

Exploration of search engine developers using syndicated search

TLDR

- Little development speed from using G WSS vs. Bing WSS (as long as store & analyze is not included)
 - Users who do not opt-in to Google fallback mixing will get G search quality
 - No end user PR value (given current branding)
 - Less churn from users who prefer G search quality
- Search Syndication provides bridge until they become a fully independent search engine

Assumptions

- 1) Various government & geo-political forces will work to not have 1 perceived dominant search engine in their region
- 2) New search engines largest investments are a) web index b) query understanding c) search quality / ranking d) expected knowledge features (possibly a lot more)
- 3) New search ad business has larger investments (search tech + ad tech + business operations)
- 4) New search engines will need differentiated value proposition or large marketing spend to switch users away from incumbents (red ocean market)

User Growth Scenario

- 1) Search engine licenses web search service from incumbent (\$1/1k requests)
- 2) Search engine syndicates existing search ad service OR has a burn rate to cover operational costs OR has alternative business model like subscription
- 3) Search engine development bootstraps by augmenting results of licensed web search results, starting with head queries. (rate of progress?)
- 4) Search engine creates query / URL pairs for search sessions on site. (used for query understanding + search quality)
- 5) Search engine augments query / URL pairs via opt-in browser collection program (Web Discovery Project)
- 6) Over time

Ex. No.

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Acquisition Scenarios

- 1) MSFT - MSFT will assume the contract will be terminated on transfer. WSS deal no incremental value in acquisition (beyond increase in users from better search quality before acquisition)
- 2) APPL - Already has a WSS contract (for Siri). No incremental value on deal (Mix / reorder?)
 - a) Tech + team acquisition. Browser users + Brand not valuable to APPL
- 3) Tencent / Baidu - unlikely given US review of chinese company ownership (i.e. TikTok)
- 4)

Brave Motivations for deal (value for them)

- Better quality results than current provider
- Same or similar price
- No need for Google fallback mixing, while still have privacy consumer benefit
 - Possibly lower legal risk from G fallback mixing
 - Possibly better 'legitimacy' from users on G fallback mixing
 - Google quality search results on +XX% users
- Optionality, no single service provider / point of failure for core functionality

SE Value for syndication

- Functional search engine to build user base on,
- Keep growing, more analysis + feature development

Scenario 1 (use over time, diminishing returns of value)

- 1) Incumbent licenses web search results with license to use results data to improve query understanding + search quality / ranking
 - a) Does not help with index or knowledge features

Comm scenarios

- PR
- Users
- Regulators
- DOJ / AG

Brave value prop

- 1)