

## REPORT OF FINDINGS

Two hundred seventy one usable responses were available for analysis.

Appendix F provides a transcript of the verbatim answers given by these 271 respondents to all the questions they were asked. Appendix G provides how the answers provided by each respondent were classified and, for those classifications indicating the respondent was misled or confused, the question and comment on which said classification was based.

### PRIOR KNOWLEDGE OF TARGET COMPANIES

For respondents in all four groups, with the name card in front of them, Question 1a asked if they had "ever heard of this company before today?" Those replying "yes" were asked Question 1b, "...what products or services do they sell or provide?" Test and Control group 2 respondents were asked these questions only about GEICO. Control group 1 respondents were asked the same questions about Allstate while respondents in Control group 3 were asked these questions about Nike. Table 1, below, summarizes the percent in each group who replied "yes" to Question 1a and then gave an answer to Question 1b considered correct.

**TABLE 1: PRIOR KNOWLEDGE OF TARGET COMPANIES (Q1a/b)**

	TEST	Control 1	Control 2	Control 3
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE
Base =	(110)	(53)	(51)	(57)
	%	%	%	%
1a/b. Knew of GEICO before today?	91.8	96.2	92.2	96.5
1a/b. Knew of ALLSTATE before today?	NA*	98.1	NA	NA
1a/b. Knew of NIKE before today?	NA	NA	NA	0.0

\*NA = Not Asked

As can be seen from the percentages in Table 1, the overwhelming majority of respondents had prior awareness of and knowledge regarding GEICO and, where relevant, the other company about which they were asked. A total of 18 respondents claimed to be unaware of GEICO or did not know it sold insurance (or, for those in Control cell 1, claimed to be unaware of ALLSTATE or did not know it sold insurance, or, for those in Control cell 3, claimed to be unaware of NIKE or did not know it sold shoes or athletic wear). Because it does not seem sensible to ask these respondents questions about firms they did not know, these 18 respondents were excluded from the remainder of the analyses, which are thus based on the remaining 253 respondents.

From this point onward, the findings reported below are based only on the respondents who indicated having prior awareness of and knowledge regarding of the company (or companies) about which they were asked.

#### **POOLING THE DATA FROM THE TEST GROUP AND CONTROL GROUP**

As noted earlier, with the exception of the fact that respondents in Control group 2 were asked about a non-sponsored site while respondents in the Test group were not, Control group 2 essentially replicates the Test group. In all other respects, the respondents in these two groups received identical experiences in terms of all other aspects of the study (the test protocol and questions asked). Thus, not surprisingly, comparing the findings for these two groups reveals them to be highly consistent with each other. Accordingly, for most analyses, the data from the 101 respondents in the Test group and 47 respondents in Control group 2 may be "pooled" (via a weighted average based on a combined 148 respondents) to achieve greater levels of precision

and stability in the obtained percentages. To achieve a more stable idea of the overall rate of confusion due to factors *not* being alleged, for purposes of comparison, some of the tables below compare the Test + Control group 2 percentages to the weighted average of Control group 1 + Control group 3, this latter average being based on (50 + 55 =) 105 respondents.

#### **ERRORS IN CLICK-THROUGH TO GEICO**

**"Primary Site Selected" Errors.** The respondents were given a name to type in, then asked to hit the "Enter" key to generate a search results page for that name. After reviewing that search results page, the respondents were asked Q2c: *"Suppose you wanted to go directly to ... website. Without clicking anything, which link, if any, on the page would you try first?"* Table 2 summarizes these results. In examining Table 2, the reader needs to understand the following:

1. Although they were listed in different orders on the actual search results pages seen by the respondents, the names of all the links appearing on the search results page – both those resulting from the organic search and the three Sponsored Links – are listed in Table 2 in alphabetical order. For ease of identification, the three Sponsored links of interest have been bolded. These links are: ***www.insureCom.com***, ***www.insurancefinder.com*** and ***www.AutoandHome.com***.

2. Because typing in GEICO yields a different organic search results page than does typing in NIKE, the data for Control group 3 are provided below the data for the other three groups. Since all groups share the "don't know" and

"none of these" response options, the data for these options are provided in between the data for the first three groups and Control group 3.

