Carefree Travel to France
Affordable and carefree vacation to France with overnight stays in French chateaux... dmitours.com

Europe Luxury TOURS, Vacations & Cruises
Virtuoso Europe Specialist, recommended by Condé Nast Traveler, excellent value... www.travelwizard.com

Europe Tours
Book your European vacation securely online. View our selection of exclusive... www.conciergedesk.co.uk

See your message here...

"On the left it is red on white background—very clear," said the tester. "On the right, it is light gray on white, much less so. But the right-side results are boxed and shaded, so the overall effect is clear." (Since testing concluded, this bold red heading has been changed to a faint gray font that changes to dark blue when rolled over with a cursor.)

All testers agreed the "What's this?" hyperlink—which no longer exists on the site—indicated the availability of a disclosure statement. All but one said the link—a small, blue, underlined font inside parentheses—caught one's attention. "What's This' is (finally) simple, direct and clear language," noted one tester approvingly. Another tester, however, noted the "Sponsored Results" in the right-hand column did not offer a hyperlink.

Clicking on the hyperlink took users to a page containing all disclosures. Paid placement was explained under the heading "Sponsor Results," and most testers found the language simple and straightforward. "Paid placement is clearly and conspicuously disclosed with unusually large and colorful headers and bright lines delineating different sections of the results page," said another. "Disclosure is clear and to the point."

One tester, however, said the disclosure was unnecessarily complicated because of hyperlinks that "made it a maze to see more of the disclosure." Clicking on these links, the tester noted, took the user to a number of pages, which contained either the same information or information aimed at advertisers.

"It is hard to track down the full text," complained the tester. "Even then, to read further, you must read the material intended for those who want to be sponsors—a long set of linked pages. Confusingly conflates information for users with that for those who want to be sponsors."

Paid Inclusion

Yahoo Search used paid inclusion and provided its own results. Paid inclusion results appeared between the paid placement listings and were distinguished from other results by a heading, hyperlink to a disclosure page, and

thin red horizontal borders (now light gray).

None of the testers believed the "Top 20 Web Results" heading adequately conveyed the use of paid inclusion, but all noted the easy-to-spot, bold red heading. As with paid placement, all reviewers believed the "What's this?" link—which no longer exists on the site—clearly signified the availability of an explanation, and all but one said it effectively contrasted with the page.

Clicking on the hyperlink took users to a separate page containing all disclosures. Paid inclusion was explained under the heading "Web Results." Testers had mixed feelings about Yahoo's paid inclusion disclosure, ranging from ringing praise to harsh criticism.

"Paid inclusion is clearly and conspicuously disclosed," said one. "Very solid and clear explanation of, and differentiation between, Sponsor Results and Web Results," said another.

One tester noted the disclosure says "more than 99%" of Web pages in the Yahoo index are included for free, but acknowledged that results may also include sites participating in a paid inclusion program. "Thus it is difficult to say for any given search whether the results show some sites which have paid for inclusion," said the tester. "Yahoo does indicate that participation in CAP [Content Acquisition Program] does not guarantee placement or ranking."

Another tester said the disclosure is "buried beyond some puffery about the service," and complained the disclosure text was set with fixed line length that does not word-wrap if the window is resized. This makes it difficult for consumers to read the full disclosure language easily.

RECOMMENDATIONS

Based on the findings of this study, WebWatch makes the following recommendations to the search engine industry in the interest of better alerting consumers to the presence and impact of advertising on search engine results.

Many of these recommendations echo and underscore those made by the FTC. But we believe some are worth restating here because of the lackluster compliance among many of the engines we reviewed. WebWatch does not begrudge the right of search engines to generate revenue through advertising, but urges them to clearly indicate and explain to consumers the presence and impact of advertising upon search results.

Search engines should:

- Enhance the visibility of disclosure headings and hyperlinks by using larger fonts and brighter colors that clearly contrast with the page and catch the attention of consumers, thereby inducing them to click and read further.
- Avoid separating hyperlinks from headings, which, as the FTC suggested and this study discovered, increases the chance users will fail to find

disclosure. Headings, hyperlinks and disclosure pages are meant to function as a self-guided,

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informational pathway. A heading should catch the user's attention and draw it to an adjacent hyperlink, which hopefully will encourage a click to the disclosure.

- Review the wording of disclosures to ensure the language is simple, straightforward and easy to understand by the average consumer.
- Make entire disclosures available to consumers after the first click, thereby eliminating the need for any further scrolling, clicking or searching, which can be confusing and cumbersome.
- Provide the same level of disclosure for paid placement that they generally do for paid inclusion, i.e. with a hyperlink to a separate disclosure page.
- Clarify what, if any, financial relationship exists between them and businesses mentioned within disclosures and/or on the site.
- Acknowledge when paid placement or paid inclusion isn't used by the engine so as to avoid any possible misunderstanding and misjudgments.
- Be more clear about the practice of content promotion and disclose the role paid search plays in marketing programs.

