

Doing the Vertical Mambo

With publishers looking to squeeze every bit of value out of their properties, every nook of the Web is being explored and mined for possible profit.

Vertical search is a search engine that focuses on one topic, instead of searching the whole internet, like Google or Yahoo!; a vertical search engine crawls through a very limited number of sites, focusing on a very specific set of information. Sounds like a great idea, right? Every topic sub luna should have a vertical search engine. But not every vertical search engine can be profitable. Before you start your own vertical search, there are some things you should know.

Building It

"You have to be careful not to make it too generalized," says Russell Perkins, president of Infocommerce Group, a consulting company to the publishing world. "You have to have a tight focus to differentiate yourself from the Googles of the world."

Information aggregators tend to want to keep adding sites to their vertical search engine. Overdoing this can widen the scope of the search engine while making the results of each search less relevant. At the same time, a vertical search engine that does not have enough information may not be useful to readers. The vertical search scope band is a thin line on which to tread; Perkins recommends no more than 1,000 sites indexed in any one vertical search engine.

Vertical search engines must also be agnostic. That is, you must index the sites of your competitors. They have valuable information too, and by allowing your readers to find it through your site, your brand becomes the portal for useful information, wherever it may be found.

Indexing 1,000 Web sites can be a lot harder than you think. Even finding 1,000 topical Web sites might be hard. Remember that an effective vertical search engine can be a hefty investment (sky's the limit), and it may not be right for you.

Monotization

There are four main ways to monetize vertical search for the B2B space.

1. **Subscriptions:** If your online property is based on paid subscriptions already, vertical search can be seen as value added (for both advertisers and subscribers). If not, then you may want to consider charging users for access to your vertical search engine. The search itself will be an indispensable tool for readers, and they will be willing to pay for it.
2. **Value added:** A vertical search engine represents a massive amount of value added for both your advertisers and your readers. A well-put-together vertical search engine will quickly become the most highly trafficked part of your site. Advertisers will see this and pay a premium for a piece of the action.
3. **Enhanced listings:** Just because your search engine is agnostic, doesn't mean that you can't show preference. Once sites agree to become indexed as part of your vertical search, you can offer them the option of an "enhanced listing" for a small fee. Your search should always sort by relevance, but, all things being equal, some sites will pay to be at the top of the page.

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It [vertical search] could have applications for all markets; but especially for markets that are more product-driven. Content driven vertical search may not be as promising.

- Michael Marchesano, President, CEO, VNU Business Media

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4. **Subscription access:** Many sites that you will be indexing on your vertical search engine will be subscription-only sites. Pay-per-view subscriptions can be offered through the vertical search site, allowing your readers to access subscription information for a smaller fee, without having to pay the larger monthly or yearly charges for the same information.

Additionally, passport subscription deals can be arranged, where the reader can pay a fee for access to all (or a customizable combination) of the subscription sites that you index.

In both cases, as middle-man, you get a piece of the business.

Vertical search is one of the hottest topics in B2B. Do your research before diving in; vertical search can be an incredibly powerful tool, but it requires the right Internet environment, the right industry, and a substantial start-up investment.

GlobalSpec, an engineering search engine, is a great example. It has a clean, accessible interface, a great site index, and serves a product-driven industry. To see this high quality vertical search engine, visit www.globalspec.com. •

The Promise of Internet Video

Until recently, Internet video hasn't been the most pleasant experience, for one reason or another—it takes too long to load, grainy picture, low-quality sound. But with new technology, and a whole host of advertisers looking to dive in, Internet video seems set to take off in the coming years. How, then, can you make Internet video advertising work for you?

Video space can be sold in three different ways:

1. **Traditional banners:** You can sell ad space on your site as if videos were traditional banners, having them appear next to text.
2. **Bumpers:** You provide content on your site using videos. You can sell four to eight second spots that automatically play before and after your site content.
3. **Player sponsorship:** If you use a video player to deliver your video content, you can sell “sponsorship” rights to the player and put advertisers' logos around the player itself.

You'll notice that two of the three monetization methods involve having video content of your own.

“Having video content gets people into the habit of watching and receiving information that way,” says Alison Johns, Web editor of *StudioDaily.com* (a property of Access Intelligence). “With video content—and advertising—technical information, and complicated concepts and products can be explained very quickly and efficiently.”

StudioDaily.com is at the forefront of video advertising in the B2B space.

“We're putting a lot of effort into video for a number of reasons. First it's native to how our readers work [*StudioDaily.com* reports on the movie production industry]. Second, it offers a sticky way to report on the new features of tools they're interested in and generates a lot of traffic for us, creating ad inventory. Third, it creates new opportunities for our advertisers to reach readers with more detail on products,” adds Johns.

In the B2B space, a lot of what is being sold differentiates from competitors based on technical differences that are hard to explain in a banner ad.

Advertisers (and Web editors) are thrilled at the widespread availability of video advertising, because, after all, good advertising is telling a company's or a product's story, and what better way to tell a story in this digital world than through a video?

Following the example of *StudioDaily.com*, Web editors should learn as much as they can about video advertising and video content. Video ads may not be found on your site right now, but if they're not in two years, you might have a problem. •



Screen shots of StudioDaily.com video content.