

STILL IN SEARCH OF DISCLOSURE

Re-evaluating How Search Engines Explain the Presence of Advertising in Search Results

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EXECUTIVE SUMMARY

One year after Consumer Reports WebWatch research demonstrated many of the Web's most popular search engines fail to provide clear disclosures about how their results are influenced by advertisers, follow-up research by WebWatch confirms the industry's continuing inability to adequately inform consumers about the financial forces at work in online search.

WebWatch began reporting on the relationship between advertising and search engine results in 2002, when it released the results of a comprehensive national poll of 1,500 U.S. adult Internet users. The survey, "A Matter of Trust: What Users Want From Web Sites," showed more than 60 percent of respondents were unaware search engines accept payment to list certain sites more prominently than others in search results, a practice commonly known as "paid placement."

Among those to take note of these findings was the U.S. Federal Trade Commission (FTC), which cited the report in a warning letter to the search engine industry later that

year.² In that letter, the FTC issued recommendations for "clear and conspicuous disclosure" of paid placement and paid inclusion, the two main methods of inserting advertising into search results. (Paid placement programs charge advertisers a fee in exchange for higher rankings within search results. Paid inclusion programs also

KEY FINDINGS

Consumer Reports WebWatch examined how the top 15 most-trafficked search engines explain their business relationships with advertisers and discovered:

- Disclosure headings are even more difficult to find in many cases.
- Two of three meta-search engines tested have greatly improved their disclosure practices.
- Paid inclusion still was not satisfactorily disclosed by any search engine tested.

¹Princeton Survey Research Associates (2002). "A Matter of Trust: What Users Want From Web Sites. Results of a National Survey of Internet Users." Consumer Reports WebWatch. Available online at http://www.consumerwebwatch.org/dynamic/web-credibility-reports-a-matter-of-trust-abstract.cfm ²"Complaint Requesting Investigation of Various Internet Search Engine Companies Paid Placement and Paid Inclusion Programs." Federal Trade Commission (2002). Available online at http://www.ftc.gov/os/closings/staff/commercialalertattatch.htm

charge a fee, but only to assure a site's listing within a search engine's full index of possible results — without a guarantee of ranking.)

The FTC's recommendations came after Commercial Alert, a Portland, Oregon-based consumer watchdog group, filed a complaint with the commission accusing several major search engines of deceptive advertising practices.³

With the surprising results from the national poll established as an empirical baseline, WebWatch followed with the 2003 study "False Oracles: Consumer Reaction to Learning the Truth About How Search Engines Work," which explored why paid search results remained opaque to consumers. This ethnographic study underscored study participants' complete lack of awareness about the integration of advertising into search pages — as well as considerable dismay when informed how advertising influences search results.4

As a next step in WebWatch's analysis of search engine

THE 2004 STUDY FOUND MOST OF THE 15 SEARCH ENGINES TESTED MADE SOME EFFORT TO SATISFY THE FTC'S RECOMMENDATIONS, BUT COMPLIANCE VARIED WIDELY.

FIGURE 1

DEFINITION OF TERMS

PAID PLACEMENT

When Web sites pay a fee to be ranked prominently in search results.

PAID INCLUSION

When Web sites pay a fee to increase the likelihood they will appear somewhere within search results, without a guarantee of a high ranking.

disclosure practices, WebWatch created an evaluation tool based on FTC guidelines to examine the methods major search engines used to explain to consumers the role of advertising in the online search process. WebWatch employed an expert panel of librarians, professionals trained in information search, to perform the analysis. This 2004 study, "Searching for Disclosure: How Search Engines Alert Consumers to the Presence of Advertising in Search Results," found most of the 15 search engines tested made some effort to satisfy the FTC's recommendations. But compliance varied widely, as some sites diligently disclosed and explained their business practices, while others appeared to obscure the presence of advertising within search results.⁵

Now, this report builds on "Searching For Disclosure" by re-examining the same 15 search engines almost one year after they were reviewed for the 2004 report. Although the initial study was based on analysis by 4 librarians and the report's author, the author alone conducted follow-up reviews for this study by querying the term "digital cameras" for all 15 sites. The sites re-evaluated in this study were: 1st Blaze, AltaVista, AOL Search, Ask Jeeves, CNET's Search.com, Google, InfoSpace,

³"Commercial Alert Files Complaint Against Search Engines for Deceptive Ads." Commercial Alert (2001) Available online at http://www.commercialalert.org/index.php/article_id/index.php/category_id/1/subcategory_id/24/article_id/33

⁴Marable, L. (2003) "False Oracles: Consumer Reaction to Learning the Truth About How Search Engines Work. Results of an Ethnographic Study." Consumer Reports WebWatch. Available online at http://www.consumerwebwatch.org/dynamic/search-report-false-oracles-abstract.cfm

⁵Wouters, J. (2004) "Searching for Disclosure: How Search Engines Alert Consumers to the Presence of Advertising in Search Results." Consumer Reports WebWatch. Available online at http://www.consumerwebwatch.org/dynamic/search-report-disclosure-abstract.cfm

Lycos, MSN Search, My Search, My Way, Netscape, Overture, Web Search and Yahoo! Search.

A year is a long time in cyberspace, and many search engines reviewed here have undergone a number of changes. Unfortunately for consumers, many of these changes have not been for the better. Comparing current levels of disclosure among search engines with those a year ago, we found that some of the best have gotten worse, a few of the worst have gotten better, and roughly half have remained more or less the same.

Most search engines also appear more interested in following the letter — rather than the spirit — of the FTC's guidelines. This reinforces a troubling trend WebWatch noted a year ago, i.e., many search engines seem to be doing as little as possible to comply with FTC recommendations and as much as possible to camouflage the presence of advertising within their search results.

WebWatch's body of research demonstrates both consumers' strong desire in knowing whether search engines sell rankings to advertisers, as well as their considerable

FIGURE 2

SEARCH ENGINE DISCLOSURE COMPLIANCE COMPARISON, 2004-2005

SITE	CHANGE	COMMENTS
1ST BLAZE	-	No disclosuresPoor transparency
ALTA VISTA	▼	Once visible headings now mutedDisclosure hyperlinks removed
AOL SEARCH	-	 Changed disclosure headings from red to green Disclosure links slightly paler but still noticeable
ASK JEEVES	▼	Disclosure headings more faintRemoved disclosure hyperlinksDisclosures harder to find
CNET'S SEARCH.COM	A	 Added disclosure pages for paid placement and paid inclusion
GOOGLE	-	Good disclosure, although difficult to find disclosure statements
INFOSPACE	▼	 Reduced paid placement disclosure to one sentence Still no disclosure of paid inclusion
LYCOS	-	Streamlined disclosure pages
MSN SEARCH	A	Some paid placement listings easier to spot
		 Ended content promotion and paid inclusion programs Removed paid placement disclosure page
MY SEARCH	-	Disclosure headings only slightly larger
MY WAY SEARCH	-	Disclosure headings only slightly larger
NETSCAPE	▼	Once vivid headings now light gray
OVERTURE	-	Good disclosure
WEB SEARCH	A	 Paid placement listings now identified Much improved paid placement and paid inclusion disclosures
YAHOO! SEARCH	▼	 Once bright red headings now light gray Paid placement and paid inclusion hyperlinks removed Single disclosure hyperlink easy to miss

frustration in trying to locate and understand these disclosures. Because of the demonstrable importance consumers place on the integrity and transparency of search results, the industry must enhance the effectiveness of disclosures to ensure they are noticed and understood. If not, the search engine industry risks losing credibility with the audience it is competing so vigorously to capture: Consumers.

