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## **2005 Predictions – Watershed Ground**

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First of all, on behalf of the StepForth team, please accept our wishes for a happy, prosperous and peaceful new year.

Three weeks ago we promised our predictions for the coming year. Here they are. Please remember, we are techno-geeks, not psychics. Some of these predictions may come true and some may be way off base. We do know the search industry is evolving faster than ever before. What seems fantastic today may well be reality next month. 2004 was an interesting year in the business of search, setting the stage for what should be a watershed year in 2005.

2004 was an amazing year for the search engine marketing sector. Over the past year, search has become the most important aspect of the World Wide Web, eclipsed only by Email as the most widely used online application. Benefiting from a highly profitable year, the Big3 of Google, Yahoo and MSN enter 2005 with what appears to be a lock-hold on the future of the sector.

The next twelve months will change the way we relate to information, not only over the Internet but in the offline world as well. There will be a lot more of it available at the click of a button. Aside from thirsty searchers, the first to be affected will be traditional information outlets such as libraries, encyclopedias, newspapers and telephone directories. Traditional media will start to feel a significant financial pinch as information provision moves from print to digital mediums. How the traditional information outlets will cope with these changes remains to be seen but for the time being, expect many to follow the old adage, "if you can't beat them, join them".

The move towards personalization by the major search engines will result in a change in the way sites are designed and the way SEO is practiced. PHP design enthusiasts will rejoice as regionally unique information-inserts become a major tool in the advanced SEO sector. Another strain of doorway page dependent SEO techniques will also evolve but given the changing requirements of an increasing number of search tools, the techniques might not be considered "black-hat" entirely. It will likely become a case of "it ain't what you do it's the way that you do it."

Search engine spiders have become far more powerful than ever before reading and recording information from file types they were previously unable to access. As more information is accessible through search engines, a series of major algorithm shifts is inevitable. We know that both MSN(beta) and IBM are working to introduce what are being referred to as "Third Generation" search tools designed to find context in specific phrases and paragraphs found on pages in their indexes. Expect the others to follow suit.

Broadband access will peak above 75% for most US home users in 2005. Now that legal challenges between the cable firms and telephone companies in the US seems to have been settled, US consumers will continue their mass-migration towards high-speed connectivity at home. Like most waves of migration, this will have an enormous impact on the business of entertainment. The availability of high-speed home access will spell the end of the big-business of entertainment distribution firms such as the mainstream music industry. As the RIAA did not take advantage of the two-year time lag between the United States adopting broadband and the rest of the wired world enjoying high-speed connectivity, many of their members will find themselves unprepared to cope with increasing digital demand from consumers. Expect to see a round of mergers and conglomeration in the music industry as smaller players team up to stave off the inevitable.

SEOs will start to see and use phrases like "Web-Document(s)" as often as they see or use the word -phrase "web site(s)". Search engine listings now reference material from sources that can no longer be consistently described as "websites". For instance, a unique video file referenced by Google might or might not be housed on the same server

as the web page that links to it. Similarly, that web page might or might not reside on the same server as the rest of the website it is a part of. Therefore links found on Search Engine Results Pages do not necessarily refer to websites as is the current norm, but will increasingly point to specific web-documents. This trend will lead to the development of page-specific SEO techniques and may result in a regression of SEO techniques back towards doorway or leader pages.

Someone far wiser than me will coin a better term than "web-documents".

Jim Hedger will be beaten to a pulp in certain SEO forums for the first fifteen days of the new year for even suggesting Doorway pages might make a come back.

Several new types of vertical search engine will be introduced. Most will be based on a user-pay model in which the user pays to find and download entertainment materials such as music files, streaming live events and television shows. We live in a universe in which practically any digital file can be spidered, indexed and referenced by search tools. Most pioneering firms will not succeed as searchers discover they can find the same material through one of the major search tools.

Watch for Yahoo to try to enter this arena before the others do.

Somehow, this year will be the beginning of the end for one of the Big3. Google, Yahoo and MSN each have to make some defining decisions based on what the others are doing. In 2004, each of the Big3 worked to introduce several similar features and tools such as desktop search and support for Bloggers. By trying to overextend themselves against their competition, one of the Big3 will make a fatal error in judgment leading to a slow but obvious decline.

Google will absorb the Library of Congress but due to Federal funding cutbacks, no one is around to raise an alarm.

Smaller businesses will work to keep the Big3 honest by demanding stronger organic results. An [article](#) earlier today likened the current search engine world to a penny-farthing bicycle with the larger front wheel representing PPC and the smaller back wheel representing organic SEO. As costs for PPC increase, expect to see a quiet revolt amongst smaller PPC advertisers as they begin to become more sophisticated, switching back and forth between PPC and organic campaigns as their sales cycle suits them.

Google needs to figure out the limits of what it seems to think is infinity. That's enough to drive any corporate culture to distraction. Fortunately, Google continues to live in what might as well be an infinite universe as the scope of GoogleBots reach keeps growing exponentially. At the same time, the scope of AdWords real estate is also growing exponentially, thus providing plenty of fuel for future exploration. Google's big problem this year will be preventing the inevitable backlash as web users learn that increasingly Google is to the Web what Microsoft was to PCs a decade ago.

MSN will enter the PPC market by the end of the first quarter. This prediction is relatively easy to make as MSN has been headhunting some of the most well known names in Search Engine Marketing the past few weeks.

Smaller search tools such as Ask Jeeves and Vivisimo (Clusty) will be recognized for their innovations in the field of search. Ask Jeeves will market their backend search engine, Teoma as a stand alone alternative to Google, MSN and Yahoo with some degree of success. Vivisimo will finally find marketing firms that can help them brand their clustering technology with names search engine users can actually relate to.

Video advertisements will start to appear alongside organic search results. This is almost a reality as a Texan start-up, SiSTeR.TV is in negotiations with several of the largest search engines. (see Major Player's Update)

The law of Karma will sneak up on Microsoft from two totally different directions. First, Microsoft will begin to feel a great deal of heat from the super-hot Firefox browser. With market penetration of almost 15% in the last quarter of 2004 and continued hype, the Explorer browser may find itself in deep trouble. Secondly, Google is rumoured to be assisting in the development of a new operating system that could challenge Microsoft's greatest asset, the Windows operating system.

Search Engine Optimizers and Marketers will be treated like the super-stars they really are. StepForth's Head SEO Scott Van Achte will be asked to head British Columbia's government in early May but will turn down the position as the job is simply not intense enough for his liking.

Ok, that's it for the beginning of this year. One thing I do know is that by the end of this new year, search engines will be remarkably different than they are today. The Internet as we understand it today will seem like a Model T car in twelve months time. The Net is about to get faster, bigger and much more interesting.