

## **Yahoo! Publisher Network to Compete with Google AdSense**

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For the past four years, Google has been the undisputed leader in search. Its rivals, Yahoo!, MSN and Ask Jeeves have spent the past few years working to narrow the vast technological and popularity gap between them and the great Google. It has been a long and hard fought series of skirmishes and battles but this week, two of the three, Yahoo! and [Ask Jeeves](#), signaled they might be getting closer.

In June 2003, Google made one of the wildest moves in the history of the Internet by innovating on the paid-advertising idea originally conceived by Overture. Already the most popular tool among search engine users, Google gave website publishers a revenue generating gift that kept on giving. Google's great PPC innovation was to permit AdWords advertising to appear on private websites, splitting the click-through fees 50/50 with the private webmasters whose sites delivered traffic. By giving private webmasters the opportunity to generate incidental revenues by acting as billboards for AdWords, Google saw profits from AdWords skyrocket while Internet users became conditioned to accept the small and unobtrusive ads.

The paid-search advertising market is worth billions and is expected to be worth tens of billions in a few years time. Yahoo! is betting that market will support a growing network of small to medium sized online publishers who will in turn bring more revenues to Yahoo!. Google, which generates over 90% of its enormous revenues from the AdWords program, might face serious competition from Yahoo!, which currently receives about 60% of revenues from paid-advertising.

This week, Yahoo! released a beta-test version of a similar program known as the Yahoo! Publisher Network or YPN. Open to a limited number of testers, including StepForth News, the YPN is meant to compete directly with Google's AdWords program. The beta is open, for the most part to US based users only. StepForth is fortunate to be among the few non-US based beta testers.

Yahoo! has had two long years to study the AdSense model and appear to have adopted a unique publisher-focused philosophy offering small and medium sized publishers access to syndicated Yahoo! products and services in a bid to brand Yahoo! content as well as Yahoo! generated paid-advertising. In other words, Yahoo! is not only serving paid-ads to webmasters, it is also helping them bulk site content with Yahoo! products such as search, shopping, travel, RSS, user-option personalization featured, and eventually, Yahoo! syndicated music and video services.

"Yahoo! has developed many highly successful relationships with web publishers around the world, and is building on those experiences to bring new revenue sources and compelling content to even more high quality sites," said Bill Demas, senior vice president, Yahoo! Partner Solutions group. "By helping the broader publishing community maximize the value of their sites, we aim to create an even more rewarding Internet experience for publishers, advertisers and users."

Much like AdWords, YPN will be a revenue generator for webmasters by delivering advertisements that match the topic of the document they are placed on. The Content Match™ feature enables publishers to place Yahoo!'s contextually-relevant listings on their sites and receive a share of the revenue generated by them. For example, ads that might appear in future editions of the StepForth Newsletter would likely

be about search engines, search marketing, blogs, and/or tools for SEOs and website designers. Contextually driven advertising is cool but, profitable as it is, PPC is not the full story behind the YPN.

The Internet is the backbone network of global communications. Currently facilitating shopping, travel bookings, entertainment and instant-research, the Internet has supplanted traditional tools such as television and radio because it can easily mimic both mediums while simultaneously performing a number of other functions. Users interface with the Internet via documents that are, for the most part, created and posted by small to medium sized publishers. Yahoo! has adopted a publisher focused outlook and is looking to place its brand on information and entertainment content offered (eventually) on tens of millions of websites.

As publishers from every medium understand, the key to success is in keeping a captivated audience. One of the more interesting features of the YPN will be access to [Y!Q](#), a context-driven search tool which is also in beta-test. Y!Q is a Yahoo! search application that uses the topic of the document it is embedded in or a trigger-word set by the webmaster to present search results in a transparent overlay. The results shown in the overlay consist of images, two news stories, and the first three organic search listings. The logic is site users will stay on a document instead of opening another search window and traveling away from the site. Y!Q is an open-beta. Webmasters interested in using Y!Q on their sites should refer to the [Y!Q for publishers](#) page.

Other integrated features in the beta include, Add to My Yahoo and Yahoo Maps, showing an inclination towards local, mobile and personalized search results.

"[Add to My Yahoo!](#)" will help webmasters and publishers find their way onto user monitors and personalized search results via the Yahoo! branded RSS feed and subscription service. RSS stands for really simple syndication and is basically a XML feed that delivers fresh content to people who subscribe to it. As with Y!Q, Add to My Yahoo! is already available for webmasters and publishers.

The inclusion of [Yahoo! Maps](#) shows Yahoo!'s understanding that user or webmaster generated maps are extremely important for local and mobile search users. Yahoo! has recently introduced an [API](#) for Yahoo! maps allowing webmasters to place geographic information on Yahoo! generated maps.

Yahoo! timed the release of the YPN beta to coincide with next week's Search Engine Strategies Conference in San Jose. As beta testers, we will be using some of these features in future editions.