FIGURE 3

SEARCH ENGINES SELECTED FOR THIS STUDY

1ST BLAZE

http://www.1stblaze.com

ALTA VISTA

http://www.altavista.com

AOL SEARCH

http://search.aol.com/aolcom/webhome

ASK JEEVES

http://www.ask.com

CNET'S SEARCH.COM

http://www.search.com

GOOGLE

http://www.google.com

INFOSPACE WEB SEARCH

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

LYCOS

http://www.lycos.com

MSN SEARCH

http://search.msn.com

MY SEARCH

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

MY WAY SEARCH

http://www.myway.com/

NETSCAPE

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

OVERTURE

http://www.content.overture.com

WEB SEARCH

http://www.websearch.com

YAHOO! SEARCH

http://search.yahoo.com

KEY FINDINGS

- Disclosure headings the first and often only indication consumers are given to alert them of advertising within search results are getting even harder to spot. Almost every search engine that used large and/or colorful headings last year has either muted their colors, reduced their size, or both. As a result, the majority of all headings are now small, usually gray and tend to blend in with the page.
- Disclosure pages which provide helpful information about paid placement programs, as well as required explanations of paid inclusion programs are getting even harder to find. Four major search engines reduced access to these disclosure pages by removing separate hyperlinks, leaving it up to consumers to figure out how to find disclosure information.
- Meta-search engines, criticized a year ago for their collective lack of disclosure, have largely improved. Two engines have substantially enhanced their disclosure of both paid placement and paid inclusion, although one site has become worse.
- Again in this year's evaluation, no search engine disclosed **paid inclusion** satisfactorily, increasing chances consumers will think they are viewing advertising-free "Web results." Despite the loss of two high-profile players last year, paid inclusion remains prevalent, and is still practiced by at least nine of the 15 search engines tested.
- Disclosure statements, which in theory are written for consumers, should be simple and straightforward. But some for both paid placement and paid inclusion seem written to discourage reading. More than half the disclosures remained virtually unchanged from a year ago, and some are still unsatisfactory.

CREDITS

This project was written and directed by Jørgen J. Wouters, a consultant to Consumer Reports WebWatch and author of WebWatch's 2004 report, "Searching for Disclosure: How Search Engines Alert Consumers to the Presence of Advertising in Search Results." He has been writing about the Internet since 1993, for the Washington Post Company's Washington Technology magazine and other publications. He also edited the Information & Interactive Services Report, a weekly newsletter for information industry executives. Wouters also has written for the international consulting firm McKinsey & Company.

This project was funded by Consumer Reports WebWatch. The research report was edited by Tracy Ziemer, WebWatch's researcher and site producer. Neither ConsumerWebWatch.org nor ConsumersUnion .org participate in paid placement or paid inclusion programs with any search engine. ConsumerReports.org does participate in both paid placement and paid inclusion programs.

ABOUT CONSUMER REPORTS WEBWATCH

Consumer Reports WebWatch is a project of Consumers Union, the non-profit publisher of Consumer Reports magazine and ConsumerReports.org. The project is supported by The Pew Charitable Trusts, which invests in ideas that fuel timely action and results; the John S. and James L. Knight Foundation, which promotes excellence in journalism worldwide and invests in the vitality of 26 U.S. communities; and the Open Society Institute, which encourages debate in areas in which one view of an issue dominates all others.

Consumer Reports WebWatch's mission is to improve the credibility of Web sites, through research, news investigations, and articulation of best practices guidelines in specific sectors of Web publishing. WebWatch's research, investigations, guidelines, conference transcripts, a list of sites that comply with WebWatch's best practices guidelines, and other materials are available for free at http://www.consumerwebwatch.org.

MAJOR FINDINGS

A year ago, WebWatch testers determined all search engines reviewed could improve the visibility of their headings and hyperlinks and/or the clarity of their disclosures. The latest review of these 15 sites only reinforces this finding. While fewer than half the sites tested remained essentially unchanged from a year ago in terms of disclosure practices, many sites have changed for the worse, with a few notable exceptions.

In 2004, many sites used small, gray, indistinct disclosure headings to highlight advertising on their results pages, although a handful of the most-trafficked search engines made a point of using vibrant, hard-to-miss fonts. But now, many of the best and brightest headings tested a year ago have gotten smaller, duller, and easier to miss. Several engines that once exceeded FTC guidelines by providing hyperlinks to paid-placement disclosures have since removed them, and most other hyperlinks remain difficult to find.

However, on a more positive note, two of the three metasearch engines tested last year have greatly improved their disclosure of both plaid placement and paid inclusion — and, in some respects, now surpass some of the very engines they fared so poorly against last year. Also, two of the three most-trafficked search engines, despite some other shortcomings, now feature some paid placement results in helpful, easy-to-spot colored boxes.

AMONG THE MAJOR FINDINGS:

■ Disclosure Headings are Fading

A year ago, eight of the 15 search engines were criticized by WebWatch for labeling their paid placement and inclusion listings with small, dull-colored headings. Since then, five additional major players have either

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THEM.

muted the color of their headings, reduced their size or both. AltaVista, Netscape and Yahoo once used highly visible, bright red headings but now use gray, the industry's apparent color of choice. Two engines, however – Yahoo and MSN – offset their indistinct paid search headings by placing some paid search listings in colored boxes.

Only two search engines - My Search and My Way -

FIGURE 4 **COLOR CHANGES TO DISCLOSURE HEADINGS** SLIGHT IMPROVEMENTS SITE 2004 2005 Darker gray MY SEARCH Faint gray MY WAY Faint gray Darker gray WEB SEARCH None Gray **GETTING WORSE** SITE 2004 2005 ALTAVISTA Red Grav **ASK JEEVES** Big, bold red Small, thin red MSN SEARCH Grav Faint Gray NIFTSC APE Red Gray YAHOO! Red Gray PRIMARILY UNCHANGED 2004 SITE 2005 Black 1ST BLAZE Black **AOL SEARCH** Red Green CNET'S SEARCH.COM (red when (red when moused over) moused over) GOOGLE Gray Gray **INFOSPACE** Pale blue Pale blue LYCOS Red Red **OVERTURE** Pale blue Pale blue

actually increased the visibility of their headings, although these once-minuscule headings are still small and gray. The use of inconspicuous headings greatly increases the likelihood consumers will not discern the nature of paid results.

■ Paid Placement Hyperlinks Are Vanishing

Although the FTC requires only a heading to indicate paid placement, most search engines tested last year went beyond these recommendations by offering hyperlinks to disclosure pages, a practice lauded by WebWatch. Since then, four major search engines – AltaVista, Ask Jeeves, MSN and Yahoo – deleted these hyperlinks from their results pages, and MSN removed its disclosure page entirely. (See Figure 5.)

Although AltaVista's and Yahoo's headings are hyperlinked to disclosures explaining the sites' use of advertising, neither is obvious unless one rolls over the headings with a mouse. Ask Jeeves users must now dig through its help pages for a disclosure. While some of these engines may still exceed FTC guidelines by offering a separate paid search disclosure, the sites aren't doing consumers any favors by making this information so hard to find.

■ Some Paid Inclusion Hyperlinks Have Been Removed

Although the FTC requires search engines to link to disclosures explaining the site's use of paid inclusion, some engines have deleted them from their pages. Two of these

FIGURE 5 SITES THAT HAVE REMOVED PAID PLACEMENT HYPERLINKS 2004 2005 SITE ALTAVISTA "About" None **ASK JEEVES** "About" None MSN SEARCH "About" None* YAHOO! SEARCH "What's this" None** *=Disclosure page removed as well. **=Site now offers "About these results" hyperlink set apart from the headina

engines – Ask Jeeves and MSN – no longer have anything to disclose since they dropped their paid inclusion programs after WebWatch's testing in 2004. However, AltaVista still features paid inclusion listings, and last year the site highlighted this disclosure information with a separate "About" hyperlink placed next to the heading. Now, however, AltaVista has eliminated the separate link and hyperlinked the paid inclusion heading instead — something not apparent unless a user happens to mouse-over the heading.

Yahoo, the largest engine using paid inclusion, also removed its once prominent "What's this?" hyperlink, as well as its paid inclusion heading. The site now uses an "About this page" hyperlink in the upper right corner of the page above a set of paid placement – not paid inclusion – listings, which only adds to confusion.

