

ANNEX I^b

QUESTIONNAIRE

Cases No COMP/C-3/39.740, 39.775, 39.768 and 39.845

DEADLINE FOR REPLY: Friday, 11 February 2011

When you reply to this questionnaire, please provide TWO versions of your reply: (i) a CONFIDENTIAL version; and (ii) a NON CONFIDENTIAL version which excludes business secrets or other confidential information.

A. Business secrets

Reminder: Does your reply contain any parts that you regard as business secrets?

YES NO

If yes, have you provided a non-confidential version of your reply? (see [Annex III](#) for details and instructions)

YES NO

B. Questions

Please be aware that your reply should cover all information concerning your entire undertaking, including all connected undertakings, such as your ultimate mother company and its subsidiaries.¹

(I) General information

1. Please provide a short description of your undertaking, including the online activities of your business and the European Economic Area ("EEA") countries in which you offer online services.

(II) Market definition

2. Please explain to what extent you advertise online, including the type of advertisements ("ads") you place online (i.e. search ads, content targeted text ads, display ads, etc). In addition, please explain for each type of ads you place (i) why you have chosen it (e.g. creation of brand awareness, targeted sales, etc) and (ii) the pricing mechanism.

¹ See the definition on the term of connected undertakings in point 12.2 of the Commission Notice on agreements of minor importance which do not appreciably restrict competition under Article 81(1) of the Treaty establishing the European Community (de minimis), OJ C 368, 22.12.2001, p. 13-15.

2.1 Please explain whether you would substitute all or part of your online ads by offline ads if the price of the online ads you are currently placing increased by 5%-10% (as a result of the pricing mechanism in place without any difference in the conversion rates), whereas the price of offline ads remained stable. Should you consider other factors than price to be relevant to this decision, please specify which and reason your reply.

2.2 In case you place search ads, please explain whether you would substitute all or part of these search ads by non-search ads if the price of search ads increased by 5%-10% (as a result of the pricing mechanism in place without any difference in the conversion rates), whereas the price of non-search ads remained stable. Should you consider other factors than price to be relevant to this decision, please specify which and reason your reply.

2.3 In case you place content targeted (text or display) ads, please explain whether you would substitute all or part of these ads by other non-search ads (e.g. non-targeted display ads) if the price of content targeted ads increased by 5%-10% (as a result of the pricing mechanism in place without any difference in the conversion rates), whereas the price of other non-search ads remained stable. Should you consider other factors than price to be relevant to this decision, please specify which and reason your reply.

3. Please explain which types of mobile ads exist and whether you place any of these types of mobile ads. If yes, please also explain (i) why you have chosen to place them and (ii) how the corresponding pricing mechanism works.

3.1 Do you consider that advertising on mobile devices can be a substitute for non-mobile online advertising? Please reason your reply and distinguish, if necessary, between search and non-search as well as content targeted and display ads.

3.2 Please explain whether you would substitute all or part of your non-mobile online ads by mobile ads if the price of the online ads you are currently placing increased by 5%-10% (as a result of the pricing mechanism in place without any difference in the conversion rates), whereas the price of mobile ads remained stable. Should you consider other factors than price to be relevant to this decision, please specify which and reason your reply.

4. Please explain whether and, if yes, to what extent you consider being displayed on the natural search results page of a horizontal search service provider to be a substitute for a search ad.

4.1 Please explain whether you consider that natural search and paid search serve the same purpose as regards your advertising needs. In this context, please also explain the differences between the two, if any.

4.2 Please explain whether you (i) stop/would consider to stop advertising or (ii) significantly reduce/would consider to significantly reduce your expenditures on a specific keyword if you are/were top ranked on the natural search results page of a search service provider for the same keyword.

4.3 In case you place search ads, please explain whether you would stop placing all or parts of these search ads and rely instead on your appearance in the natural search results of a search service provider if the price of search ads increased by 5%-10% (as a result of the pricing mechanism in place without any difference in the conversion rates). Should you consider other factors than price to be relevant to this decision, please specify which and reason your reply.

