# Labeling Advertisements in Internet Search

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### Agenda

- Applicable regulation
- Historic practice
- Experimental setup & results
- Assessing Google's recent changes

#### **Eastern Sprints**

#### Sprints continued from page 9

Dartmouth was rocking out there and Columbia's alwavs been fast and Princeton's been the best in the consecutive national title. Taking into account Yale's disappointing day for the Badgers. The Wisco varsity 1F, and Harvard's always fast and I was saying 'Why can't we have flat water?' But we had a good start. My repeat national championships seems a given for Card stroke said after the third stroke he said, 'Oh, this is and company going to be good" Somehow they just knew."

their loss in 2000 to Columbia in the closing meters. rest on your laurels at any point."

Two of the pre-season favorites-Princeton and Columbia-struggled mightily in Worcester, eventually ty good day overall. Winning the Jope Cup is somesilver ahead of Harvard, a crew the Big Green had lost piest for my seniors. The four guys in the stern [of the

to in their season opener by 6.5 seconds. For Yale, the next step is the quest for a second thorough thrashing of all their main competition a

And as if having Yale's varsity carry the day was-"After last year, we prepared for really tight rac- n't enough, the second varsity won by even more, a "Two golds and three silvers," said Card, looking although they were disappointed not to have golds, I thought they had good rows, so we think it was a pret- a similar margin. finishing sixth and fifth, respectively. Dartmouth took the thing special we're been looking out for. I'm really hap won the 2F also won the 1F," pointed out Manning,

varsity] have never won it here."

Wisconsin's JV salvaged what was an otherwise failed to qualify for the grand final after finishing third last year, but the JV nailed down a solid win with an aggressive middle thousand. Brown finished a disheartened second and Northeastern third.

On the freshman level, Harvard won for the secing," said Yale stroke Andrew Marley, reflecting on covernous five-second margin of victory over Princeton. ond time in three years. Bill Manning's crew opened an early gap on Princeton and Brown and cruised to an "The field was really tight to begin with and you can't at his squad's overall performance. "The silver crews, open water win. For Manning the day was a complete success, as his second frash won earlier in the day by

"It's been three straight years that the crew that Please turn to page 50



SOME CONSOLATION Wisconsin's JV won their race while the varsity could only win the petite finals.



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PAID ADVERTISEMENT PAID ADVERTISEMENT PAID ADVERTISEMENT PAID ADVERTISEMENT PAID ADVERTISEMENT

Members of the USA Rowing Community TO: USRowing, ECAC FROM: A number of rowing shell manufacturers and their sales representatives RE: ECAC Regatta Series DATE: 12 May 2001

We have been informed that the Eastern College Athletic Conference (EARC) has allowed only one rowing shell manufacturer, Vespoli USA, the exclusive right to display and sell merchandise and provide on-site customer service at all ECAC-sponsored events this season

For the first time at any regatta, all other rowing shell manufacturers are prohibited from displaying boats, merchandise, company signage, or conducting customer service at any of these ECAC regattas.

We believe that this act of preventing the majority of rowing shell manufacturers from participating in these regattas conflicts with the EARC's stated mission of ... "providing a quality experience for all competitors ... " and of ... "conducting Association business in an atmosphere which will foster camaraderie amongst the member schools".

The purpose of this memo is to inform the rowing community of this action, to express our collective disapproval, and, in the interest of simple fairness, to prevent this type of exclusive contract from occurring at any other regatta or rowing-related event in the future.

When only one rowing shell manufacturer is granted a monopolistic presence at a regatta, members of the rowing community are deprived of the opportunity to compare products, talk with different representatives, and be provided with essential customer services such as purchasing essential spare parts and emergency repairs.

We encourage all members of the rowing community who feel as we do to express their opinion on this issue to the ECAC to insure that this type of exclusionary action does not occur again.



Paid Advertisement. Amount to be paid \$20. Inserted by Citizens' Mayoralty Committee (a volunteer Political Committee) in behalf of the Candidacy of Otto S. Langum of Minneapolis, Minn. Chas. R. Fowler, Author.

#### Some Reasons Why Otto S. Langum Should be Elected Mayor of Minneapolis.

Otto S. Langum was selected by voters of all parties and in all walks of life, as the man best qualified to administer the affairs of the city government.

Desiring a truly representative city government, the Citizens' Mayoralty Committee was organized for the purpose of securing the election of Otto S. Langum.

This committee is non-partisan. Its membership includes working men, business men and professional men, and all are giving support to Otto S. Langum.

#### WHY?

Because Otto S. Langum's official record has won the approval of the people.

Because he is just, honest and fearless in the performance of his duties.

Because he will administer the affairs of the city in a manner that will make for a better and greater Minneapolis.

Because he is not ruled by a political machine.

Because he has the confidence of the people.

Because he will take to that office every qualification necessary to the proper administration of its affairs.

Because he has been tried and not found wanting.

Because he will be for ALL the people, and

**Because Labor Will Get a Square Deal.** 

These are some of the reasons why Otto S. Langum should be the next Mayor of Minneapolis. There are other reasons, but these are enough to show that you will not be making a mistake by voting for

#### **OTTO S. LANGUM for Mayor of Minneapolis.**

#### Labor Digest, 1916

"Respondent [shall] cease and desist from creating, producing, selling, or disseminating ...