Although these modifications by AltaVista and Yahoo

FIGURE 6

SEARCH ENGINES THAT USE PAID INCLUSION

SITE	2004	2005
1ST BLAZE	N/A	N/A
ALTA VISTA	✓	✓
AOL SEARCH		
ASK JEEVES	✓	
CNET'S SEARCH.COM	✓	✓
GOOGLE		
INFOSPACE	✓	✓
LYCOS	✓	✓
msn search	✓	
MY SEARCH	✓	✓
MY WAY	✓	✓
NETSCAPE		
OVERTURE	✓	✓
WEB SEARCH	✓	✓
YAHOO!	1	√

may still technically meet FTC guidelines, they're a far cry from the levels of disclosure praised by WebWatch testers a year ago.

■ Most Disclosure Hyperlinks Remain Small, Gray and Out of the Way

Last year, only three search engines tested – Yahoo, AOL and Lycos – used colorful and noticeable disclosure hyperlinks, while all other search engines earned low marks from testers for their reliance on small, faint gray links. AOL and Lycos are the only sites of all 15 tested this year to still use relatively visible hyperlinks placed next to headings, as the FTC recommends.

Although disclosure links are meant to be noticed, most either blend in with the page and/or are located so far from the headings that they are easily missed — as they were by several testers last year. The continued use of eye-straining, and often buried, hyperlinks makes it likely most consumers will never see the disclosures the links are meant to highlight.

■ Meta-Search Engines are Much Improved

Every tester last year criticized the lack of disclosure offered by the three meta-search engines tested, but two have considerably improved their disclosure practices. CNET's Search.com, which used to disclose paid placement listings with just a heading and failed to disclose paid inclusion at all, now offers a well-worded disclosure page for both. Web Search used to mix paid placement and paid inclusion listings on the results page without any labeling and provided only a vague and confusing disclosure page; the site now discloses paid placement on a listing-by-listing business and has completely overhauled and clarified its disclosure page for the better.

InfoSpace, however, continues to disclose paid placement on a listing-by-listing basis, but has also truncated its paid placement disclosure to a single, unsatisfactory sentence. More troubling, its use of paid inclusion remains undisclosed.

■ Paid Inclusion Headings Still Misleading

A year ago, virtually every search engine labeled its paid placement listings with headings most testers

believed clearly indicated advertiser-driven results ("Sponsored Links," "Sponsored Results," etc.), and these headings remain essentially unchanged. But no single engine tested last year used a heading testers said clearly conveyed paid inclusion, and none do now ("Web Results," "Web Pages," etc.).

Until the FTC or the search engine industry figures out a way to properly disclose these listings, the majority of consumers will probably believe they are viewing advertising-free "Web results or "Web pages," when in reality Web sites have paid the search engine to improve their chances of being listed among possible search results.

■ Paid Inclusion is Less Popular, But Still Prevalent

Last year, only three search engines – Google, AOL and Netscape – offered search results free of paid inclusion. Since then, Ask Jeeves and MSN (both ranked among the top 5 most-trafficked search engines) have abandoned this controversial form of advertising.

But Yahoo, along with its AltaVista and Overture engines, continues to display and provide these listings to many other sites, and smaller players still supply paid inclusion listings as well.

Yahoo also employs a pay-per-click model that some industry watchers say lacks credibility, because it is clearly in Yahoo's interest to boost the rankings of these listings.⁶ Overall, at least nine (not including 1st Blaze, in which it is impossible to tell) of the 15 search engines tested still use paid inclusion, down from 11 sites during last year's testing period. (See Figure 6)

■ Paid Inclusion-Free Search Engines Remain Difficult to Identify

Although the number of major search engines offering paid inclusion-free listings has grown, it's doubtful many consumers could tell. A year ago, some testers mistakenly assumed Google, AOL and Netscape used paid inclusion, largely because most other sites did, and these

three sites didn't offer any prominent online statements to the contrary. Although MSN and Ask Jeeves are now free of paid inclusion, it's not easy to discern this fact from the sites themselves.

Given the controversy over paid inclusion – there is no clear way to confirm paid inclusion programs have no impact on search rankings – it seems odd these sites tend to only point out the advertising-free nature of their editorial listings on pages aimed at advertisers, rather than announcing this fact to consumers.

■ Many Disclosures Remain Incomprehensible

In theory, disclosure statements are written for consumers, and should be simple and straightforward. But many — for both paid placement and paid inclusion — remain anything but, and seem written to discourage reading. Some disclosures also seem aimed more at advertisers than consumers and are still peppered with jargon and trademarked program names (especially for paid inclusion) that left some testers baffled a year ago, and remain confusing today. More than half the disclosures remain virtually unchanged, and warrant improvement.

■ Content Promotion Still a Potential Cause of Confusion A year ago, some search engines tested (AOL, MSN,

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⁶ Kerner, S. (2003) "Outlook: Paid Inclusion Needs to Change its Ways." Internetnews.com (December 26, 2003). Available online at http://www.internetnews.com/ec-news/article.php/3293111

Netscape, Lycos and Yahoo) used "content promotion," the practice of placing in-house or sponsored content either above a group of results or under separate headings. Regardless of how this content was displayed and disclosed, these listings created confusion among testers, who often mistook them for paid inclusion.

MSN dropped its content promotion listings a few months after testing in 2004. But content promotion continues with other sites: AltaVista launched a program called "Shortcuts"; AOL has beefed up its "Recommended Sites" with additional listings and images it calls "Snapshots"; and Yahoo features a new group of content promotion listings it calls "Yahoo Shortcuts." The potential for consumer confusion is, if anything, even greater than it was a year ago.

RESULTS BY SEARCH ENGINE

1ST BLAZE

http://www.1stblaze.com Date tested: March 21 See Figure 7

1st Blaze is, at least, consistent. In the original report, 1st Blaze was alone among the 15 search engines to completely ignore the FTC guidelines — without so much as an attempt at any kind of disclosure. Nearly one year later, 1st Blaze remains the same and continues to earn very low marks for transparency.

Paid Placement

1st Blaze continues to use paid placement for at least some results but still does not explain how search results are generated, either on the results page or anywhere else on the site. Visually, 1st Blaze continues to return results in three batches: the first group appears after the statement, "Your search for 'digital cameras' returned the following results"; the second appears after the heading "Featured Sites"; while the third appears under the statement, "Results from around the world related to digital cameras."

FIGURE 7: 1ST BLAZE

Featured Sites:

Question: What free search engine gives away \$10,000 every weekday?

Click here if you think you know the answer and want to enter to win! http://www.iwon.com

Homeowners! Less than perfect credit?

Low credit score? Self-employed? Homeborrowing can help you: Lower your interest rate, Pay off credit card bills, Consolidate credit cards, Get cash for any reason! http://www.homeborrowing.com

AmericanSingles.com For Real Love

Nearly 5 million members, 10,000 joining daily. Free and premium memberships, detailed profiles, photos, chat and more. The place for singles to comfortably meet and find real romance.

http://www.americansingles.com

Get ahead in your career!

Earn your degree from Kennedy-Western University

Despite the query term "digital cameras," 1st Blaze returned offers for a contest, easy credit, a dating service, and a college degree beneath the heading "Featured Sites" -just as it did for every query last year.

As before, none of the headings offer hyperlinks to disclosures, nor are any disclosures available elsewhere on the site. While the first and third result groupings feature results related to the search term queried, the "Featured Sites" group do not. These nonsensical results remain exactly the same almost one year later, with identical language, irrelevant links and order. Despite the query term "digital cameras," 1st Blaze returned the following "Featured Sites" results: Offers for a contest, easy credit, a dating service, and a college degree – just as it did for every query last year.

Paid Inclusion

Whether 1st Blaze displays paid inclusion listings continues to remain a mystery. An attempt to reach 1st Blaze on May 11, 2005 by e-mail – the only means of contact available anywhere on the site – bounced back, returning the message: "I'm sorry to have to inform you that the message returned below could not be delivered to one or more destinations."

ALTAVISTA

<u>http://www.altavista.com</u> Date tested: March 21 See Figure 8

AltaVista earned generally high marks from testers in the 2004 report but has since instituted some unhelpful changes to the very items previously singled out for praise. The once-visible headings now blend in with the page, and the stand-alone disclosure hyperlinks have been removed.

