

Yahoo's search engine leans on Yelp for help

March 12 2014



Yahoo on Wednesday began serving up Yelp reviews in US search results as it sought to win users away from Google

Yahoo is cribbing from Yelp's online reviews of local merchants to soup up its search engine.

Ratings and excerpts from Yelp's merchant reviews began to appear in Yahoo's <u>search results</u> on Wednesday.

Financial terms of the partnership weren't disclosed. News of the deal



first leaked out last month, so it didn't come as a surprise. Yahoo's stock dipped 7 cents to \$37.49 in afternoon trading while Yelp's shares gained \$2.48, or nearly 3 percent, to \$92.48.

Yahoo Inc. is hoping the snippets from Yelp Inc.'s popular service will spur more people to rely on its <u>search engine</u> when they're looking for information about a specific city. Yelp could generate more revenue and polish its brand by having its content featured in Yahoo's search results.

Boosting search traffic is a high priority for Yahoo CEO Marissa Mayer because the queries spawn insights into users' interests. That knowledge can then be used to sell advertising.

Yahoo ranks a distant third in Internet search behind Google Inc. and Microsoft Corp.'s Bing.

Neither of those search engines will be able to highlight Yelp's material in the same way that Yahoo now can.

Google had been showing Yelp snippets it in its search engine a few years ago, prompting Yelp to complain that it was being cheated out of revenue and traffic. After U.S. antitrust regulators opened an investigation in 2011 into whether Google was trying to stifle competition, the company stopped using Yelp's reviews in its local search results.

Yahoo's search market share has been steadily slipping since the Sunnyvale, California, company began relying on Microsoft's technology to produce most of its results in 2010. That alliance still gives Yahoo the flexibility to add other features to its search results.

Microsoft also helps sells some of the advertising displayed alongside Yahoo's search results. Ad revenue initially slumped after Microsoft and



Yahoo joined forces, but the numbers have been looking better during the past two years. After subtracting ad commissions, Yahoo's <u>search</u> revenue last year rose 6 percent to \$1.7 billion.

Yelp's revenue last year totaled \$233 million, a 69 percent increase from the previous year.

© 2014 The Associated Press. All rights reserved.

Citation: Yahoo's search engine leans on Yelp for help (2014, March 12) retrieved 19 April 2024 from https://phys.org/news/2014-03-yahoo-yelp.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.