

Just before the close of business on Wednesday, Google announced that it will be launching Gmail, its new free e-mail service set to offer 1000 megabytes of free space to its users. This announcement comes after a flurry of changes at Google, all of which are geared to securing their place as the dominant search engine in light of recent competition offered by Yahoo! and soon MSN. The search engine wars have been predicted for some time now by search engine insiders, and the launch of Gmail is Google's attempt to win the war before it gets fully started. But is Google really ready to take on the big portals?

It is very unlikely that Google founders Sergey Brin and Larry Page had any idea exactly how big their original search engine (then called BackRub) would actually become. Google was an innocent project through Stanford University. It was a project started in the days of optimism about a free Internet not supported by ads or corporate revenues, but rather the free exchange of ideas. As a result, they focused solely on product. There were no worries about creating a flashy interface, hiring a sharp marketing team, or launching an IPO. They were worried about good search results. The result is that Google is now synonymous with searching the Internet.

Today, Google stands with a much different outlook. The success of the launch of AdWords propelled Google into a class all their own. Almost overnight, Google entered the PPC industry and dethroned Overture as the untouchable kings of PPC. Although other search engines such as Lycos, FindWhat, Kanoodle, and Sprinks had been competing with Overture, none of these engines were able to bring the reach and brand power of Google.

The success of AdWords was a notice to every other Internet giant. Companies such as Yahoo! and AOL – who were providing Google's results to their users – took notice to the fact that Google had an incredible influence on the Internet, and if they desired, they could leverage that influence into a variety of new markets. Worse yet, Yahoo! and AOL helped Google gain such influence by providing Google results to their users. These giants became nervous, and with good reason. Google started to show signs that they were expanding into new markets. Dictionaries, glossaries, news services, Froogle, Catalog search, maps, blogging, and other services were all emerging from the Google labs and news rooms. If Google was able to instantaneously compete and lead in the highly competitive PPC market, what would happen if they moved in on the territory of Yahoo!, AOL, or MSN? These Internet giants helped make Google powerful, possibly more powerful than they were themselves.

The battle for web searches had begun. Yahoo! has taken the most notable steps by replacing their results provided by Google with their newly acquired Inktomi division based results. To fight Google on the advertising revenue level, Yahoo swooped up Overture, still all-star in the paid search market. Overture, now playing catch-up in an industry which they practically founded, launched their own site content match system which rivals Google AdWords.

MSN has vowed to refine their search algorithms to become more relevant. Most of the work being done by MSN has been fairly quiet, but rest assured, there will be a lot of talk about MSN search when they are ready to release their new product to the Internet. And, with every new PC you buy, don't be surprised if it comes

with a host of web searching tools built in.

There have even been rumors over at AOL that they are going to be abandoning their Google based results. The fact is, AOL is scared of Google. As it stands right now, Froogle already steps on their shopping market, and Google News is taking away from AOL's news delivery service.

By abandoning Google provided results, these Internet giants are attempting to limit Google's reach. The fact is simple: users still use Yahoo!, MSN, and AOL. They use these services because they offer a host of unique information, updated news, financial reports, maps, phone directories, etc. Most importantly, users visit MSN, Yahoo, and AOL for their free e-mail. While they have these users attention, Yahoo! and MSN will now try to sell these users on their new and improved search results not provided by Google in order to steal a bit of that search engine market.

Just as Yahoo!, AOL, and MSN realized how powerful Google was in the search engine market (and subsequently the danger that posed to them), Google is realizing the real threat that these portals present. If these portals are able to offer suitable search results, users will have less reason to utilize Google's search. Google has also recognized the main advantage these portals have: free e-mail. Free e-mail is what makes Yahoo! and MSN such popular destinations. People who have e-mail accounts at these locations find themselves visiting these sites multiple times every day just to check their e-mail. While they are there, they have the opportunity to be grabbed by a headline or service offered through these portals. The free e-mail is what brings the users back time and again.

Gmail is a direct attempt by Google to destroy any competition before it arises. With 10 times the amount of storage and what appears to be a superior interface for viewing and organizing mail messages, Gmail is not simply a nice thing to offer to web surfers. Gmail is an attempt to put an arrow through the heart of Yahoo! Mail and Hotmail. The services will not be comparable in quality, and that is the way Google wants it. The goal of Gmail is to make Hotmail and Yahoo! Mail look like laughable solutions to web based e-mail.

If Gmail is successful in converting Yahoo! Mail users and Hotmail users, the search engine wars will most likely be much ado about nothing. The battle and war will be won, and the victor will be Google. But don't expect MSN, AOL, or Yahoo! to simply watch Gmail launch without developing a plan to strike back hard. Yahoo! alone has invested incredible amounts of money to acquire Inktomi and Overture just so they can compete head to head with Google. It would be uncharacteristic of them to simply fold. And do not forget about the power MSN has with their search. Remember that Microsoft controls what search engine is used by default on most every computer around the world. That is a competitive advantage that Google will have a very hard time overcoming.

Gmail will not be the last new service offered by Google. It certainly will not go unanswered by Yahoo! or another portal. It will, however, mark a fundamental point in this search engine war that appears to now be in full swing.

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