In addition, meta-search engines, which display results from other search engines, should:

- Strive to provide the same level of disclosure offered by the sites they search, so users are not forced to sacrifice transparency for convenience. Because meta-engines tend to omit the existing disclosure language from the sites they search, consumers are often left in the dark about the influence of advertising on their results.

CONSUMER TIPS

Search engines provide a valuable service to millions of consumers each day, providing instant access to limitless amounts of information. But as you log on to your favorite search engine next time, bear in mind the following tips, which are based on a similar list published in the 2003 Consumer Reports WebWatch report "False Oracles: Consumer Reaction to Learning the Truth About How Search Engines Work":

1. Make Choices: Before bookmarking a search engine, figure out if it uses paid placement (which it almost certainly does) or paid inclusion (which it may or may not), and consider the impact of either practice on your searching. If you're conducting a commercial search, you may seek out paid listings, just as a newspaper reader looking for a specific product or service turns to the classifieds. But if you're looking for objective, unbiased information, you may decide that only a purely algorithmic search devoid of paid listings will suffice.

2. Use Multiple Search Engines: Many consumers tend to rely almost exclusively on a favorite search engine. But the next time you conduct a search with major implications, such as for health or financial information, consider repeating the same search on several engines

before making a final decision. Compare the results you receive from various sites and be mindful that any results appearing above, below or along the right-hand side of the "Web" listings are probably advertising. Further, try comparing "Web" results from a search engine that uses paid inclusion and one that does not.

3. Beware Meta-Search Engines: Meta-search engines offer the ability to search and display listings from several search engines simultaneously, saving consumers time and trouble. But their convenience sometimes bears a price in the form of poor disclosure and skewed results favoring paid listings. Because meta-search engines tend to cull the top listings from each engine, they're far more likely to display mostly paid listings—often without disclosures. Identifying paid inclusion within meta-search engines results is even more difficult, since engines tend not to provide any kind of separate disclosure necessary to identify its use. Some meta-engines indirectly disclose paid inclusion by mentioning sites that supply them with results. Chances are good at least one uses paid inclusion.

4. Click Beyond the First Page: Don't settle for the first page of search results. Try to dig several pages deep before you decide to click on a result, or at least,

before you finish clicking on results. You might find the product or information you're looking for buried many pages down.

5. Look for Disclosure Headings: Keep your eyes peeled for signs that a search result has been influenced by advertising dollars. Paid placement listings tend to be found above, below or to the right-hand side of main results. Look for telltale headings such as "sponsored links" or "sponsored sites," as well as shaded boxes, borders or other graphical elements that may distinguish them from other results. Paid inclusion listings are found in main results, and are often grouped under headings such as "Web results" or "Web pages."

6. Look for Disclosure Hyperlinks: Each search engine discloses paid placement and paid inclusion differently—and some make it harder to find this information than others. Although search engines are not required to disclose paid placement beyond a clear heading, many offer hyperlinks to disclosure pages. Look for hyperlinks near disclosure headings, which tend to be small, faintly colored and use labels such as "about" or "info." These link to separate pages or pop-up windows that explain how results are generated. Even if a site fails to

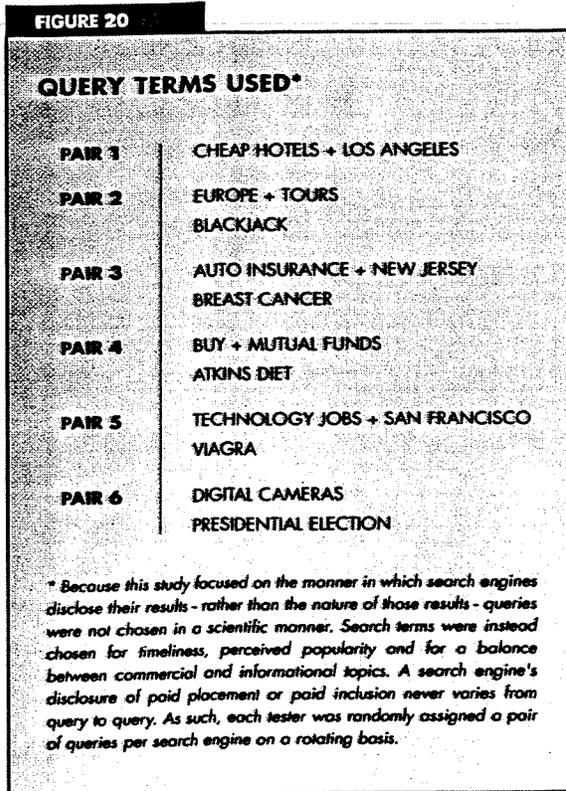
clearly disclose its paid placement or paid inclusion listings, you may be able to find this information by digging through the help pages.