A. Any advertisement that misrepresents, directly or by implication, that it is not a paid advertisement.

B. Any video 15 minutes or longer ... that does not display, in a clear and prominent manner and for a length of time sufficient for an ordinary consumer to read, within the first thirty (30) seconds of the commercial or other advertisement and immediately before each presentation of ordering instructions, the following disclosure:

"THE PROGRAM YOU ARE WATCHING IS A PAID ADVERTISEMENT FOR [THE PRODUCT OR SERVICE]."

#### Search advertising labels (ca. 2002)

"Recommended Sites"

"Featured Listings"

"Premier Listings"

"Search Partners"

"Provided by the \_\_\_\_\_ Network" "Start Here" "Products and Services" "Partner Search Results" "Spotlight"

recommendation: "any paid ranking search results [should be] distinguished from non-paid results with clear and conspicuous disclosures"

Heather Hippsley, FTC – Letter to Gary Ruskin – June 27, 2002

#### User understanding (c.a. 2003-2005)

- Only 47% of users said they could always tell which results are paid. (Pew)
- "Very few participants noticed the label on "sponsored" listings, and only when the label was easy to see." (Consumer Web Watch)
- Users were surprised to learn that some listings are ads. "Upon enlightenment, his face contorted a bit. He expressed immediate dismay, stating, "Well, that explains it. No wonder I run into so much [expletive]." (CWW)

Google laptop Search Advanced	
Web Shopping Groups	Results 1 - 10 of about 232,000,000 for laptop [definition]. (0.33 seconds)
Laptop         www.BestBuy.com       Laptops Make The Perfect Gift. Shop Wide Selection Online At Best Best Best Explored at Circuit City         www.CircuitCity.com       Save up to \$150 on Laptops. Free Shipping On Orders \$24 and up.	Sponsored Links UV®! Acer Laptops Save More on Acer Laptops. Holiday Deals are at Walmart. Walmart.com
HP Laptops www.hp.com Find out about Powerful, Reliable & Affordable Laptop PCs from HP!	Laptops at TigerDirect Take Advantage of Deep Discounts
Related searches: <u>laptop deals</u>	\$1.99 Same Day Shipping, Shop Now! www.TigerDirect.com
Shopping results for laptopApple MacBook - Core 2 Duo 2 GHz - 13.3 " - 1\$1,185 to \$1,456 - 6 storesHP Pavilion Dv6910us Entertainment - Turion 64\$649 to \$940 - 18 storesLenovo ThinkPad X61 Tablet 7767 - Core 2 Duo 1\$1,374 to \$1,736 - 21 stores	Google Checkout
LAPTOP Magazine - Product reviews, tech news, buying guides, and more LAPTOP Magazine is your complete mobile gear guide. We review the latest mobile tech products and provide expert buying advice, plus breaking industry news. www.laptopmag.com/ - 104k - <u>Cached</u> - <u>Similar pages</u>	The New Samsung Notebooks Lightweight & High Performing. Samsung for Home or Office. www.samsung.com/notebooks
<u>Apple - MacBook</u> The new MacBook laptop features a precision aluminum unibody enclosure, more powerful NVIDIA graphics, a 13-inch LED-backlit display, and more. www.apple.com/macbook/ - 18k - <u>Cached</u> - <u>Similar pages</u>	Laptop Computer Laptop Computer Sales. Discount Laptop Deals Online. LaptopsComputersDeals.com
Laptop - Wikipedia, the free encyclopedia	

### Recent ad labeling practices: "Sponsored Links" and similar

- Sponsored by who?
  - Search engine
  - Company the user was searching for
  - Company listed in the advertisement
  - Someone else

passive voice

### Recent ad labeling practices: Advertisement locations

• "Advertisements are on the side, but anything on the left is the best result Google can find."

## Recent ad labeling practices: Label size

1: Height of "S" in "Sponsored"	8 pixels
2: Height of a capital letter in ad title	12 pixels
3: Height of a capital letter in search engine's logo	45 pixels
Ratio of 1 to 2	67%
Ratio of 1 to 3	17%

<u>Yahoo</u>	<u>Bing</u>
7 pixels	9 pixels
12 pixels	12 pixels
31 pixels	28 pixels
58%	75%
23%	32%



<u>Google</u>

### Experiment

- "Sponsored Links" and "Ads" vs. "Paid Advertisements"
- Online panel of participants

Find three websites that sell twin-size AeroBed® inflatable mattresses and a contact email address for each website.



# Findings

- Major effect: Treated users click 23% to 26% fewer advertisements.
- Treated users correctly report that they clicked fewer ads.

#### Demographic differences

Differences are most stark for users with low income, less education, and less online experience.

	"Sponsored Links"	"Ads"	"Paid Advertisements"
No college degree	2.65	2.12	1.83
College graduate	1.95	1.82	2.00
No online shopping experience	e 3.20	3.25	1.62
Online shopping experience	2.08	1.82	1.96

advertisements clicked

#### "Ads": A step forward?

Effect of "Sponsored links" label

Effect of "Ads" label

Additional controls for

Weekly hours online

Online shopping experience

Age

Education

Income

Gender

**Advertisements** Clicked -0.526\*\* (0.249)"Paid advertisements"

> -0.513\* (0.267)

> > yes yes

yes





relative to

label

#### References

- Benjamin Edelman and Duncan S. Gilchrist.
   "Sponsored Links' or 'Advertisements'?: Measuring Labeling Alternatives in Internet Search Engines." Mimeo.
- Benjamin Edelman. "A Closer Look at Google's Advertisement Labels."

#### www.benedelman.org