

3 November 2008

By: Marius Oiaga, Technology News Editor



Google

Microsoft vs. Google in Economic Turmoil

Google says its success is tied to AdSense publishers

The global financial crisis could, at least as far as online advertising is concerned, be in Microsoft's advantage by destabilizing Google. Compared to the Mountain View-search giant, the Redmond company has little to lose in this arena. But Google, which Microsoft Chief Executive Officer Steve Ballmer dubbed a "one trick pony" in the past, is intimately connecting with monetizing search, and almost nothing else. Acting as an intermediary between advertisers and websites, Google is bound to be hurt by the world economic crisis, and this is evident in an email sent out by Kim Scott, Director AdSense Online Sales & Operations to all AdSense publishers.

"We understand that the recent economic turmoil has created a lot of uncertainty in the lives of AdSense publishers. During these difficult times, we're continuing to invest in innovations that improve publisher monetization and advertiser value in the content network. We're focusing on further developing our product offerings and boosting ad performance for publishers. We recently announced advancements in AdSense for search and experiments to make ads more effective," Scott revealed in the email, courtesy of [Venture Beat](#).

Ballmer has repeatedly indicated that it would persistently gun down for Google until it gained a position that placed it on par with the Mountain View giant on the search engine market. At the same time, just as it is the case for Google, Microsoft also monetizes its search business via advertising. "We're absolutely the underdog. We are David to Google's Goliath," Ballmer stated during a recent trip to Brazil.

"We're bringing DoubleClick technologies to AdSense publishers, and we'll continue to launch new products and features. We're also continuing to improve our offerings for AdWords advertisers, making it easier for them to target the Google content network. Features for advertisers, such as the new display ad builder, are designed to improve ad performance on AdSense publisher sites," Scott added.

The letter Google sent out to AdSense publishers is a clear try to dispel the uncertainty generated by the financial crisis. In the financial quarter ended September 30, 2008, Google reported revenue of \$5.54 billion, 3% more than Q2 2008, and 31% more than Q3 2007. In mid-October, Eric Schmidt, CEO of Google, also indicated that the company would continue to invest in the evolution of search despite the "poor state of the global economy".

"We'll keep driving technological progress, but our best asset will always be our publisher partners. The strength of AdSense lies in the value of the content you bring to users and the quality of the sites you bring to advertisers. Our success is tied to yours. We look forward to partnering with you for the long term, and remain dedicated to helping you succeed," Scott concluded.