7. Read the Disclosure Pages: Statements of disclosure often make for tedious reading, and, like legalese, sometimes seem written to discourage reading. Persevere and take the time to read and absorb the implications of these statements. Paid placement and paid inclusion are often described using a variety of marketing lingo and corporate branding. Paid placement can be described with terms such as "pay-for-placement," "pay-per-click," "cost-per-click," or "pay for performance." Very few disclosures of paid inclusion actually use the phrase "paid inclusion," and sometimes bury any such mention near the end of a lengthy explanation. Ignore the jargon and acronyms and look for keywords such as "inclusion."

8. Learn to Identify Content Promotion: Some major search engines use "content promotion," which can include images and/or links to internal or advertiser content. Content promotion is typically inserted above either the paid placement or paid inclusion results, and sometimes occurs under a separate heading. Although content promotion is technically different from paid placement or paid inclusion, it can include links to advertisers paying to get you attention. Look for a disclosure and read it carefully.

PAID INCLUSION LISTINGS ARE FOUND IN MAIN RESULTS, AND ARE OFTEN GROUPED UNDER HEADINGS SUCH AS "WEB RESULTS" OR "WEB PAGES."

APPENDIX A: TESTING BACKGROUND



APPENDIX B: TESTER PROFILES

Nancy Alcorn

Nancy Alcorn is Assistant Director of the Newburyport, Mass., Public Library, a position that coordinates the library's patron services and overall technology infrastructure. Her particular interest area is adaptive technology. Alcorn is a graduate of Brown University (English and American Literature) and the University of Rhode Island (Library and Information Studies).

M. Carl Drott

M. Carl Drott, Ph.D., is a tenured Professor at Drexel University's College of Information Science and Technology. He has written two books and numerous articles on topics including information resources management, research design and statistical analysis, information systems analysis and web page design and evaluation. He has also published software that teaches grammar to students.

Drott is acting editor and review editor at the *Journal of the American Society for Information Science*. A member of Alpha Phi Mu, the Industrial Engineering Honorary Society, and a National Science Foundation Trainee, Drott is also a Xerox Fellow in Information Science. He received the Lindback Foundation Award for Distinguished Teaching.

Deborah Wassertzug

Deborah Wassertzug has been the librarian for the Columbia University Graduate School of Journalism since 1998. In this capacity, she provides research consultation assistance to students and faculty of the School, and conducts regular training sessions on research skills. She also coordinates Columbia University Libraries' live chat reference service. She was formerly employed at the University of Michigan Libraries, working with Geographic Information Systems in the Map Library. She holds a bachelor's degree in French and Italian Literature, as well as a Master's in Library Science, from the University of Maryland College Park.

Linda Whang

Linda Whang is Engineering Instructional Services Librarian at the University of Washington in Seattle, Wash., a position she has held since 2001. Prior to working at the UW, Linda was the Engineering Librarian at SUNY Binghamton from 1999-2001, and worked at the medical and public health libraries at the University of Michigan from 1995-1999. She holds a BS in Biology from Cornell University and a Master's degree in Library Science from SUNY Buffalo.

APPENDIX C: DISCLOSURE QUESTIONNAIRE

Reviewer: _____
Date: _____
Search Engine: _____
Search Terms: _____

c. Where are paid placement listings located?
(check all that apply)

- Above non-paid placement listings
- Below non-paid placement listings
- In the right-hand column

PAID PLACEMENT

The FTC recommends that search engines using paid placement clearly delineate these results as such, whether they are segregated from, or inserted into, non-paid listings. To evaluate whether paid placement search results are distinguished from non-paid results with clear and conspicuous disclosures, one must examine:

1. Paid Placement Listings

- a. Does the search engine use paid placement? Yes No
- b. Are paid placement listings segregated from non-paid placement listings? Yes No

2. Disclosure Headings

- a. Is the disclosure heading near the paid placement search results? Yes No
- b. How is the disclosure heading labeled?
(actual wording)

- c. Does the label convey that the results are paid placement listings? Yes No
- d. Is the disclosure heading as large as the search result listings? Yes No
- e. Does the disclosure heading contrast—or blend in—with the background?

3. Disclosure Hyperlinks

- a. Is there a disclosure page accessible via an obvious hyperlink? Yes No
- b. Is the disclosure hyperlink adjacent to the disclosure heading? Yes No
- c. How is the disclosure hyperlink labeled? *(actual wording)*

- d. Does the label indicate the availability of an explanation (i.e. a disclosure page)? Yes No
- e. Does the disclosure hyperlink contrast—or blend in—with the background?