Paid Placement

AltaVista's paid placement listings continue to appear at the top and bottom of the results page and are still disclosed with a "Sponsored Matches" heading, but no longer with the easy-to-spot red font. Now, this heading sports a far less eye-catching shade of light gray.

Although the heading is hyperlinked to a disclosure, this fact isn't apparent unless you mouse-over the heading, which then turns blue. Previously, the heading was followed by a small, gray "About" hyperlink to a disclosure page. Testers liked the wording and positioning of this link — which AltaVista has since stripped from the results page.

Clicking the "Sponsored Matches" heading takes users directly to AltaVista's paid inclusion, rather than paid placement, disclosure (as it did a year ago), thereby forcing users to scroll down the page. The disclosure wording itself remains essentially unchanged from the one testers generally found clear and straightforward. A year ago, this page was incorrectly labeled "AltaVista – Types of Audio Results" at the top of the browser window. It still is.



Paid Inclusion

AltaVista continues to display paid inclusion results supplied by its corporate parent Yahoo, whose subsidiary Overture supplies AltaVista's paid placement results. The site continues to flag these results with the same inadequate "AltaVista found X results" heading. This heading also has gone from bright red to a less visible light gray and is still linked to the somewhat jargon-laden disclosure criticized by testers in 2004. As with its paid placement listings, AltaVista removed the "About" hyperlink to the disclosure page, leaving it up to consumers to figure out whether the heading is hyperlinked.

AltaVista now offers content promotion listings (in-house and sponsored content) with a new feature called "Shortcuts." These "shortcut" hyperlinks are typically found just below the paid inclusion heading and flagged with an icon of an arrow in a box. Clicking this icon opens a pop-up window with an overview of the program but not a disclosure. The fact some "shortcuts" are paid for by advertisers is revealed on the main disclosure

page, which describes them as "relevant, high-quality results...from the invisible Web - sources that are not normally available to search engines."

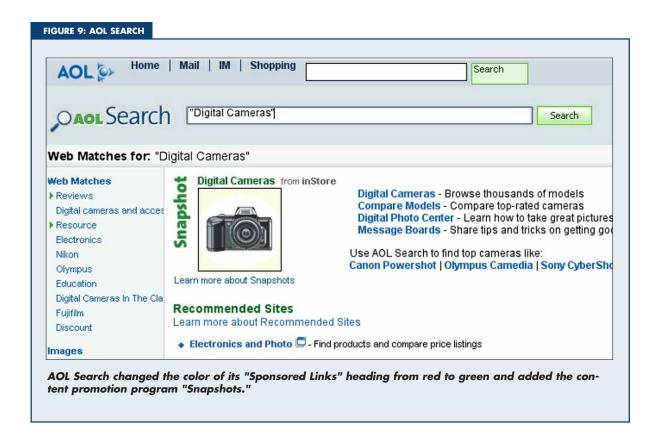
Be that as it may, content promotion last year proved a troublesome gray area for WebWatch testers who were professionally trained in information search. If these testers could easily confuse content promotion with paid inclusion or paid placement, there is little reason to believe these "shortcuts" wouldn't cause similar confusion among consumers.

AOL SEARCH

http://search.aol.com/aolcom/webhome

Date tested: March 22 See Figure 9

AOL Search made a few changes to its search result pages, both in style and substance. Although the disclosure language is fundamentally unchanged, AOL has toned the vibrant colors once used in its headings and



hyperlinks, making them somewhat less eye-catching.

Paid Placement

AOL Search's paid placement listings still appear near the top and bottom of the results page and remain distinguished from other results by a heading and hyperlink to a disclosure page. Results, then as now, are provided by Google.

Although the wording of the heading ("Sponsored Links") remains unchanged, AOL has muted the color somewhat from a bright red to forest green. The disclosure hyperlink is now a paler blue and reads "Learn more about Sponsored Links" instead of "What is a Sponsored Link?" That said, AOL's headings still remain far more noticeable than those of most other sites, and AOL remains one of the few engines offering a separate, easy-to-spot hyperlink to a paid placement disclosure.

Previously, the hyperlink was followed by the disclaimer: "Provided by a third party and not endorsed by AOL," an unusual admission unanimously applauded by testers. This disclaimer has since been shortened to "Provided by a third party," which still makes the intended point.

The actual disclosures – which explained paid placement under two separate headings: "Sponsored Links – Search" and "Sponsored Links – Content" – created confusion a year ago. And although the disclosure language is relatively straightforward, the rationale behind this dual disclosure remains unclear and confusing. Also, users are still forced to scroll down the page to read the entire disclosure.

Previously, AOL sometimes displayed "content promotion" results, which included both in-house and sponsored content selected by editors. These results were disclosed with a heading ("Recommended Sites") and a "Learn more about Recommended Sites" hyperlink to the main disclosure page. These listings have been supplemented by an additional content promotion category called "Snapshots," which are similarly disclosed.

The "Learn more about Snapshots" link takes users to an "AOL Search Toolbox" page, which clearly states "Snapshots" may contain "partner content" and even (clearly labeled) paid placement listings. "Snapshots" are also jointly disclosed with "Recommended Sites" on the main disclosure page.

AOL has also added a new category called "Shopping Results," which features photos and links to search-related products. These results are disclosed with the same headings and hyperlinks as the other search categories, and are explained on the main disclosure page.

Paid Inclusion

Although AOL was one of the few paid inclusion-free sites a year ago, it failed to communicate this fact clearly, leaving more than one tester unsure about the nature of its main results. The disclosure language remains unchanged, as does the potential for consumer confusion.

ALTHOUGH AOL WAS ONE OF THE FEW SITES THAT DIDN'T USE PAID INCLUSION A YEAR AGO, IT FAILED TO COMMUNICATE THIS FACT CLEARLY, LEAVING MORE THAN ONE TESTER UNSURE ABOUT THE NATURE OF THE SITE'S MAIN RESULTS. THIS IS STILL THE CASE.

ASK JEEVES

http://www.ask.com Date tested: March 22 See Figure 10

A year ago, Ask Jeeves won high marks from testers, who praised its eye-catching headings and refreshingly clear and concise disclosures. Testers' main complaint was the site's faint, gray disclosure hyperlinks. Ask Jeeves has since even further reduced the visibility of its headings, eliminated its disclosure hyperlinks and made the disclosures harder to find.

Paid Placement

Ask Jeeves continues to rely on paid placement results from Google (among others), although this is harder to determine than before, since the site eliminated its "About" disclosure hyperlinks. The site's "Sponsored Web Results" heading also is not hyperlinked to a disclosure, and the heading itself has diminished from a big, red font to a smaller size, making it far less obvious.

Although the FTC doesn't require search engines to have a separate paid placement disclosure (only a heading), last year Ask Jeeves – like most sites – went above and beyond FTC recommendations in offering one. It still does, but now makes it much harder to locate. Users now can find two separate disclosures, one on a "Glossary of search results terminology" page, and another on an "Editorial Guidelines" page. Neither is as clear and concise as the old disclosure, and not nearly as easy to locate.

Paid Inclusion

Ask Jeeves used paid inclusion during 2004 testing, but subsequently announced the termination of this program before the report was published. The site's "About Ask Jeeves" section contains a link to its paid inclusion program, which notes that it stopped accepting paid URLs into its index as of August 31, 2004.

Then, as now, Ask Jeeves main search results were provided by Teoma (which it owns), and found under a red "Web Results," header that – like the paid placement header – has gone from a big, thick font to a less noticeable small, thin one. Ask Jeeves is now technically free of paid inclusion – although some of these listings will continue to appear until contracts expire – but this fact is not readily apparent without some digging through the help pages.



CNET'S SEARCH.COM

http://www.search.com Date tested: March 28

See Figure 11

CNET's Search.com, like other meta-search engines tested last year, was among the worst in terms of disclosing its search results. Since then, however, CNET has considerably improved its disclosure practices — especially regarding paid inclusion.

