

## Diller bearish on future of Ask.com

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Diller, speaking at a conference hosted here by [Silicon Valley](#) technology blog TechCrunch, said [Google](#) was not the powerhouse of the lucrative search and advertising market it is today when e-commerce group IAC bought Ask.com.

"Google was at that time on the verge -- but not there yet -- of becoming a verb," he said. "I had thought then that if you really innovated... you

could compete and you could gain share.

"What I hoped would happen, hasn't," he said. "We didn't gain share and I don't think we're going to gain share. We've held it, which actually to me is a bit of a miracle in itself."

According to digital tracking firm comScore, Ask.com, previously known as Ask Jeeves, had a 3.8 percent share of the [search market](#) in the United States in August.

Google had a 65.4 percent market share, followed by Yahoo! with 17.4 percent and Microsoft with 11.1 percent, according to comScore.

Diller said Ask.com will focus on a new offering rolled out in July in which real human beings help answer questions.

"We have a new concept. I don't know if it's going to work or not," he said.

"I think there is a course in which we could be competitive, not competitive to Google, unfortunately nobody's competition to Google now... Hopefully we can, in a niche way, provide a decent service."

Acknowledging that Ask.com has little if any "meaningful value," Diller said other IAC properties have "huge potential," citing dating site Match.com, news and blog site The Daily Beast and video sharing site Vimeo.

The IAC CEO also said he expects Internet users to start paying for "premium content" in three to five years, calling any notion that all Internet content is free an "absurd concept."

"I think commodity content is not worth very much, it's worth something

but not very much," he added.

"Premium content is worth what the consumer will pay for it."

He said people would begin paying for content on the Web "once you get mechanisms where it is easy to pay for, once you get subscription systems and other things that are very easy for people to do like iTunes."

"I do think eventually The Daily Beast will have two revenue streams, it'll have advertising revenue and it'll have subscription revenue," he added.

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