4. Disclosure Pages

- a. Does the hyperlink take users directly to a disclosure page? Yes No
- b. Is the disclosure displayed prominently? Yes No
- c. Does the page contain the complete disclosure? Yes No
- d. Is the disclosure simple and straightforward? Yes No

5. Accuracy

Is any statement made anywhere within the search engine site that might mislead consumers as to the basis on which a search result is generated? Yes No

6. Overall

Any comments or observations?

PAID INCLUSION

The FTC recommends that search engines using paid inclusion programs clearly describe how sites are selected for inclusion in their listings, and whether such programs distort search result rankings. To evaluate whether the use of paid inclusion is clearly and conspicuously explained and disclosed, one must examine:

1. Paid Inclusion Results

Does the search engine use paid inclusion? Yes No

2. Disclosure Headings

a. Is the disclosure heading near the paid inclusion search results? Yes No

b. How is the disclosure heading labeled? *(actual wording)*

c. Does the label convey the use of paid inclusion within the search results? Yes No

d. Is the disclosure heading as large as the listings? Yes No

e. Does the disclosure heading contrast—or blend in—with the background?

3. Disclosure Hyperlinks

a. Is there a disclosure page accessible via an obvious hyperlink? Yes No

b. Is the disclosure hyperlink adjacent to the disclosure heading? Yes No

c. How is the disclosure hyperlink labeled? *(actual wording)*

d. Does the label indicate the availability of an explanation (i.e. a disclosure page)? Yes No

e. Does the disclosure hyperlink contrast—or blend in—with the background?

4. Disclosure Pages

a. Does the hyperlink take users directly to a disclosure page? Yes No

b. Is the disclosure displayed prominently? Yes No

c. Does the page contain the complete disclosure? Yes No

d. Is the disclosure simple and straightforward? Yes No

5. Accuracy

Is any statement made anywhere within the search engine site that might mislead consumers as to the basis on which a search result is generated? Yes No

6. Overall

Any comments or observations?

APPENDIX D: SEARCH ENGINES' DISCLOSURE STATEMENTS

Below is the exact language appearing in the disclosure statements and headings of search engines tested for this study. When disclosures were handled on a separate page, urls have also been provided. For search engines that make disclosures via a pop-up window, only the text has been provided.

All data were collected on May 6, 2004, and may have changed.

Although a separate disclosure page for paid placement is not necessary for compliance with FTC recommendations, many search engines offered them anyway, and they have been reproduced below where provided. All search engines tested used paid placement, but not all used paid inclusion; those that do not are indicated by "N/A." Two sites tested that do not use paid inclusion (AOL & Netscape) provided statements explaining how their results were generated, which have been added below as well.

1ST BLAZE

<http://www.1stblaze.com>

Paid Placement

No disclosure heading or disclosure page.

Paid Inclusion

No disclosure heading or disclosure page.

ALTA VISTA

<http://www.altavista.com>

Paid Placement

"Sponsored Matches"

http://www.altavista.com/help/search/types_web#1

Sponsor Results are sites that pay for placement in search results on terms that are relevant to their business. These listings are provided by Overture Services, a wholly owned subsidiary of Yahoo!, and appear on Alta Vista Search results pages.

You'll see Sponsor Results when they're relevant to the

specific search terms you used. For example, if you search for "digital cameras," you'll see Sponsor Results for web sites that provide information about or sell digital cameras. The Alta Vista Search results pages separate Sponsor Results from other results so you can tell them apart. For more information please see Sponsor Results or, if you are interested in participating in this program, please see Overture Advertising.

These results are then distributed to 85% of active Internet users through some of the world's most popular and well-known Web sites. Overture is a leading provider of pay-for-performance search. For additional information on listing with Overture for distribution on Alta Vista and other top search sites, please click here.

Paid Inclusion

"Alta Vista Results"

http://www.altavista.com/help/search/types_web#1

Web Results are the most relevant web pages found by Yahoo! Search Technology in response to your search terms. Web Results are generated from the billions of web pages crawled and indexed by Yahoo! Search. The Yahoo! Search index is more than 99% populated through the free web crawl process. Results may also include links to sites that participate in the Content Acquisition Program (CAP). CAP enables content providers to submit web pages and content directly to Yahoo! for review and inclusion within the Yahoo! Search index through the Site Match™ or Inktomi Search Submit™ programs. Sites from both of these programs pay to be included in the search engine index, and those participating in Site Match also pay to be reviewed for relevance. Results may also include links to sites that participate in the Alta Vista Express Inclusion Program. Sites from this program also pay to be included in the search engine index and reviewed for relevance. Participation in CAP or Express Inclusion has no bearing on placement or ranking in search results.

