

Story

Microsoft 'Kumo' Hot On Paid, Multimedia, Semantic Search

Laurie Sullivan, May 21, 2009 05:58 PM

As Microsoft readies the release of Kumo, some industry insiders wonder if new features in the Redmond, Wash. company's long-anticipated search engine will come a little too late. Yahoo Thursday unveiled the Smart Ads platform to extend customized display ads on mobile phones. Google last week held Searchology, releasing a slew of services that pay closer attention to the way users view information. And then there's newcomer WolframAlpha, the computational knowledge engine that attracted buzz by bringing up the search engine via live video online.

Microsoft's drive to release a revamped engine based on enhancements in video and images to provide a more universal approach and semantic technology demonstrates that consumers are ready for something new, according to sources who asked for anonymity. The search engine also will likely integrate technology from the natural-language search company Powerset, which Microsoft acquired last year.

"If it's as good as it looks in the demo, this will be the most impressive search experience Microsoft has offered," says David Berkowitz, Director of Emerging Media & Client Strategy at 360i. "The focus is on the right areas such as organic results, layout and advertising."

Berkowitz, one of the chosen few outside of analysts and Microsoft employees to get a briefing, took extreme precautions to select every word in describing his experience. He couldn't speak to the difference in the way that Microsoft will serve up relevant ads in paid search campaigns, but did reveal that it has been a focus for the team with the launch of the new engine. "Historically, one problem for Microsoft has been serving up relevant ads," he says. "They haven't been as relevant as they could be. But I've seen firsthand they are trying to fix that."

Jay Bhatti, co-founder of the people search engine Spock, which Intelius bought in April, managed to catch a glimpse during a test run in Live Search. He says the ads seem to blend more with the content, which would make them less noticeable to consumers to generate more clicks.

The site appears to have an emphasis on filtering data and ecommerce that would give consumers product-related information such as inventory in stock and prices at specific retail stores, Bhatti said. A search for "iPhone" would also return links to download apps, for example. "On the left side of the search query you'll find a navigation column that shows related searches, search history and filtering options," he says. "It would keep the top of the page and right side clear for advertisements."

Microsoft has been testing its search engine internally since March, but has not revealed when it would launch. Sources say it could be next week at D: All Things Digital, while others believe the teaser will announce another venue not too far off. The launch will also coincide with a major ad

campaign.

Microsoft views search as an important piece to the company's business, but Nielsen Online reported that the Redmond, Wash., company held a mere 9.9% of the U.S. search market, compared with 16.3% for Yahoo and 64% for Google.