3. To simplify the visual presentation, cells without an entry signify "zero" percent.

**TABLE 2: CLICK-THROUGH ERRORS: SITE RESPONDENT WOULD TRY FIRST**

	TEST	Control 1	Control 2	Control 3
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE
Base =	(101)	(50)	(47)	(55)
	%	%	%	%
2c. Suppose you wanted to go directly to ... website. ... which link, if any, on the page would you try first?				
Name asked about in Q2c.	GEICO	ALLSTATE	GEICO	GEICO
1 Free Insurance Quotes (www.AutoandHome.com)	5.0	14.0	2.1	NA
2 GEICO Car Insurance (www.GEICO.com/)	82.2	4.0	78.7	NA
3 GEICO Career Paths (www.geico.com/careers/)			2.1	NA
4 GEICO Direct (company.monster.com/geico)	2.0	2.0	4.3	NA
5 GEICO Direct Online Service Center (https://mypolicy.geico.com/ phsapp/)	3.0		2.1	NA
6 GEICO Returns ... (www.insurancejournal.com/news/east/)				NA
7 GEICO Insurance (jobs.state.va.us/jobfair/geico.html)	6.9	2.0	2.1	NA
8 PRESS RELEASE: GEICO Insurance Drives North (www.emediawire.com/)				NA
9 Rip Off Report: Geico Ins. (www.ripoffreport.com/reports/ripoff1297.htm)	1.0		2.1	NA
10 Rip Off Report: GEICO Government Emp Ignorant ... (www.ripoffreport.com/reports/			2.1	NA
11 Shop For Auto Insurance (www.insureCom.com)		14.0	4.3	NA
12 Insurance Finder - Save		26.0		NA

(www.insurancefinder.com)				
13 YAHOO! – GEICO Company Profile (biz.yahoo.com/ic/10/10616.html)				NA
14 DONT KNOW		6.9		9.1
15 NONE OF THESE		32.0		23.6
1 Boycott Nike Home Page (www.saigon.com/~nike/)				1.8
2 Free Insurance Quotes (www.insureCom.com)				20.0
3 Insurance Finder – Save (www.insurancefinder.com)				21.8
4 Nike Basketball (www.nikebasketball.com/)				1.8
5 Nike Golf (www.nikegolf.com/)				1.8
6 nike.ca (www.nike.ca/)				
7 Nike.com (www.nike.com/)				5.5
8 Nike.com (www.nike.com/main.html)				
9 nike : NIKEFOOTBALL (www.nikefootball.com/)				
10 Nikebiz: The Inside Story (www.nikebiz.com/)				
11 Niketown.com (niketown.nike.com/)				
12 Oxfam Community Aid Abroad – NikeWatch (www.oxfam.org.au/campaigns/nike/)				
13 Shop for Auto Insurance (www.AutoandHome.com)				14.5

A number of findings emerge from examination of Table 2. These are the following.

1. When respondents type in the name GEICO and bring forth a search results page containing the organic search results for GEICO as well as

the three Sponsored Links, approximately 80% in both the Test group and Control group 2 select the correct GEICO link. Most of the remaining respondents (approximately 15%) select one of the other organic sites associated with GEICO.

2. The amount of click-through error to one of the Sponsored Links is negligible. When asked "which link, if any, on the page would you try first" if you wanted to go directly to GEICO, only 5.0% in the Test group and 2.1% in Control group 2 selected the [www.AutoandHome.com](http://www.AutoandHome.com) link; another 4.3% in Control group 2 selected the [www.insureCom.com](http://www.insureCom.com) link. As the results from Control group 3 (discussed immediately below) reveals, plausible alternative explanations exist for even these negligible errors.

3. Control group 3 respondents typed in the name NIKE, then saw a search results page that, in addition to providing the organic search results for Nike, also displayed the three Sponsored Links at issue. When asked Q2c, "Suppose you wanted to go directly to GEICO'S website. Without clicking anything, which link, if any, on the page would you try first?", 20.0% of these respondents selected the [www.insureCom.com](http://www.insureCom.com) link, 21.8% selected the [www.insurancefinder.com](http://www.insurancefinder.com) link, and 14.5% selected the [www.AutoandHome.com](http://www.AutoandHome.com) link. Again, as none of these Sponsored Links mention any trademark or company name, the generic term "(auto) insurance" apparently is sufficient to lead people to think that sites bearing such names likely provide information about specific companies. Regardless, the data from Control group 3 clearly reveal that the act of typing GEICO to generate a search results page is *not*



responsible for respondents saying they would click on one of the Sponsored Links to go directly to GEICO.

The bottom line with respect to click-through errors is as follows. When respondents type in the name GEICO and bring forth a search results page containing the organic search results for GEICO as well as the three Sponsored Links, nearly all are able to identify either the most correct link or one of the other organic sites associated with GEICO. As indicated by control group findings, those who select one of the three sponsored links do so not because they have typed in the name GEICO, but because of the generic terms used by the Sponsored Links.

**Secondary Selection Errors.** Although Question 2c determined which link the respondent "would ... try first" and, in response, few identified the Sponsored Links, it is possible that some respondents might be confused and think that clicking on the Sponsored Links would take them to GEICO's site as well. For this reason, respondents in the Test group as well as Control groups 2 and 3 were asked a direct, closed-ended question regarding each of the three sponsored links. Specifically, Question 5(1) asked: "Do you think clicking on [link] does take you to the GEICO website...?" Instead of asking about being taken to the GEICO website, Control group 1 respondents were asked: "Do you think clicking on [link] does take you to the ALLSTATE website...?" Last, Control group 2 respondents also were asked the same question regarding a fourth (non-sponsored link – "YAHOO! – GEICO Company Profile" – one of the links generated by the organic search. Table 3a summarizes the results for Question 5(1).