Note: Inktomi Search Submit™ is being discontinued in conjunction with the launch of Site Match™. The Alta Vista Express Inclusion program has also been discontinued. Legacy Express Inclusion customers will continue to

receive distribution on the historical Alta Vista network until their subscriptions expire. Search results will include links from the Search Submit program only through April 15, 2004.

AOL SEARCH

<http://search.aol.com/aolcom/index.jsp>

Paid Placement

"Sponsored Links"

<http://search.aol.com/aolcom/about.jsp#sl>

Sponsored Links - Search:

"Sponsored Links" are listings that have been purchased by companies that want to have their sites appear for specific search terms. These listings are administered, sorted and maintained by Google (AOL's search partner). For information about how Google sorts these listings, go to <http://adwords.google.com/> and click on the 'Advertise with Us' link.

Sponsored Links - Content:

"Sponsored Links" are listings that have been purchased by companies that want to have their sites appear for specific search terms and related content. These listings are administered, sorted and maintained by third parties and not endorsed by AOL.

Paid Inclusion

N/A

The following statement explains AOL's main results:

Matching Sites:

These results may contain objectionable material not endorsed by AOL. Matching Sites are Web sites, listed in order of relevance (listings with the highest relevance appear first). These listings are administered, sorted and maintained by Google, AOL's search partner. For information about how Google sorts these listings, go to <http://www.google.com/about.html> and click on the "Our Technology" link. In addition, news stories related to your search may appear in the listings. These results are supplied by CNN, an AOL/Time Warner company.

ASK JEEVES

<http://www.ask.com>

Paid Placement

"Sponsored Web Results"

http://sp.ask.com/docs/about/spons_webr.html

"Sponsored Web Results" are provided by Google®, a third-party provider of pay for performance search listings. Google generates highly relevant sponsored results by allowing advertisers to bid for placement in this area based on relevant keywords. These results, which are powered by Google's advanced algorithms, are then distributed across the Internet to some of the world's most popular and well-known Web sites, including Ask Jeeves.

Paid Inclusion

"Web Results"

http://sp.ask.com/docs/about/web_searchr.html

Ask Jeeves delivers its primary search results using Teoma search technology. These search results appear under the heading "Web Results." Teoma search technology uses sophisticated algorithms and a unique approach to organizing and analyzing the Web to generate relevant and authoritative search results. In some instances companies pay to have their Web sites included within Teoma's dataset, otherwise known as the Teoma Index. Like all Web sites, these sites are processed through Teoma's search algorithms and are not guaranteed placement in the results. This ensures that relevancy is the primary driver of results. For more information about Teoma search, visit: <http://www.teoma.com>.

CNET SEARCH

<http://www.search.com>

Paid Placement

"Sponsored Links."

No disclosure page

Paid Inclusion

No disclosure heading or disclosure page.

GOOGLE

<http://www.google.com>

Paid Placement

"Sponsored Links"

No disclosure page

Paid Inclusion

N/A

INFOSPACE WEB SEARCH

<http://www.infospace.com/home/search>

Paid Placement

"Sponsored by"

<http://www.infospace.com/home/search/help/aboutresults.htm?ver=17>

Pay-For-Placement:

These results are returned based on sponsors who pay for their placement within a relevant results set. For instance, a car parts dealer might pay to have their company's results returned when a user searched on a term related to car repair. These listings are denoted with the text "Sponsored By" to the right of the site URL. Pay-For-Placement engines include: Overture, Sprinks and FindWhat.

Paid Inclusion

No disclosure heading or disclosure page.

LYCOS NETWORK SEARCH

<http://www.lycos.com>

Paid Placement

"Sponsored Links"

(Disclosure made via a pop-up)

Sponsored links is a section that features paid links from Lycos partners. The partner links are near the top of the page as well as on the right-hand side. At times, you may find additional sponsored links at the bottom of the web results.

Paid Inclusion

"Web Results"

(Disclosure made via a pop-up)

Lycos Web Results are brought to you by Inktomi. Inktomi's results are relevant and on-target, designed to give you what you're looking for. In addition, Looksmart's editorially-reviewed results are within the first ten results if relevant. Lycos also integrates editorial content from the Lycos Network as the first result only if content is available or relevant. It will be labeled as "from the Lycos Network" next to the result/component. The Web results also includes paid inclusion brought to you by Looksmart and FAST. To find more information about the paid inclusion program please visit <http://insite.lycos.com> or <http://www.looksmart.com>.

Participation in Lycos InSite, our paid inclusion program, does not improve placement in the search results. Lycos search results powered by Inktomi appear in order based upon their relevancy algorithm. The program offers web site owners guaranteed site submission and 24-48 hour content refresh. For more information about the program or to submit your site please visit <http://insite.lycos.com>.

