Google Tests Directory Assistance for Phones

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Computer Web search leader Google stepped up an experiment to use speech recognition on telephones so consumers can ask for local information, in a challenge to directory assistance providers.

The company is inviting U.S. callers to dial 1-800-GOOG-411 (1-800-466-4411) from any phone to test a voice-activated service free-of-charge that it calls Google Voice Local Search, which is available on its experimental Google Labs site.

"Using this service, you get fast access to the same local information you'd find on Google Maps," an explanation of the new experiment said on the Google Labs site. "You don't need a computer, you don't need an Internet connection, and you don't even need to use your cellphone keypad," it said.

Details are available at
labs.google.com/goog411/

Google's experiment comes weeks after Microsoft Corp. agreed to acquire voice search firm Tellme Networks, in a deal sources said is valued at more than $800 million. The transaction is Microsoft's largest acquisition in five years.

Improving quality and falling costs of voice search technology are enticing Internet players Google, Microsoft, and rival Yahoo Inc. to expand beyond pay-per-click Web search advertising business into pay-per-call marketing.

Kelsey Group analysts estimate the U.S. directory assistance market generates $9.4 billion a year. Worldwide, the market rings up $13 billion, according to data published by Opus Research.

Google has staged on-and-off again tests stretching back to 2002 of ways to allow phone users to use their voices to ask for information, rather than telephone keypads or other more cumbersome approaches. The prior test remains up on the Web at: labs1.google.com/gvs.html/

Matt Booth, an analyst with Kelsey Group in Pasadena, said Google's potential entry into the directory assistance market could transform the economics of the business, where callers to conventional "411" services can expect to pay $1 or more.

Booth said it costs such services at least 16 cents per call to pay human operators to answer such calls.

By hooking the automated service into advertising-supported local business information, Google could be able to slash the costs of providing directory assistance to around 2 cents per call, while generating around 10 cents for each business referral, Booth said, citing estimates by investment bank Thomas Weisel.

"This would allow Google to put its Internet ad business onto mobile phones," Booth said. "It's voice in and data out," he said, contrasting the voice search service to how users type keywords into a browser using classic Google search services.

Start-ups that offer free directory assistance include 1-800-FREE411, a service Jingle Networks Inc.

In a blog post, Booth said Google is running advertising tests on Jingle

Networks (800-Free411) in two local markets.

Google Voice Local Search can be used from either mobile phones or land lines. Mobile phone callers can request listing details to be sent as a text message to their phones.

Callers dial the Google number and can ask for a pizza parlor, dry cleaner other business by name, Google said. The service runs on computers and uses no human operators.

"Eventually, I think you will be able to call up and do a voice search and have general Google results come back," said in a phone interview.

Google said it is seeking to fine-tune the computerized system to improve how the service recognizes users' requests. Voice Local Search is available in English, in the United States, and offers only U.S. local business listings for now.

The Mountain View, California-based company cautioned that Google Voice Local Search remains an experiment: "It may not be available at all times and may not work for all users."

Google doesn't charge users for the toll-free call or for connecting the caller to the business. Regular phone charges may apply, depending on the user's telephone service provider.

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