Before reviewing Table 3a, it should be recognized that there might be many reasons for respondents thinking that clicking on a Sponsored Link might take them to GEICO's website, and not all of these reasons would necessarily have anything to do with GEICO's allegations. For this reason, respondents who answered "yes" to question 5(1) were then asked Question 5(2): *"What, in particular, makes you think that clicking on \_\_\_ sponsored link does take you to the \_\_\_ website?"* The verbatim answers provided by respondents to this question were examined and only those who gave answers indicating they were confused for the reasons being alleged -- namely, because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the sit was affiliated or connected with GEICO -- were tallied and tabulated. Table 3b summarizes the results for Question 5(2).

Attention is first given to the click-through errors respondents made without considering the reasons they gave for making these errors (Table 3a). Next, attention is given to the click-through error errors made after considering the reasons respondents gave for making these errors (Table 3b).



**TABLE 3a: CLICK-THROUGH ERRORS: SITES RESPONDENTS MIGHT TRY  
(WITHOUT TAKING INTO CONSIDERATION RESPONDENTS' "REASONS WHY")**

	TEST	Control 1	Control 2	Control 3	AVERAGES <sup>14</sup>	
					T+C1	C1+C3
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE		
Base =	(101)	(50)	(47)	(55)	(148)	(105)
	%	%	%	%	%	%
Q5. Do you think clicking on [link identified below] does take you to the ... website...?	GEICO	ALLSTATE	GEICO	GEICO		
Shop for Auto Insurance (www.insureCom.comX)	15.8	26.0	25.5	25.5	18.9	25.7
Insurance Finder – Save (www.insurancefinder.com)	16.8	14.0	23.4	21.8	18.9	17.1
Insurance Finder – Save (www.insurancefinder.com)	12.9	22.0	19.1	20.0	14.9	21.0
YAHOO! – GEICO Company Profile (biz.yahoo.com/lc/10/10616.html)	NA	NA	42.6	NA		NA
Average of the averages					17.6	21.3

While these data do not take into account the reasons why respondents thought that clicking on a Sponsored Link would take them to GEICO's (or Allstate's) website, and thus may not be probative, a number of interesting findings emerge from examination of Table 3a. These are the following.

1. Test group and Control group 2 respondents typed in the name GEICO, bringing forth a page containing the organic search results for GEICO as well as the three Sponsored Links. When asked a non-leading, balanced question (Question 5)<sup>15</sup>, the overall weighted average for these two groups

<sup>14</sup> The "Averages" column provides weighted averages for the Test + Control group 2, and Control groups 1 + 3.

<sup>15</sup> A balanced question is one that gives equal, explicit emphasis to the affirmative, negative and neutral response options.

(18.9% + 18.9% + 14.9% / 3 =) reveals 17.6% say that clicking on one of the Sponsored Links would take them to the GEICO webpage.

2. Control group 1 respondents typed in the name GEICO, bringing forth a search results page containing the organic search results for GEICO, and were then asked whether clicking on a Sponsored Link would take them to the webpage for ALLSTATE – a name that was not mentioned anywhere on the page. In response to a non-leading, balanced question, approximately 21% respond affirmatively to each Sponsored Link. This percentage is larger than the 17.6% obtained with the Test group (and Control group 2 replication), as summarized in the immediately preceding paragraph. What this suggests is that having typed in GEICO and called up a GEICO search results page, respondents are less likely to think that clicking on Sponsored Links would take to GEICO's website than they are to think that clicking on these links would take them to competing auto insurance websites. That is, most respondents appear to understand that these Sponsored Links – all of which contain the generic term ("auto) insurance" – lead to competitive quotes from others.

3. Highly revealing are the findings obtained when Control group 2 respondents are asked questions not regarding the Sponsored Links, but about an organic link. While looking at a page containing the search results from having typed in GEICO, these respondents were asked whether clicking on an organic link containing the name GEICO would take them to GEICO's webpage. More than 40% responded affirmatively. This indicates that the confusion associated with the Sponsored Links likely is less a function of anything

inherently confusing about the Sponsored Links and more likely a function of the fact that many users apparently are confused regarding the meaning of the search results in general.

4. Especially telling are the findings from Control group 3. These respondents typed in the name NIKE, *not* GEICO, and brought forth a search results page containing the organic search results for NIKE as well as the three Sponsored Links. The name GEICO appeared nowhere on the search results page. Yet when asked a non-leading, balanced question, on average ( $25.5 + 21.8 + 20 / 3 =$ ), 22.4% said that clicking on the Sponsored Links would take them to GEICO's webpage. This indicates that one does not have to type in the name GEICO or be viewing a search results page generated by inputting the name GEICO to think that clicking on Sponsored Links that do not mention the name GEICO, but do contain the generic term "(auto) insurance," would take one to the GEICO website.