Paid Placement

Visually, Search.com looks much as it did a year ago. Paid placement results are still found at the top and highlighted with a prominent, black, hyperlinked "Sponsored Links" heading that turns an underscored red when moused-over. A year ago, clicking on this heading yielded an expanded list of "Sponsored Links," rather than an expected explanation about advertisers paying to be listed. A section in the help pages entitled "Understanding Search Results" offered no further explanation, which all testers criticized.

Now, however, clicking the heading takes one to a disclosure page titled "Help Using Search.com." Of the

page's concise three sections, the second section, "Sponsored Links," offers a clear and simple disclosure of the meta-search engine's paid placement program. This disclosure is easy to understand and accessible via another addition to the top of Search.com's search results page: A narrow yellow banner that features a blue "About this page" hyperlink.

Paid Inclusion

Last year, Search.com failed to disclose the existence of paid inclusion anywhere on its site. However, its reliance on results from search engines known to use paid inclusion left little doubt among testers about Search.com's use of this type of programming — leading some to criticize the search engine for not being more transparent.

Search.com has since altered the wording of its disclosure heading from "Web Results" to "Metasearch Results." Although this wording still doesn't clearly indicate paid inclusion, it is at least a more accurate description of these results. More important, this heading leads links to a disclosure page, which offers a clear and succinct explanation of the potential presence of paid inclusion results.

FIGURE 11: CNET'S SEARCH.COM



Help Using Search.com

* Top Matching Results

Occasionally Search.com will highlight specialized results that are based on the context of your query. Examples of specialized results include specific links to software downloads, products, or video games.

Top Matching Results may highlight information from other Search.com pages, content from the CNET Network of site third party content. The listings are based purely on relevance. Search.com does not receive payment for listings in the section but our partners that provide this data may get paid for listing these products.

Sponsored Links

This section contains paid listings which 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 a third party and not endorsed by Search.com.

Metasearch Results

Search.com sends your search query to several search engines at one time and integrates the results into one list with has been sorted by relevance using Search.com's proprietary algorithm. You can customize the list of search engines included in your metasearch by visiting the Search.com preferences page. The search engines that are used in your metasearch may allow companies to pay to have their Web sites included within the results. To view the Paid Inclusion policy for a specific search engine, please visit their Web sites. Search.com does not accept payment or share revenue with any search engine partner for listings in this section.

Special offers from our advertisers

This section contains paid listings which have been purchased by other companies, of which some of the companies paid to have their sites appear for specific search terms and related content. These listings are administered, sorted maintained by a third party and are not endorsed by Search.com.

CNET's Search.com provides a clear and concise disclosure page that is easy to access. The site's explanation of its paid placement program within the section called "Sponsored Links" is easy to understand.

GOOGLE

http://www.google.com Date tested: March 29 See Figure 12

In the 2004 report, Google was generally praised for a clean design that clearly separated editorial results from the ads. But it also was chided for failing to offer a paid placement disclosure page and not making clear its main results are paid inclusion-free. A year later, Google remains unchanged.

Paid Placement

Google continues to use paid placement, relies exclusively on its own results, and displays them exactly as it did a year ago. Paid links are separated from main results, either in the right column separated by a vertical

blue line, or across the top of the results page in blueshaded boxes.

Both sets of paid results are flagged with a "Sponsored Links" heading in the same thin, gray font some testers criticized as being too faint. The headings in the blue boxes are still hyperlinked to the advertisers, rather than to a disclosure — a practice condemned last year and now.

Although the FTC doesn't require a paid placement disclosure beyond the results page, many of the search engines tested last year — including those using Google results — linked to separate disclosure pages. Google's reluctance to do so was criticized by testers, who noted the difficulty in finding an explanation of these results anywhere on the site.

FIGURE 12: GOOGLE



Howstuffworks "How Digital Cameras Work"
You used to have to wait for vour film to be developed before vou could see vour vacation

www.digital-cameras.com/ - 27k - May 24, 2005 - Cached - Similar pages

CompUSA Specials! Penny Offer- Official Site, Great Re www.CompUSA.com

Google clearly separates paid links from main results with its "Sponsored Links" heading and vertical blue line on the right side of the page.

Paid Inclusion

A year ago, Google was one of only three major search engines that avoided paid inclusion and wasn't shy about boasting about the purity of its results in the press.⁷ But Google's lack of any disclosure page got it into trouble with testers, only two of whom could say authoritatively that Google did not use paid inclusion. Although Google remains paid inclusion-free, determining this fact remains difficult.

INFOSPACE

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

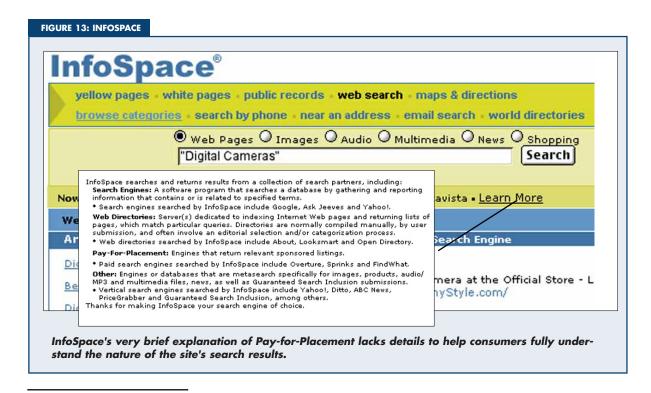
Date tested: March 30 See Figure 13

This meta-search engine received mixed reviews a year ago. Although InfoSpace did a better job than other meta-search engines at disclosing paid placement, it made no effort to disclose paid inclusion. In a trade press

interview following the release of WebWatch's 2004 report, an InfoSpace manager said the site was changing the layout and design of its results pages, as well as its disclosure language.⁸ The results page, however, remains virtually identical to the one tested, and the disclosure page has changed for the worse.

Paid Placement

InfoSpace's results page looks much as it did a year ago, and it continues to rely on listings from Google, Yahoo, Ask Jeeves, AltaVista and others. Now, as then, paid placement listings are interspersed throughout the results page and identified with an un-hyperlinked "Sponsored by" heading on a listing-by-listing basis. Most testers last year praised the somewhat novel practice of link-by-link disclosure, although some complained the headings tended to blend in with urls due to their identical size and color. This remains the case, with both sharing the same pale blue font.



⁷ Morrissey, B. (2004) "Ask Jeeves Ends Paid Inclusion." DM News (March 04, 2004). Available online at http://www.dmnews.com/cgi-bin/artprevbot.cgi?article_id=26718

Sherman, C. (2004) "Rating Search Engine Disclosure Practices." Search Engine Watch.com (November, 24 2004. Available online at http://searchenginewatch.com/searchday/article.php/3439401

InfoSpace still offers a single "Learn More" disclosure hyperlink at the top of the page after a list of participating search engines — which several testers found hard to locate. The disclosure itself, once found, earned high marks for being written in plain English.

InfoSpace has since added introductory language to the top of its disclosure page that notes "the results returned from these search engines include commercial (sponsored) and non-commercial results." But more significantly, the specific paid placement disclosure was reduced to a single, unforthcoming sentence: "Pay-for-Placement: Engines that return relevant sponsored listings."

Paid Inclusion

InfoSpace still displays paid inclusion results — a fact borne out by its reliance on paid-inclusion engines like AltaVista, Overture and Yahoo — and still fails to disclose this fact – as it did in 2004.

The disclosure page contains only a passing mention of paid inclusion, which would undoubtedly be lost on the average consumer – and was almost lost on this reviewer – since it occurs in a category of search partners labeled "Other." This is defined as follows: "Other: Engines or databases that are metasearch specifically for images, products, audio/MP3 and multimedia files, news, as well

as Guaranteed Search Inclusion submissions."

No further explanation is provided as to what exactly constitutes a "Guaranteed Search Inclusion submission." Digging through other pages on the site only leads to an offer to sign up for this paid inclusion program.