MSN SEARCH

<http://www.search.msn.com>

Paid Placement

"Sponsored Sites"

Initial disclosure made via a pop-up:

Web site links paid for by a third party and provided to MSN Search by that party.

Additional disclosure via "About Sponsored Sites search results" hyperlink:

You may get search results under the heading Sponsored Sites when you perform a basic search. Sponsored Sites are links paid for by a third party, and are provided to MSN Search and other web search engines by that party. The third party ranks the sites based on bids received from advertisers, and

on their relevance to specific search words and phrases.

Paid Inclusion

"Web Pages"

Initial disclosure made via a pop-up:

Internet-wide websites that best match your search words.

Additional disclosure via "About Web Page search results" hyperlink:

Web Page search results include all Internet-wide websites that best match your search words. Web Page search results are obtained when you type search words into the text box on an MSN Search page (such as the MSN Search home page), and then click Search. Web page search results can be generated from a basic search and from an advanced search.

MY SEARCH

<http://www.mysearch.com/jsp/home.jsp>

Paid Placement

"Sponsored Listings"

(Disclosure made via a pop-up)

Sponsored Listings are search results paid for by sponsors or advertisers, including those obtained through sponsored listing services offered by Google and other companies. For any searches that return Sponsored Listings, you will find Sponsored Listings at the top of that search provider's results page-immediately above general search results. Will results from every My Search page have Sponsored Listings? No, not every search request will necessarily include Sponsored Listings.

Paid Inclusion

"Web Results"

(Disclosure made via a pop-up)

In the "Web Pages Found" area on AlltheWeb search results pages, Web content that has been crawled and indexed by FAST, and then ranked and displayed according to advanced relevancy ranking algorithms, is shown in response to user queries. Within the current 2.1

billion web pages indexed from which the "Web Pages Found" results are drawn, less than one percent (<1%) of these include specific web pages that a content provider has paid FAST to crawl and index on a regular basis. This < 1% of paid for inclusion (PFI) URLs become useful to search engine users because FAST is able to more deeply index information from within these sources such as database information that is not typically accessible to general crawlers. All "Web Pages Found" results are delivered and ranked according to FAST's advanced ranking algorithms, and PFI providers do not receive preferential ranking.

MY WAY SEARCH

<http://www.myway.com>

Paid Placement

"Sponsored Listings"

No disclosure page.

Paid Inclusion

"LookSmart's Directory"

<http://help.myway.com/features/searchfaq.html#11>

The following disclosure is made three clicks away from the bottom of the search page:

What are LookSmart "Reviewed Web Results"? Reviewed Web Results are listings that have been evaluated by LookSmart editors. The Reviewed Web Results section of search results includes Web sites selected by LookSmart's professional editorial team, editorially-reviewed paid listings from LookSmart's advertising partners, and non-commercial sites contributed by Zeal community members. All listings are held to the same quality standards, whether they are commercial or noncommercial.

NETSCAPE SEARCH

<http://channels.netscape.com/ns/search/default.jsp>

Paid Placement

"Sponsored Links"

(Disclosure made via a pop-up)

Sponsored Links:

These are paid links provided by Google.com. The results displayed in this area are based on the search terms you enter. Google works to ensure that these links are relevant to your search terms by using a combination of search technology and editorial review. For information on how Google determines relevancy or to learn more about having your web site appear in this area, please go to <http://www.google.com> and click on the 'advertise with us' link.

Paid Inclusion

N/A.

The following statement explains Netscape's non-paid placement results:

Matching Results:

Our web results are a blend of some of the best content available from Netscape and the World Wide Web. Netscape Search results contain links that are hand-picked by our research staff, plus links that are provided by Google, one of the most respected search engines on the Web. We organize and rank the results in the following manner:

- Our knowledgeable research staff selects the most relevant links to display first.
- Web pages and links from the entire web universe appear following the above items and make up the bulk of matching results.
- Text search results may be preceded by a visually distinct graphic containing information related to your search query. Our research staff selects this information or accepts sponsored information powered by a third-party.

OVERTURE

<http://www.content.overture.com>

Paid Placement

"Sponsored Listing"

(Disclosure made via a pop-up)

With Overture Sponsored Listings, advertisers bid for placement within search results and are ranked according to their bid. Advertisers pay each time a customer clicks on their listing on our Web site or across our affiliate network. To learn more about how Overture works and our affiliate partnerships, please visit How Overture Works. If you are a current Overture advertiser and want to view current bids, use the View Bids Tool.