Even without considering the reasons why respondents think so, the findings reveal that thinking that clicking on the Sponsored Links will take you to GEICO's website has nothing to do either with having typed in the name GEICO or seeing a page containing the organic search results for GEICO. Respondents who do *not* type in the name GEICO and do *not* see the name GEICO anywhere on the search results page are as likely to think that clicking on the Sponsored Links would take them to GEICO's webpage. As the findings from the three Control groups reveal, many factors are responsible for the confusion observed with the Test group respondents. In point of fact, when the findings for the control groups are compared to the findings from the Test

group, the confusion obtained with the latter clearly is due to factors other than those being alleged by GEICO.

Attention is now directed to the findings obtained when consumers are asked to indicate the reasons why they thought clicking on a link would take them to a particular website. Table 3b summarizes the results when, in response to Question 5(2) [*What, in particular, makes you think that clicking on \_\_\_ sponsored link does take you to the \_\_\_ website?*], one tallies only those who gave answers indicating they were confused for the reasons being alleged, namely, because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the link was affiliated or connected with GEICO. These data are summarized in Table 3b.

**TABLE 3b: CLICK-THROUGH ERRORS: SITES RESPONDENTS MIGHT TRY  
(TAKING INTO CONSIDERATION RESPONDENTS' "REASONS WHY")**

	TEST	Control 1	Control 2	Control 3
Name typed in to initiate search Base =	GEICO (101) %	GEICO (50) %	GEICO (47) %	NIKE (55) %
Q5. Do you think clicking on [link identified below] does take you to the ... website...?	GEICO	ALLSTATE	GEICO	GEICO
Free Insurance Quotes ( <a href="http://www.AutoandHome.com">www.AutoandHome.com</a> )	5.0	0	2.1	0
Shop for Auto Insurance ( <a href="http://www.insureCom.com">www.insureCom.com</a> )	5.0	0	2.1	0
Insurance Finder – Save ( <a href="http://www.insurancefinder.com">www.insurancefinder.com</a> )	5.0	0	2.1	0
YAHOO! – GEICO Company Profile ( <a href="http://biz.yahoo.com/ic/10/10616.html">biz.yahoo.com/ic/10/10616.html</a> )	NA	NA	29.8	NA

As can be seen from Table 3b, when consumers who think clicking a particular Sponsored Link are asked to indicate the reasons why they thought clicking on the link would take them to GEICO's website, a *de minimus* level (3.4% when averaged across the Test group and Control group 2) answer they were confused either because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the link was affiliated or connected with GEICO.

The bottom line is that, regardless of whether one does or does not take into consideration the reasons respondents give for thinking that clicking on the Sponsored Links would take them to GEICO's website, the level of actionable confusion fails to rise to 5%.

**THINKING SPONSORED LINKS HAVE SOME KIND OF AFFILIATION WITH GEICO**

Asked of all respondents, Question 3 was: "As best you recall, when you first looked at this page, did you pay any attention to any of the listings in the section where it says 'Sponsored Links'?" Regardless of their answers, all respondents were then asked Question 4: "If you think you know, what are 'Sponsored Links'?"

Examination of the verbatim responses given in response to this open-ended question (Question 4) reveal that 9.9% of those in the Test group and 10.6% of those in Control group 2 thought the Sponsored Links were somehow affiliated with GEICO.

**THINKING SPONSORED LINKS OFFER GEICO INSURANCE**

Respondents in all four groups were then asked the Question 6 series regarding each of the three Sponsored Links: "Do you think this link offers \_\_\_\_\_ insurance along with insurance from other companies, offers only \_\_\_\_\_ insurance, does not offer any \_\_\_\_\_ insurance, or are you not sure about this?" For respondents in the Test group and Control groups 2 and 3, the name used for the blanks in the question was GEICO; for respondents in Control group 1, the name was ALLSTATE. Control group 2 respondents were asked the same question regarding a fourth non-sponsored link – "YAHOO! – GEICO Company Profile" – one of the links generated by the organic search. Table 4a summarizes these results.

Before reviewing Table 4a, it should be recognized that there might be many reasons for respondents thinking that a Sponsored Link offers GEICO insurance, and not all of these reasons would necessarily have anything to do with GEICO's allegations. For this reason, respondents who answered "yes" to question 6a were then



asked Question 6b: "What, in particular, makes you say that?" The verbatim answers provided by respondents to this question were examined and only those who gave answers indicating they were confused for the reasons being alleged – namely, because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the sit was affiliated or connected with GEICO – were tallied and tabulated. Table 4b summarizes the results for Question 6b.

Attention is first given to the percentage of respondents who thought that the Sponsored Links offered GEICO insurance without considering the reasons they gave for having these thoughts (Table 4a). Next, attention is given to the to the percentage of respondents who thought that the Sponsored Links offered GEICO insurance, tallying only those who, when indicating the reason why they thought so, answered it was either because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the link was affiliated or connected with GEICO (Table 4b).