LYCOS

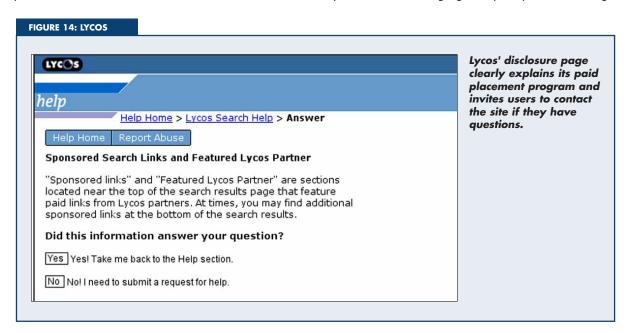
http://www.lycos.com Date tested: March 31 See Figure 14

Overall, testers gave Lycos good reviews a year ago. Most commended its easy-to-spot headings and disclosure hyperlinks, although testers were somewhat less enthusiastic about the disclosures themselves, which some found either confusing or incomplete. A year later, Lycos looks much the same but has taken steps to streamline its disclosures.

Paid Placement

Visually, the Lycos results page has changed little. Paid placement results are still found above and below the main listings. Lycos has, however, ceased displaying additional paid listings in the right column.

Lycos continues to highlight its paid placement listings



with a "Sponsored Links" heading in a large, vivid, uppercase red font. It also retains the blue "info" hyperlink within red parentheses, one of the very few eyecatching hyperlinks in last year's – and this year's – tests.

Clicking this hyperlink opens a pop-up window with virtually the same overly brief yet easy-to-understand disclosure. Then, as now, users are asked to answer "yes" or "no" when asked: "Did this answer your question?" Previously, clicking "no" took users to another pop-up with seven links for more information, a practice testers found tedious and unnecessarily convoluted. Lycos has since eliminated this feature. Clicking "no" now opens an e-mail form that invites users to submit a question.

Although just how many users bother to submit a question to Lycos about paid placement (let alone ever visit the disclosure page) is an open question, this solution is certainly more user-friendly. And any consumer who visits this page should find the answer satisfactory.

Paid Inclusion

Lycos continues to disclose paid inclusion results as it did a year ago, with the same easy-to-spot red "Web Results" heading. The blue "info" hyperlink is identical to the paid placement link, but is separated from the heading by a sentence such as "Showing Results 1 thru 11 of 4,658,499." Last year, one tester failed to notice the hyperlink because of this separation, which seemed to validate FTC recommendations about keeping hyperlinks next to headings. Given the importance of a clear disclosure, placing the "info" link between the heading and the number of results found might prove more useful for consumers.

The "info" link opens a pop-up window containing the paid inclusion disclosure, which is followed by the same "yes" or "no" options as with the current paid placement disclosure. The disclosure itself is essentially identical to the one used a year ago, and is less than candid. Although Lycos explains participants in the "InSite" paid inclusion program do not receive favorable placement, it still fails to give similar assurances for results provided by its LookSmart program, and instead invites users to visit that site to find out for themselves.

MSN SEARCH

http://search.msn.com Date tested: March 31 See Figure 15



MSN looks nothing like it did a year ago. Once the second largest search engine to offer paid inclusion, MSN dropped these listings before the 2004 WebWatch report was published and later terminated its content promotion program as well. Gone is any kind of paid placement disclosure beyond the heading, as MSN follows Google's lead in terms of displaying and disclosing paid search results.

Paid Placement

MSN still relies on paid placement results from Yahooowned Overture, although it plans to launch its own "paid search solution" in 2006, according to the site's advertising page. Paid placement listings are still displayed in the right column, separated by a faint border. These listings also are found across the top of the results page in a new, eye-catching, pale green box, a la Google.

MSN still discloses its paid placement listings with a "Sponsored Sites" heading, both above the right column and in the shaded box. Although these headings are larger than in the past, they're an even lighter shade of gray than the one testers criticized last year for being too faint.

A year ago, testers criticized MSN's unwieldy disclosure process, which required lots of clicking and scrolling to arrive at what some still regarded as an incomplete disclosure. That's no longer an issue, since MSN has dispensed with any further paid placement disclosure beyond the headings, like Google. And, like Google, uncovering information about MSN's paid placement program requires digging into parts of the site aimed at advertisers, rather than consumers.

Paid Inclusion

During testing last year, MSN displayed paid inclusion results without any disclosure whatsoever. Although testers sharply criticized MSN for its non-existent disclosure last year, it now has nothing to disclose. As with Google and others, determining that MSN's results are paid inclusion-free also takes more than a few clicks into parts of the site aimed at advertisers, rather than consumers.

MY SEARCH

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

Date tested: April 4 See Figure 16

My Search, owned by Ask Jeeves, is a search engine portal that allows users to choose from one of several search engines. Last year, testers criticized inconspicuous headings and all-but-hidden hyperlinks but were somewhat more approving of the wording of disclosures themselves. Almost a year later, My Search remains virtually identical in terms of appearance and disclosure, although the headings are slightly more visible due to a small increase in font size.

Note: Testing last year was done using "AlltheWeb," which "My Search" no longer offers. Revised testing was done using "LookSmart" instead, since the other three options (Ask Jeeves, Google and Yahoo) are covered elsewhere in this report.

MSN HAS DISPENSED WITH ANY FURTHER PAID PLACE-MENT DISCLOSURE BEYOND THE HEADINGS, LIKE GOOGLE. AND, LIKE GOOGLE, UNCOVERING INFORMATION ABOUT MSN'S PAID PLACEMENT PROGRAM REQUIRES DIGGING INTO PARTS OF THE SITE AIMED AT ADVERTISERS, NOT CONSUMERS.

Paid Placement

My Search continues to rely on paid placement results from Google and others, which are grouped at the top of the page. The wording of the heading has changed from "sponsored listings" to "Sponsored Links."

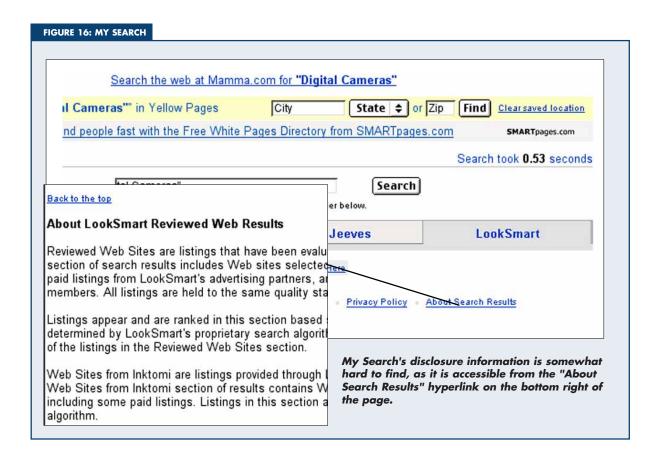
Last year, My Search (along with MyWay) enjoyed the dubious distinction of the most minuscule disclosure headings of all engines tested. The fonts were excessively tiny, thin and faint gray — and all in lowercase. The headings are now slightly larger, slightly darker, and use capital letters for the first letter of each word. Although the new headings are hardly eye-catching, they are an improvement, and actually a darker shade of gray than AltaVista—whose headings went from bright red to light gray.

As before, the small, blue "About Search Results" hyperlink remains buried in the bottom right corner of the page among a handful of other links. Clicking the hyperlink opens a large pop-up window that still takes users to the bottom of a large disclosure page, requiring some scrolling to find the paid placement disclosure at the top. The disclosure remains identical to the one most testers praised last year — too identical, since it still refers to "sponsored listings" instead of the reworded "sponsored links" heading.

Paid Inclusion

When searching with the "LookSmart" engine, My Search returns paid inclusion results. The heading, "LookSmart's Directory," doesn't exactly suggest paid inclusion, and the "About Search Results" hyperlink buried in the bottom of the page remains all too easy to miss.

Clicking the hyperlink opens the same pop-up window that takes users directly to the "About LookSmart Reviewed Web Results" disclosure at the bottom of the page. The disclosure — unlike the one for "AlltheWeb" reviewers encountered last year — clearly discloses and explains LookSmart's paid inclusion program.