Paid Inclusion

"Additional Listing"

(Disclosure made via a pop-up)

Within Additional Listings, which are provided by Inktomi, there may be links for which the Web site owners have paid for either expedited review of their site and/or paid for clicks to their site. These sites are ranked using an algorithm applied to all listings within each section, with no change in rank due to payment.

WEB SEARCH

<http://www.websearch.com>

Paid Placement

No disclosure heading.

Paid Inclusion

No disclosure heading.

http://www.websearch.com/legal/about_results.aspx

The following disclosure is available via a link at the bottom of the page:

Fast Meta-Search Results:

Web Search uses patented meta-search technology. They are designed to identify the intent of a user's search. If the search term (i.e. buy roses) is determined to be commercial in-nature, a blended mix of results weighted towards Sponsored Sites would be displayed. In the case of a non-commercial term (i.e. roses and aphids), the blended mix of results would be weighted towards Matching Sites with research-type contents. Each search returns results from a collection of search sources, including Sponsored Sites and Matching Sites.

Results that best match your search terms are displayed. Each result may contain a Descriptive Title, Brief Summary of the contents, the URL (Web address) to where the results are located hyperlinked so that you can navigate directly with one-click. Depending on the search terms you are looking for, the results returned from the source you use includes:

Sponsored Sites:

Results Sources: Ah-ha, FindWhat, Kanoodle, Overture and Sprinks. "Sponsored Sites" are listings that have been purchased by companies that want to have their sites appear for specific search terms. These listings are administered, sorted and maintained by third party providers.

Matching Sites:

Results Sources: AllTheWeb, Yahoo, Alta Vista, Ask Jeeves and Inktomi. "Matching Sites" includes results from the whole World Wide Web, with sites listed in order of relevance according to the individual search engine proprietary method of ranking results (generally, listings with the highest relevance appear first). Within these results, there may also be Sponsored Sites which have paid for an expedited review for their site or for clicks to their site. These sites are ranked using the normal algorithm applied to all results within each section. Sponsored Sites do not receive a change in rank due to payment.

These results may contain objectionable material not endorsed by us.

YAHOO! SEARCH

<http://search.yahoo.com>

Paid Placement

"Sponsor Results"

<http://help.yahoo.com/help/us/ysearch/basics/basics-03.html>

Sponsor Results are sites that pay for placement in search results on terms that are relevant to their business. These listings are provided by Overture Services, a wholly

owned subsidiary of Yahoo!, and appear on Yahoo! Search results pages and other sections of Yahoo!

You'll see Sponsor Results when they're relevant to the specific search terms you used. For example, if you search for "digital cameras," you'll see Sponsor Results for web sites that provide information about or sell digital cameras. The Yahoo! Search results pages separate Sponsor Results from other results so you can tell them apart. For more information please see Sponsor Results or, if you are interested in participating in this program, please see Overture Advertising.

Paid Inclusion

"Web Results"

<http://help.yahoo.com/help/us/ysearch/basics/basics-03.html>

Web Results are the most relevant web pages found by Yahoo! Search in response to your search terms. Web Results are generated from the billions of web pages discovered, crawled, and indexed by Yahoo! Search. More than 99% of web pages in the Yahoo! Search index are included for free through the web crawl process. Web Results may also include links to sites that participate in the Content Acquisition Program (CAP). CAP enables content providers to submit web content directly to Yahoo! for review and inclusion in the Yahoo! Search index; content providers that participate in CAP through the Site Match™ program pay for these services. Participation in CAP does not guarantee placement or ranking in search results.

APPENDIX E: SEARCH ENGINE INTERRELATIONSHIPS

A handful of heavyweights utterly dominate the search engine market: Namely, Google, Yahoo, MSN, AOL and Ask Jeeves. Until Yahoo dropped Google in March to launch its own search engine, the latter was "powering" roughly 75 percent of all web searches. Even after the switch, Google still accounts for roughly 50 percent of all Internet searches through its own site and others using its results.

Yahoo and the sites it now supplies with results are not far behind. Microsoft, which currently relies on Yahoo for search results, is expected to launch its own search engine later in the year, initiating what many expect to be a three-way clash of the titans. As noted in the overview, major search engines began supplying both paid placement and paid inclusion listings to other search engines in the late 90s. And as the chart below illustrates, several major players "power" many others—and many more not shown here.

Most of the search engines below use software to "crawl" the Web and return (non-paid placement) results based on algorithmic relevancy to the search query. These results, of course, often contain paid inclusion listings. The meta-search engines combine results from several search engines at once. Overture is a largely commercial site that features mostly paid-placement listings, although it does also offer some crawler-based results featuring paid inclusion listings.