**TABLE 4a: THINKING SPONSORED LINKS OFFER GEICO INSURANCE  
(WITHOUT TAKING INTO CONSIDERATION RESPONDENTS' "REASONS WHY")**

	TEST	Control 1	Control 2	Control 3
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE
Base =	(101)	(50)	(47)	(55)
	%	%	%	%
Q6. Do you think [link] ...	GEICO	ALLSTATE	GEICO	GEICO
Free Insurance Quotes (www.AutoandHome.com) offers only GEICO insurance, offers GEICO insurance along with ...	5.0 46.5	0.0 66.0	2.1 57.4	0.0 69.1
Shop for Auto Insurance (www.insureCom.com) offers only GEICO insurance, offers GEICO insurance along with ...	4.0 46.5	0.0 44.0	4.3 44.7	1.8 58.2
Insurance Finder -- Save (www.insurancefinder.com) offers only GEICO insurance, offers GEICO insurance along with ...	3.0 47.5	0.0 62.0	2.1 59.6	1.8 61.8
YAHOO! -- GEICO Company Profile (biz.yahoo.com/ic/10/10616.html) offers only GEICO insurance, offers GEICO insurance along with ...	NA	NA	6.4 51.1	NA

A number of findings emerge from examination of Table 4a. These are the following.

1. Approximately 50% to 55% of the Test group and Control group 2 respondents thought that the Sponsored Links offered GEICO "insurance along with insurance from other companies." In contrast, less than 4% of these respondents thought that the Sponsored Links offered "only GEICO insurance."
2. By comparison, when asked the same question about an organic site that mentioned GEICO's name, but did not provide quotes about or offer any

insurance, the percentages reported in paragraph 1, immediately above, were virtually reversed. While approximately 6% Control group 2 respondents thought that the Sponsored Links offered GEICO *"insurance along with insurance from other companies,"* more than half (51.1%) thought the Sponsored Links offered *"only GEICO insurance."*

3. Even without calculating Test + Control group 2 versus Control group 1 + Control group 3 averages, it is clear from visually examining the percentages that more confusion is evidenced in Control group 1 + Control group 3 than in the Test + Control group 2.

4. Most telling are the findings from Control group 3. These respondents typed in the name NIKE, *not* GEICO, and brought forth a search results page containing the organic search results for NIKE as well as the three Sponsored Links. Although the name GEICO appeared *nowhere* on the search results page, when asked whether the Sponsored Links offered GEICO insurance, these respondents were more likely than the Test group (and Control group 2) respondents to think the Sponsored Links offered GEICO insurance. Specifically, approximately two-thirds of the Control group 3 respondents thought that the Sponsored Links offered GEICO *"insurance along with insurance from other companies."* Less than 2% thought that the Sponsored Links offered *"only GEICO insurance."*

Even without paying attention to the reasons why they give for their beliefs, the findings from the control groups clearly reveal that thinking the Sponsored Links offer GEICO insurance has nothing whatever to do either with having typed in the name

GEICO or seeing a page containing the organic search results for GEICO.

Respondents who do *not* type in the name GEICO and do *not* see the name GEICO anywhere on the search results page are as likely to think that the Sponsored Links would offer GEICO insurance. As evidenced by the findings from the three Control groups, many factors are responsible for the confusion observed with the Test group respondents. When the findings for the control groups are compared to the findings from the Test group, the confusion obtained with the latter clearly is due to factors other than those being alleged by GEICO.

Table 4b, below, tallies only those who, when indicating the reason why they thought a Sponsored Link offered GEICO insurance, answered it was either because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the link was affiliated or connected with GEICO. Note that, in contrast to Table 4a (which had two percentages entered in each cell), because the percentages for "offers only GEICO insurance" and "offers GEICO insurance along with ..." are so small, they were combined. Thus, Table 4b contains only a single percentage entered in each cell.

**TABLE 4b: THINKING SPONSORED LINKS OFFER GEICO INSURANCE (TAKING INTO CONSIDERATION RESPONDENTS' "REASONS WHY")**

	TEST	Control 1	Control 2	Control 3
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE
Base =	(101)	(50)	(47)	(55)
	%	%	%	%
Q6. Do you think [link] ...	GEICO	ALLSTATE	GEICO	GEICO
Free Insurance Quotes (www.AutoandHome.com) offers only GEICO insurance, offers GEICO insurance along with ...	5.0	0.0	2.1	0.0
Shop for Auto Insurance (www.insure.com.com)) offers only GEICO insurance, offers GEICO insurance along with ...	5.9	0.0	0.0	0.0
Insurance Finder - Save (www.insurancefinder.com) offers only GEICO insurance, offers GEICO insurance along with ...	5.9	0.0	0.0	0.0
YAHOO! - GEICO Company Profile (biz.yahoo.com/ic/10/10616.html) offers only GEICO insurance, offers GEICO insurance along with ...	NA	NA	34.0	NA

As can be seen from Table 4b, when consumers who think a particular Sponsored Link offers GEICO insurance are asked to indicate the reasons why they think so, a *de minimus* level (averaged across Test and Control group 2, under 5%) indicate that their confusion is due to the fact that either they had typed in GEICO, they thought they were on a GEICO website/home page, or they thought the link was affiliated or connected with GEICO. This compares to 34% who mistakenly thought that a non-sponsored organic link mentioning GEICO's name offered GEICO insurance (Control group 2).

