Reuters

Google Seeks to Broaden Ad Reach to More Companies

Thu Feb 10, 2005 08:01 AM ET

By Lisa Baertlein

SAN FRANCISCO - Web search leader Google Inc. is focusing investment on expanding advertising services and improving Internet search. Google Chief Executive Eric Schmidt said Google's current advertising services are most popular with medium-sized companies and that it is working on products to serve the largest and smallest advertisers.

Google's mid-market advertising business is highly automated and low cost. Very small advertisers are more likely to not have Web sites or be unfamiliar with Internet search advertising that drives virtually all of Google's revenue. * (See Editor's Note below)

The company recently increased the number of people devoted to direct sales and to helping large advertising customers track the performance of their Web search ad dollars.

The company is focusing on signing up more local advertisers and beefing up tools that help advertisers better target ads and measure their effectiveness.

Google competes with Yahoo Inc. for Web search advertising dollars both in the U.S. and internationally.

New Web search entrant Microsoft Corp. has not said whether it will build its own Web search advertising services. It currently partners with Overture Services, Yahoo's Web search advertising provider.

In all, Google said it would put about 70 percent of its investment toward its core Web search and advertising businesses.

- "We're in this to make money," said co-founder Larry Page, although he added that Google will not try to drive revenue with each of its products -- which range from local, news and image search to free online e-mail and photo management services.
- * EDITOR'S NOTE: NETWORD'S Rabbit Marketing division provides free website development and low-cost advertising to local small businesses by exclusively resolving an advertisers web-site alongside major search engine searches by consumers who utilize NETWORD'S patented search tool. If Larry Page is..."in this to make money," so is NETWORD...AND SO ARE ALL ITS ADVERTISERS!