MY WAY

http://www.myway.com/
Date tested: April 4
See Figure 17

My Way, like its sister site My Search, is owned by Ask Jeeves and also allows users to choose from one of several search engines. Although the search results pages of the twin sites are almost identical, that's where the resemblance ends. My Way still does an even poorer job of disclosing paid placement and paid inclusion than "My Search," although it now features slightly more conspicuous headings.

Note: Testing was conducted using "LookSmart," as it was last year.

Paid Placement

Like My Search, My Way uses paid placement and displays results from Google, Yahoo and others. As with My Search, My Way's heading also has been reworded from "sponsored listings" to "Sponsored Links."

Last year, My Way used minuscule disclosure headings. The fonts were tiny, thin and faint gray — and all in lowercase. The headings are now slightly larger, slightly dark-

er, and use some capitalization. Although the new headings are hardly eye-catching, they are an improvement.

My Way still doesn't provide users with a separate paid placement disclosure page. Although information about the various search engines can be found by clicking on the "help center" link at the bottom of the page and digging down several pages, there is no mention of "Sponsored Links."

Paid Inclusion

When searching with "LookSmart," My Way displays paid inclusion results, which were found under the same "LookSmart's Directory" heading as "My Search." Like last year, finding a disclosure requires some searching for the small, blue "help center" hyperlink buried in the bottom right corner of the page. After much clicking and scrolling, one arrives at the same inadequate disclosure used a year earlier.

Although one might expect My Way's paid inclusion disclosure of "Look Smart" results to duplicate the one used by "My Search," this is not the case. My Way uses only the first paragraph of the disclosure used by My Search, which acknowledges the presence of paid listings without explaining how they are ranked.



My Way's paid listings appear beneath a "Sponsored Links" heading that is a more noticeable darker gray color than last year, although the site still doesn't link to a separate paid placement disclosure page.

NETSCAPE

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

Date tested: April 5 See Figure 18

Like its parent AOL, Netscape regrettably has toned down its once-vivid headings. Otherwise, little has changed with Netscape, which testers generally praised in 2004 for its disclosure of paid placement but criticized for its use of content promotion.

Paid Placement

Netscape still features paid placement listings supplied by Google, which are found above and below main results and disclosed with a heading and hyperlink to a disclosure page.

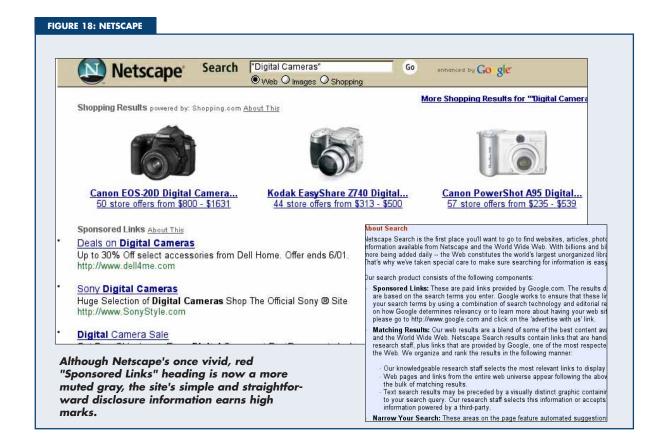
Although the wording of the "Sponsored Links" heading remains unchanged, the once-bright red font is now light gray. Similarly, the small, gray "About This" hyperlink is

even lighter than it was during testing last year. The "About This" hyperlink still opens a pop-up window featuring the same simple and straightforward "Sponsored Links" disclosure praised by testers last year.

Paid Inclusion

A year ago, Netscape was one of only three sites that didn't offer paid inclusion search results and it still doesn't. Now, as then, its main results are grouped under a "Matching Sites" heading and disclosed with an "About This" hyperlink. The formerly vivid red heading is now light gray, as is the hyperlink — which used to be a bit darker, and thus more noticeable.

The "Matching Sites" disclosure is identical to the one used last year that caused some confusion among testers. Although Netscape relies on Google for the bulk of its main results, its disclosure still notes that results may include both Netscape and sponsored content chosen by editors — which created confusion last year and now.



OVERTURE

http://www.content.overture.com

Date tested: April 5 See Figure 19

Overture, a commercial search engine that pioneered paid placement back in 1998, remains virtually unchanged from the search engine that won mostly positive reviews a year ago. Visually, the only discernible difference is a positive one: The inclusion of the tag line "a Yahoo company" under the "Overture" logo, which clearly alerts consumers to the relationship. There's also a banner across the middle of the engine's homepage that reads: "Overture products are now Yahoo! Search Marketing products."

Paid Placement

Overture continues to display self-supplied paid placement results and identifies them on a result-by-result basis, with headings that are hyperlinked to a well-worded dis-

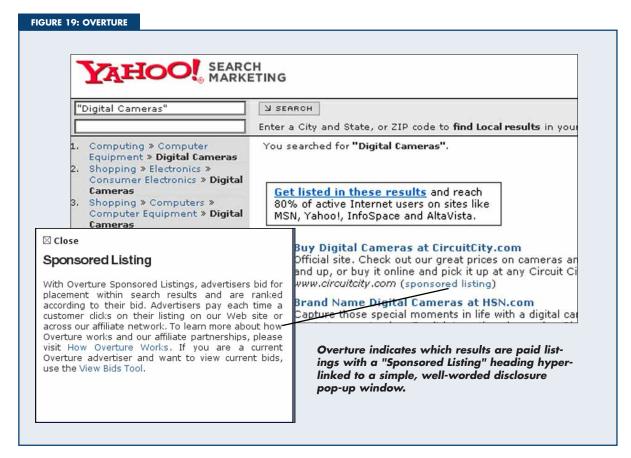
closure pop-up.

The "Sponsored Listing" headings appear after the url in a small, pale blue font within parentheses. Although the headings don't exactly jump out at the user, they at least are differentiated from the black urls by color. Conversely, the only other two search engines that identify paid placement on a listing-by-listing basis (InfoSpace and Web Search), use the same color for headings and urls, making them easier to overlook.

Overture also is the only one of these three engines to hyperlink the heading to a disclosure – although this link isn't immediately obvious unless moused-over. The hyperlinked heading opens a pop-up window containing the same paid placement disclosure deemed clear and concise a year ago and today.

Paid Inclusion

Overture still uses paid inclusion (with results supplied by



Yahoo), although these results tend to appear only during the most non-commercial of searches. These "Additional Listing" results also are identified on a result-by-result basis with headings hyperlinked to a disclosure page. Clicking the link still opens a pop-up window containing the paid inclusion disclosure, but the wording is new since Overture used to receive these results from Inktomi.

The brief disclosure is jargon-filled at times but does an adequate job of explaining some sites pay to be included and that payment has no impact on rankings. This explanation continues to earn Overture high marks for its transparency — as well as distinguishes Overture as the only search engine to highlight the potential for paid inclusion on a listing-by-listing basis.

Note: Overture is the sole signatory among search engines to WebWatch's guidelines campaign to promote Web credibility. Pledging to uphold the guidelines does not, of course, mean Overture got preferential treatment in this analysis, but since the guidelines are based on disclosure principles, logic would indicate testers would respond positively to the site.

WEB SEARCH

http://www.websearch.com

Date tested: April 6 See Figure 20

A year ago, Web Search ranked among the worst search engines tested, when this meta-search engine mixed paid placement and paid inclusion results without differentiating between the two. A single disclosure hyperlink buried at the bottom of the page led to a disclosure deemed lacking by every tester. Before the 2004 report was published, Web Search began identifying paid placement results on a link-by-link basis and has since greatly clarified the language on its disclosure page.

Note: Web Search allows users to view results by search engine or by relevance. As last year, searches were conducted by relevance.

Paid Placement

Web Search relies on paid placement results from Google, Overture and others. Unlike a year ago, when Web Search failed to provide any kind of a paid placement heading, these listings are now identified via a "sponsored by" heading on a link-by-link basis. These un-hyperlinked headings precede the url of each listing and use an identical font size and color, which tend to make them blend in with the listing.

FIGURE 20: WEB SEARCH

Brand Name Digital Cameras at HSN.com

Capture those special moments in life with a digital camera from HSN.com. All the feature go by. Shop HSN.com today.