The bottom line is that, regardless of whether one does or does not take into consideration the reasons respondents give for thinking that a Sponsored Link offers GEICO's insurance, the level of confusion fails to rise to a level generally considered actionable.

**THINKING THE SPONSORED LINKS HAVE  
A BUSINESS RELATIONSHIP WITH GEICO**

To assess confusion as to business association or relationship, respondents in all four groups were then asked the Question 7 series regarding each of the three Sponsored Links: "Do you think this link does have a business relationship with \_\_\_\_, does not have a business relationship with \_\_\_\_, or are you not sure about this?" While the name used in the question was GEICO for respondents in the Test group and Control groups 2 and 3, that name was ALLSTATE for respondents in Control group 1. Last, Control group 2 respondents were asked the same question regarding a fourth link -- "YAHOO! -- GEICO Company Profile" -- one of the links generated by the organic search. Table 5a summarizes these results.

Before reviewing Table 5a, it should be recognized that there might be many reasons for respondents thinking that a Sponsored Link has a business relationship with GEICO, and not all of these reasons would necessarily have anything to do with GEICO's allegations. For this reason, respondents who answered "yes" to question 7a were then asked Question 7b: "What, in particular, makes you think the \_\_\_\_ sponsored link does have a business relationship with \_\_\_\_?" The verbatim answers provided by respondents to this question were examined and only those who gave answers indicating they were confused for the reasons being alleged -- namely, because they



had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the sit was affiliated or connected with GEICO -- were tallied and tabulated. Table 5b summarizes the results for Question 7b.

Attention is first given to the percentage of respondents who thought that a Sponsored Link did have a business relationship with GEICO without considering the reasons they gave for having these thoughts (Table 5a). Next, attention is given to the to the percentage of respondents who thought a Sponsored Link did have a business relationship with GEICO, tallying only those who, when indicating the reason why they thought so, answered it was either because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the link was affiliated or connected with GEICO (Table 5b).

**TABLE 5a: THINKING A SPONSORED LINK DOES HAVE A BUSINESS RELATIONSHIP WITH GEICO (WITHOUT TAKING INTO CONSIDERATION RESPONDENTS' "REASONS WHY")**

	TEST	Control 1	Control 2	Control 3	AVERAGES <sup>16</sup>	
					T+C1	C1+C
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE		
Base =	(101)	(50)	(47)	(55)	(148)	(105)
	%	%	%	%	%	%
Q7. Do you think [link] ... does have a business relationship with GEICO?	GEICO	ALLSTATE	GEICO	GEICO		
Free Insurance Quotes (www.AutoandHome.com)	36.6	20.0	36.2	27.3	36.5	23.8
Shop for Auto Insurance (www.insureCom.com)	31.7	14.0	31.2	18.2	31.8	15.6
Insurance Finder – Save (www.insurancefinder.com)	27.7	16.0	34.0	21.8	29.7	10.7
YAHOO! – GEICO Company Profile (biz.yahoo.com/ic/10/10616.html)	NA	NA	59.6	NA	NA	NA
Average of the averages					32.66	13.0

A number of findings emerge from examination of Table 5a. These are the following.

1. Nearly one-third of the respondents in the Test group and Control group 2 are confused into believing that each of the three Sponsored Links has a business relationship with GEICO.
2. When the average percentages for Control groups 1 + 3 are subtracted from the corresponding results obtained with the average of the Test group and its replicate, Control group 2, the average "net confused" percentage

<sup>16</sup> The "Averages" column provides weighted averages for the Test + Control group 2, and Control groups 1 + 3.

13%, below the 15% level that, in my experience, courts usually use as a threshold before holding a confusion finding to be sufficiently large as to be actionable.

3. With the three Sponsored Links on the page, nearly 60% of Control group 2 respondents are confused into believing that an organic site containing the name GEICO has a business relationship with GEICO.

Even without paying attention to the reasons respondents give for their beliefs, thinking a Sponsored Link does have a business relationship with GEICO has nothing to do either with having typed in the name GEICO or seeing a page containing the organic search results for GEICO. Respondents who do *not* type in the name GEICO and do *not* see the name GEICO anywhere on the search results page are as likely to think that a Sponsored Link does have a business relationship with GEICO as respondents who do type in the name GEICO and do see the name GEICO on the search results page. As the findings from the three Control groups reveal, many factors are responsible for the confusion observed with the Test group respondents. When the findings for the control groups are compared to the findings from the Test group, the confusion obtained with the latter clearly is due to factors other than those being alleged by GEICO.