Snapshots of the search engine industry tend to enjoy a short shelf life, and some the relationships below, which date from mid-May, may no longer apply. In the interests of full disclosure, the chart below was based on one created by SearchEngineWatch.com.⁶ The sites are listed in order of rank according to Nielsen December 2003 ratings. Cross-site ownership is noted where applicable.

⁶Sullivan, D "Search Engine Results Chart" SearchEnginewatch.com 2004
Available online at: <http://searchenginewatch.com/webmasters/article.php/2167981>

FIGURE 21

SEARCH ENGINE OWNERSHIP			
SEARCH ENGINE (OWNER)	TYPE OF SEARCH ENGINE	SUPPLIER OF (OWNER)	SUPPLIER OF PAID RESULTS (OWNER)
GOOGLE	CRAWLER	GOOGLE	GOOGLE
MSN SEARCH	CRAWLER	YAHOO	OVERTURE (YAHOO)
YAHOO SEARCH	CRAWLER	YAHOO	OVERTURE (YAHOO)
AOL SEARCH	CRAWLER	GOOGLE	GOOGLE
ASK JEEVES	CRAWLER	TEOMA (ASK JEEVES)	GOOGLE
OVERTURE (YAHOO)	PAID	OVERTURE (YAHOO)	OVERTURE (YAHOO)
WEB SEARCH	META	VARIOUS	VARIOUS
LYCOS NETWORK SEARCH	CRAWLER	YAHOO & LOOKSMART	GOOGLE
NETSCAPE SEARCH (AOL)	CRAWLER	GOOGLE	GOOGLE
MY WAY SEARCH (ASK JEEVES)	CRAWLER	VARIOUS	GOOGLE
INFOSPACE WEB SEARCH	META	VARIOUS	VARIOUS
ALTA VISTA (YAHOO)	CRAWLER	ALTA VISTA (YAHOO)	OVERTURE (YAHOO)
1 ST BLAZE	UNKNOWN	UNKNOWN	UNKNOWN
MY SEARCH (ASK JEEVES)	CRAWLER	VARIOUS	GOOGLE
CNET'S SEARCH.COM	META	VARIOUS	VARIOUS

APPENDIX F: GUIDELINES FOR SEARCH ENGINES

We believe Web sites that provide search and navigation services will promote Web credibility, improve trust among users and increase usability if they adopt WebWatch's guidelines for all Web sites and the following industry-specific guidelines, which were previously published in the 2003 WebWatch search engines report "False Oracles":

1. Search engine sites should provide consumers with a comprehensive list of major advertisers and content sponsors with whom they do business, particularly those relationships that would influence search rankings or results page presentation. This list should be prominently displayed and easy to find, with a current date of last update. The better sites will display this information on each of the search results pages or provide an easy-to-see link (and label) from each results page.

2. Sites should provide consumers with basic explanations of how ranking and prioritizing technologies work (i.e., Web indexing, spidering, crawling, human-compiled directory, etc.) For instance, what criteria are used to determine keyword relevancy, or, how advertiser-paid results are fed into the results page.

3. Sites that provide an internal editorial review of keyword-triggered paid search advertisements and links should prominently disclose this fact and provide a basic explanation of how the editorial process works, and how much it costs the advertiser before acceptance. Sites should also provide a basic explanation of how they determine relevancy weighting for paid search results versus those derived from unbiased algorithms.

4. Sites should tell consumers if search results from a business partner or third party are exclusive to that site, and which results from that partner are pure search versus those that have been paid for, and a last date of update. For example, sites should explain what is meant by terms placed next to the search box, such as "Enhanced by Search Engine X" or "Powered by Search Engine Y."

5. The better search and navigation sites will use clear and conspicuous terms to label paid search results, whether they appear as links or in other formats, like boxed advertisements. WebWatch recommends the term "paid advertisement," which is modeled after the newspaper and magazine publishing industries. The better sites will use colored text and/or contained boxes or

standard Web page areas in which to place paid search advertisements or links, making them easier for consumers to distinguish from pure results.

6. The better search and navigation sites will provide clear options for search customization at the earliest possible step of the search. Site search architecture should focus on consumer requirements, as opposed to focusing on business agreements.

7. The better sites will include a disclaimer or tutorial page for consumers explaining "first doesn't necessarily mean best," in results returns.

8. Sites should provide an explanation or basic definitions of frequently used search engine marketing terms such as "cost-per-click," "paid search," "paid placement," "pay-for-placement," "pay-for-performance," "pay-per-click," "paid inclusion" and "paid submission."

9. Sites that offer paid search marketing programs for advertisers should avoid making claims such as "the best," "most relevant" results or "most matches."

10. In the special case of meta-search engines, in which a number of search service providers feed their paid results to the search engine property: Clear and conspicuous disclosure should be made to indicate to consumers that many such results are the equivalent of paid advertisements.

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