

# Why mobile search engine use is stuck in first gear

First-generation search has flopped on the mobile phone, but analysts say its widespread use will become commonplace soon. **Martin Croft** reports

Last year was supposed to be the year that mobile search took off. At the end of 2005, mobile operators, search engines and mobile marketing experts were all predicting that consumers' love affair with search on screen would translate to their mobile phones in 2006.

But they were wrong. Indeed, as Geraldine Wilson, general manager and vice-president of Connected Life, Europe at Yahoo!, says: "First-generation search has flopped on the mobile phone."

The mobile industry has only itself to blame for consumers' failure to fall in love with mobile search, many experts argue. The first-generation offering was too expensive, too slow, too restrictive in terms of what consumers could do, and too fiddly to handle on mobile phone keypads. Those are all issues which have either already been addressed or will be addressed in the near future, Wilson believes. For example, Yahoo! launched its oneSearch search engine in January, which is supposed to offer a much faster, higher quality mobile search experience.

## Teething problems

Not everyone in the mobile industry is prepared to accept that mobile search has been a disaster, however. Peter Northing, director of products and service at network operator 3, says: "We've already been very successful in introducing mobile search – 3 subscribers have conducted millions of searches in 2006."

But he does admit that there have been some teething problems around the quality of user experience and the cost. However, Northing points out that 3's latest services and handsets offer flat-rate "all you can eat" internet access and ultra-fast download speeds.

According to research company Telephia, 1.9 million UK consumers used their mobile to search the Net during September 2006 – but another 7.5 million mobile phone users went online without using their phones for internet search, so there is considerable growth potential in the market.

Google accounted for 73% of all mobile online searches, with Yahoo! on 24%, followed by MSN (16%), Ask (13%) and the BBC (10%).



Mobile search: Waiting for great leap forward

More than a third of mobile searchers (37%) said they were looking for entertainment, 28% were searching for news, 27% for games and 26% for weather and movies.

One problem the mobile industry has to get to grips with is a perception gap. According to research released last week from the Mobile Entertainment Forum and market analysts Ovum, the industry thinks 89% of UK subscribers search for content on the mobile internet, but the actual figure is only 20%. And just 2% are searching every day.

However, the research also confirmed why mobile search is vital to increasing mobile revenues. Those subscribers who do use mobile search are downloading premium material, rather than just surfing, the study says.

According to Ovum and the MEF, mobile phone users say the biggest barriers to using mobile search are "not knowing how to use the search engine" (23%) and "not thinking about using mobile search on their phone" (19%).

Reza Chady, Telephia's managing director for Europe and formerly global head of research at Nokia Networks, says the industry has recognised that "search on mobiles has been stalling"

and that it needs to learn the lessons of search on PCs. Hence, for example, the "walled garden" approach – where mobile operators created special "portal" sites which pulled together a range of content and which their subscribers were supposed to stay within – is being abandoned.

Arjo Ghosh, chief executive of digital agency Spannerworks, says: "Trying to hold on to people via walled gardens was ridiculous. As soon as the walls come down, there will be a huge explosion in search on mobiles."

George Fraser, managing director for Europe of mobile technology company Infospace, agrees. "Everyone we speak to sees mobile search as more and more important. It will be the primary way that consumers access the mobile internet, rather than by going through operator portals."

Cost is another important issue. Mobile marketing consultant Craig Barrack says: "If consumers try mobile search and get a massive bill at the end of the month, they're not going to try it again."

But if mobile operators have to cut data charges, where will they find alternate revenue sources? One solution is contextual advertising or paid-for search. Andy Walker, chief executive of mobile local search agency M-Spatial, argues that local and geographic searching could be key to growing mobile search. "Advertisers are attracted to mobile users who show a propensity to buy and proximity to the advertiser's products or services."

## Entertaining browsing

Online directory company Yell agrees. Its head of mobile marketing, Martin Wilson, says: "Mobile search is not about searching, it's about finding. The mobile Web is not yet ready for easy, entertaining browsing, so its use is and will continue to be about finding something you need – right now. Mobile browsing will come, but not until mobile internet usage hits the mainstream and fixed-price data contracts are the norm."

So will 2007 be the year that mobile search finally takes off? Perhaps, but, as Barrack says: "Mobile search will become increasingly more important – but rather like climate change, it's difficult to say how important and how quickly."