Table 5b, below, tallies only those who, when indicating the reason why they thought a Sponsored Link does have a business relationship with GEICO, answered it was either because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the link was affiliated or connected with GEICO.

**TABLE 5b: THINKING A SPONSORED LINK DOES HAVE A BUSINESS RELATIONSHIP WITH GEICO (TAKING INTO CONSIDERATION RESPONDENTS' "REASONS WHY")**

	TEST	Control 1	Control 2	Control 3	AVERAGES	
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE		
Base =	(101)	(50)	(47)	(55)	(148)	(105)
	%	%	%	%	%	%
Q7. Do you think [link] ... does have a business relationship with GEICO?	GEICO	ALLSTATE	GEICO	GEICO		
Free Insurance Quotes (www.AutoandHome.com)	15.8	6.0	12.8	5.5	14.9	5.7
Shop for Auto Insurance (www.insureCom.com)	15.8	2.0	10.6	7.3	14.2	4.7
Insurance Finder - Save (www.insurancefinder.com)	17.8	2.0	8.5	5.5	14.9	3.7
YAHOO! - GEICO Company Profile (biz.yahoo.com/ic/10/10616.html)	NA	NA	44.7	NA		NA
Average of the averages					14.7	4.7

As can be seen from Table 5b, when consumers who think a particular Sponsored Link has a business relationship with GEICO are asked to indicate the reasons why they think so, few (14.7 - 4.7 = 10%) indicate that their confusion is due to the fact that either they had typed in GEICO, they thought they were on a GEICO website/home page, or they thought the link was affiliated or connected with GEICO. This compares to 45% who mistakenly thought that a non-sponsored organic link mentioning GEICO's name had a business relationship with GEICO (Control group 2).

The bottom line is that, regardless of whether one does or does not take into consideration the reasons respondents give for thinking that a Sponsored Link has a business relationship with GEICO, the level of actionable confusion fails to exceed 5%.

### THINKING SPONSORED LINKS HAVE BEEN AUTHORIZED BY GEICO

To assess confusion as to sponsorship or authorization, respondents in all four groups were then asked the Question 8 series regarding each of the three Sponsored Links: "Do you think this link has been authorized by [company] \_\_\_\_\_ to offer [company's] \_\_\_\_\_ insurance, has not been authorized by [company] \_\_\_\_\_ to offer [company's] \_\_\_\_\_ insurance, or are you not sure about this?" While the company name used in the question was GEICO for respondents in the Test group and Control groups 2 and 3, that name was ALLSTATE for respondents in Control group 1. Last, Control group 2 respondents were asked the same question regarding a fourth link – "YAHOO! – GEICO Company Profile" – one of the links generated by the organic search. Table 6a summarizes these results.

Before reviewing Table 6a, it should be recognized that there might be many reasons for respondents thinking that a Sponsored Link has received authorization or sponsorship from GEICO, and not all of these reasons would necessarily have anything to do with GEICO's allegations. For this reason, respondents who answered "yes" to question 8a were then asked Question 8b: "What, in particular, makes you think the \_\_\_\_\_ sponsored link has been authorized by \_\_\_\_\_ to offer [its] insurance?" The verbatim answers provided by respondents to this question were examined and only those who gave answers indicating they were confused for the reasons being alleged – namely, because they had typed in GEICO, because they thought they were on a GEICO website/home page, or because they thought the sit was affiliated or connected with GEICO – were tallied and tabulated. Table 5b summarizes the results for Question 7b.

**TABLE 6a: THINKING SPONSORED LINKS HAVE BEEN AUTHORIZED BY GEICO  
(WITHOUT TAKING INTO CONSIDERATION RESPONDENTS'  
"REASONS WHY")**

	TEST	Control 1	Control 2	Control 3	AVERAGES	
					T+C2	C1+C3
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE		
Base =	(101)	(50)	(47)	(55)	(148)	(105)
	%	%	%	%	%	%
Q8. Do you think [link] ... has been authorized by GEICO to offer GEICO insurance?	GEICO	ALLSTATE	GEICO	GEICO		
Free Insurance Quotes ( <a href="http://www.AutoandHome.com">www.AutoandHome.com</a> )	31.7	18.0	27.7	32.7	30.4	25.7
Shop for Auto Insurance ( <a href="http://www.insureCom.com">www.insureCom.com</a> )	29.7	10.0	23.4	21.8	27.7	16.2
Insurance Finder -- Save ( <a href="http://www.insurancefinder.com">www.insurancefinder.com</a> )	29.7	14.0	31.9	18.2	30.4	16.2
YAHOO! -- GEICO Company Profile ( <a href="http://biz.yahoo.com/lc/10/10616.html">biz.yahoo.com/lc/10/10616.html</a> )	NA	NA	42.6	NA	NA	NA
Average of the averages					29.5	19.4

A number of findings emerge from examination of Table 6a. These are the following.