Sponsored by: http://www.hsn.com

Staples - Digital Camera

Fast and free delivery on all orders of \$50 or more. Staples has a large selection on digital more.

Sponsored by: http://www.staples.com

Find a Digital Camera at Dell

Buy a digital camera at Dell. Up to 30% off select electronics and accessories from Dell H

Windows Marketplace Comparison Shopping

Visit Windows Marketplace. Compare 93,000 software and hardware products compatible Compare prices from over 200 merchants.

Sponsored by: http://www.windowsmarketplace.com

Yahoo Search Results for ""Digital Cameras"" (1-10). See more results like this...

Digital Camera Reviews and News: Digital Photography Review: Forums, Gloss ... and imaging news, reviews of the latest digital cameras and accessories, the most active

Web Search's paid placement results each bear a "Sponsored by" tag at the end of those entries.

Web Search continues to rely on a single "About Results" hyperlink, one of 10 small gray links buried at the bottom of the results page. As last year, this link is far too easy to miss due to its size, location and placement. Previously, this link led to a disclosure page explaining sponsored sites would appear with greater frequency during searches of a commercial nature. Most testers found this disclosure unacceptable, especially given the lack of any indication of paid search on the results page.

Web Search has since completely revamped its disclosure page. This "About Results" page now contains three separate and clearly delineated disclosures: one for sponsored sites, one for Yahoo results, and one for Ask Jeeves results. Although the page is short and the disclosures no longer than a paragraph each, Web Search helpfully provides links at the top of the page to take the user directly to each disclosure.

Web Search's paid placement listings are clearly disclosed and explained in plain English under an "About Paid Placement" heading — a rare and lauded use of this phrase in a disclosure.

ALTHOUGH WEB SEARCH
NOW IDENTIFIES SPONSORED LISTINGS, USERS
MIGHT INFER THAT NONLABELED RESULTS WERE
"PURE," I.E., FREE OF PAID
INCLUSION, WHICH IS NOT
THE CASE.

Paid Inclusion

Web Search uses paid inclusion results from Yahoo and Ask Jeeves, whose paid inclusion listings were being removed as their contracts expire. Although Web Search now identifies sponsored listings, users might infer that the non-labeled results were "pure," i.e. free of paid inclusion, which is not the case.

Web Search's paid inclusion disclosure page is only available via the same hard-to-spot "About Results" link but offers a much-improved disclosure. The previous version was vague and confusing, using the term "sponsored sites" to describe both paid inclusion and paid placement listings.

Web Search now provides two paid inclusion disclosures, one for Yahoo results, and one for Ask Jeeves. Although the Yahoo disclosure forces one to wade through some jargon, it adequately explains its paid inclusion program. The Ask Jeeves disclosure is more clear and concise.

YAHOO! SEARCH

http://search.yahoo.com Date tested: April 6 See Figure 21

Yahoo — which every tester in 2004 praised for its striking red headings, clearly delineated sections and unusually visible disclosure hyperlinks — has given itself a radical and consumer-unfriendly facelift, at least in terms of its disclosure of paid inclusion. Yahoo has muted the color and reduced the size of its headings, eliminated its easy-to-spot hyperlinks, removed its paid inclusion heading, and made the paid inclusion disclosure harder to find.

Paid Placement

Yahoo continues to rely on paid placement results from its subsidiary Overture, but its paid placement listings look quite different and, like MSN, Yahoo is clearly following Google's lead.

Previously, these listings appeared at the top and bottom of the page and were set apart from the main results by thin red horizontal borders. Paid listings were disclosed

with a bright red "Sponsor Results" heading and a small, blue "What's this?" hyperlink inside parentheses. Additional listings appeared in the right column, under a light gray "Sponsor Results" heading in blue-shaded boxes.

After testing in 2004 concluded, Yahoo regrettably toned down the color of its "Sponsor Results" heading from bright red to light gray. Yahoo has since reduced the size of the heading by almost half and moved it to the right side of the page. Although the heading is now hyperlinked, this isn't apparent unless moused-over, when it becomes an underscored blue.

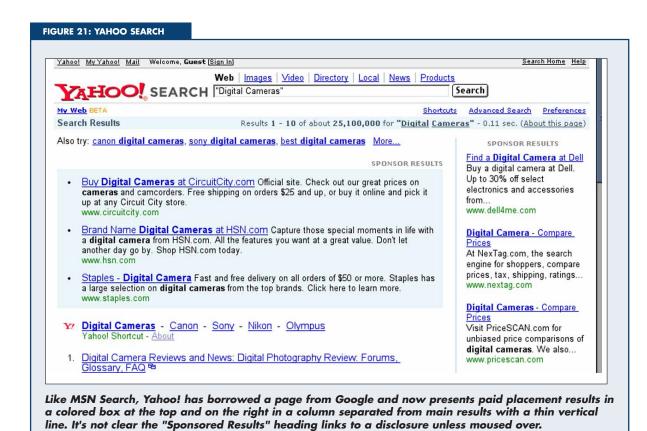
Yahoo also eliminated its "What's this?" disclosure hyperlinks, which every tester lauded as among the very best in terms of wording and visibility. Not coincidentally, these same changes (less visible headings, stripped hyperlinks) mirrored those implemented by Yahoo-owned AltaVista.

Yahoo has offset these unfortunate changes somewhat by placing the sponsored results that appear above and below the main listings in hard-to-miss, blue boxes (like Google). And while the paid listings in the right column are no longer shaded blue, they are set apart by a blue line. The "Sponsor Results" heading is now hyperlinked – although, again, not obviously.

The hyperlinked headings take users to a disclosure that's essentially the same as the one most testers in 2004 found simple and straightforward — albeit not nearly as easy and intuitive to find as it was a year ago.

Paid Inclusion

Yahoo — alone among the top 5 most-trafficked search engines — continued to intersperse paid inclusion listings through its main results and supplied itself with these listings. But Yahoo's paid inclusion listings are now presented quite differently — and disclosed far less



clearly and conspicuously.

Previously, Yahoo placed paid inclusion listings under a prominent, red "Top 20 Web Results" heading. While this wording didn't clearly indicate paid inclusion, it was easy to spot and helped draw attention to the blue "What's this?" hyperlink. A red border also helped segregate these listings.

Now, however, the red line has been erased and the hyperlink deleted. Yahoo also removed the "Top 20 Web Results" heading and left its main listings without any kind of obvious heading. Instead, users are likely to see a large red letter "Y", the icon for a new content promotion program called "Yahoo Shortcuts." Ironically, this program is better disclosed than either Yahoo's paid placement or paid inclusion listings, with both a heading and hyperlink.

Yahoo still offers essentially the same paid inclusion disclosure as it did a year ago (which testers gave mixed reviews), but via two less-obvious methods. Clicking the paid placement heading takes users to the main disclosure page, where paid inclusion is explained below the paid search disclosure. Paid inclusion listings, however, are described under the heading "Web Results." Consumers would probably find this confusing, since there is no longer any mention of "Web Results" on the results page.

The only other way to locate an explanation of paid inclusion is via a small, gray "About this page" hyperlink in the upper right corner of the page, which leads to the main disclosure page. This link resides in a new, pale blue bar stretching across the top of the results page, which is labeled "Search Results" on the far left in an unobtrusive gray font.

Although Yahoo may intend "Search Results" to serve as the new paid inclusion heading, it tends to be separated from the main listings by a large "Sponsor Results" box for all but the most non-commercial searches — making any connection between "Search Results" and the main listings tenuous at best. And regardless of the nature of the search, the "About this page" link always sits direct-

ly above the paid placement listings — further blurring any indication of a paid inclusion disclosure.

Although this new and unimproved method of disclosing paid inclusion may technically comply with FTC recommendations, it also is undeniably less clear, conspicuous and consumer friendly — especially compared to Yahoo's once-exemplary practices. It remains doubtful that many Yahoo users — and as the second most-trafficked search engine, this means millions of consumers — have any idea that "Search Results" contain paid inclusion listings.