1. On average, approximately 30% of respondents in the Test group and Control group 2 are confused into believing that each of the three Sponsored Links has been authorized by GEICO to offer GEICO insurance.
2. The average percent confusion for Control groups 1 and 3 reveals that the confusion evidence by the Test group and Control group 2 is primarily due to factors other than those being alleged by GEICO. When the average



percent confusion for Control groups 1 and 3 is subtracted from the corresponding level of confusion found with the Test group and Control group 2, "net" confusion turns out to be  $(29.5 - 19.4 =)$  approximately 10%. This compares to 43% who mistakenly thought that a non-sponsored organic link mentioning GEICO's name had been authorized by GEICO to offer GEICO insurance (Control group 2).

Even without paying attention to the reasons respondents give for their beliefs, thinking that a Sponsored Link had been authorized by GEICO to offer its insurance has nothing to do either with having typed in the name GEICO or seeing a page containing the organic search results for GEICO. Respondents who do *not* type in the name GEICO and do *not* see the name GEICO anywhere on the search results page are as likely to think that the Sponsored Link had been authorized by GEICO to offer its insurance. As the findings from the three Control groups reveal, many factors are responsible for the confusion observed with the Test group respondents. In point of fact, when the findings for the control groups are compared to the findings from the Test group, the confusion obtained with the latter clearly is due to factors other than those being alleged by GEICO.

Now consider the data when consideration is given to the reasons why the respondents give for being confused in this regard.

**TABLE 6b: THINKING SPONSORED LINKS HAVE BEEN AUTHORIZED BY GEICO (TAKING INTO CONSIDERATION RESPONDENTS' "REASONS WHY")**

	TEST	Control 1	Control 2	Control 3	AVERAGE	
					T+C2	C1+
Name typed in to initiate search	GEICO	GEICO	GEICO	NIKE		
Base =	(101)	(50)	(47)	(55)	(148)	(101)
	%	%	%	%	%	%
Q8. Do you think [link]... has been authorized by GEICO to offer GEICO insurance?	GEICO	ALLSTATE	GEICO	GEICO		
Free Insurance Quotes (www.AutoandHome.com)	17.8	8.0	14.9	12.7	16.9	10.1
Shop for Auto Insurance (www.insureCom.com)	21.8	4.0	12.8	14.5	18.9	9.1
Insurance Finder - Save (www.insurancefinder.com)	20.8	8.0	17.0	9.1	19.6	8.1
YAHOO! - GEICO Company Profile (biz.yahoo.com/ic/10/10616.html)	NA	NA	29.8	NA	NA	NA
Average of the averages					18.5	9.1

As can be seen from Table 6b, when consumers who think a particular Sponsored Link has been authorized by GEICO to offer its insurance are asked to indicate the reasons why they think so, few (less than 10%) indicate that their confusion is due to the fact that either they had typed in GEICO, they thought they were on a GEICO website/home page, or they thought the link was affiliated or connected with GEICO. This compares to approximately 30% who mistakenly thought that a non-sponsored organic link mentioning GEICO's name had been authorized by GEICO to offer GEICO insurance (Control group 2).

The bottom line is that, regardless of whether one does or does not take into consideration the reasons respondents give for thinking that a Sponsored Link has been authorized by GEICO to offer its insurance, after adjusting for the control ("noise") rate, the level of actionable confusion is less than 10%.

**CONCLUSIONS AND OPINIONS:**

Based upon the foregoing data and analyses, my conclusions are as follows.

1. People who type "GEICO" on a Google start page and then generate a search results page that, in addition to the results of the organic search associated with the name GEICO, provides Sponsored Links to other auto insurance sites that do not use the name GEICO in their heading or text, are not confused on how to get to get to GEICO's website or home page. Contrary to GEICO's allegations, they are not misled or hijacked by these Sponsored Links or confused into going to other insurance sites when they intend to go to GEICO.

2. Sponsored Links that do not use the name GEICO generate negligible levels of confusion as to affiliation with, authorization by, or offering products from GEICO.

Based upon the data gathered in this investigation, in my opinion, a negligible percent of consumers using Google in the marketplace are likely to be misled or confused in a manner being alleged by plaintiff, GEICO.

**CERTIFICATION**

Pursuant to 28 U.S.C. Section 1746, I declare under penalty of perjury that, to the best of my knowledge and belief, the foregoing is true and correct.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Jacob Jacoby, Ph.D.

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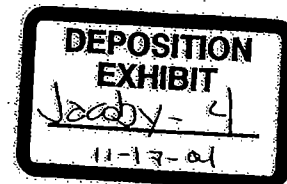
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