5. Do you and/or advertisers in general consider in your view the placement of an ad on a website of a vertical search service provider to constitute an alternative to placing an ad on a horizontal search engine? Please reason your reply (including the advantages and disadvantages of placing ads on either of the two).
6. Have you been subject to a sudden increase of ad prices on horizontal search engines during the last six years (i.e. 2005-2010)? If yes, please provide examples and briefly describe the situation in which this occurred.
7. Please explain whether you design your online advertising campaigns for national/regional markets or for the entire EEA. In this context, please also comment on the importance of country and language specificities.
8. If you advertise through intermediaries in different countries within the EEA, do you normally have a relationship with one intermediary which manages the advertising in different territories or do you engage in separate agreements in various countries?

(III) Online advertising (including different channels)

9. Please specify your online advertising spending during the last six years (i.e. 2005-2010) on an annual basis (i) within the EEA and (ii) per EEA country you are active in.
10. In case you offer your online ads directly to publishers, please specify
 - a) which type of ads you offer directly (including an estimation of the percentage of the total ads placed by you that these offers amount to);
 - b) the percentage of your total online advertising spending (i) within the EEA and (ii) per EEA country you are active in that these offers amount to²; and
 - c) the average price at which you have offered the different types of ads on an annual basis during the last 6 years (i.e. 2005-2010).
11. In case you offer your online ads through an intermediary (i.e. online advertising networks, advertising exchanges or media agencies), please specify
 - a) which type of ads you offer through which intermediary (including an estimation of the percentage of the total advertising ads placed by you that these offers amount to);
 - b) the percentage of your total online advertising spending (i) within the EEA and (ii) per EEA country you are active in that these offers amount to³;
 - c) in case you have worked with different intermediaries in parallel during the last six years (i.e. 2005-2010), a percentage split per intermediary you have worked with for the data provided under b) above; and
 - d) the average price at which you have offered the different types of ads on an annual basis during the last 6 years (i.e. 2005-2010).

11.1 In case you do not offer any of your online ads directly, but only through an intermediary, please explain the main reasons for this (including advantages and disadvantages).

² You can provide this data together with the data requested in Question 7 in a combined table should you wish to do so.

³ You can provide this data together with the data requested in Question 7 in a combined table should you wish to do so.

11.2 Please provide a list of all the intermediaries you have worked with during the last eight years (i.e. 2003-2010) and provide contact details for each of them. In addition, please specify

- a) why you have chosen or switched to the intermediary you are currently working with;
- b) in case you have worked with different intermediaries at the same time, why you have chosen to do so (including the advantages and disadvantages you have experienced when doing so);
- c) in case you have worked only with one intermediary at the same time, why you have chosen to do so (including the advantages and disadvantages you have experienced when doing so);
- d) in which circumstances you would consider switching for part or all of your advertising space to a different intermediary (including the intermediary or intermediaries you would consider switching to); and
- e) the switching costs you incurred or estimate to incur when switching your intermediary.

12. In case you place your online ads both directly and through an intermediary, please explain how you decide which share of online ads should be offered through each channel.

13. In case you place your online search ads on more than one horizontal search engine, please provide details on the differences in the respective (i) cost per click, (ii) click through rate and (iii) conversion rate, if any.

13.1 Which search engine delivers the lowest price per conversion rate (i.e highest return on investment) for online search ads? Please provide details. Do you consider that there are other advantages in advertising on a given search engine than lowest price per conversion rate? Please reason your reply.

14. Which online advertising platform delivers the lowest price per conversion rate for online non-search ads? Please provide details. Do you consider that there are other advantages in advertising on a given online advertising platform than lowest price per conversion rate ?

15. Please provide your best estimate of the share of your company's turnover that is generated through online search advertising.

(IV) Online advertising agreements with Google (AdWords)

16. Please provide a copy of all your AdWords related agreements (i.e. expired and current agreements) with Google during the last 6 years (i.e. 2005-2010). In addition, please provide a brief description of the evolution of your AdWords related business relationship with Google including the main content (e.g. type of ads covered, etc) and duration of each agreement you have entered into with Google.

17. In case you have entered into an AdWords agreement for online search ads with Google, please explain whether you have automatically opted-in to the provision of other advertising services by Google (e.g. mobile search ads, etc). If yes, please explain (i) whether you were aware of this when you entered into the agreement with Google and (ii) how you could have opted out.

18. Please specify (i) the amount of traffic you have received through ads sold through AdWords during the last 6 years (i.e. 2005-2010) on an annual basis and (ii) the corresponding percentage share of the total traffic you received during the same time period.

19. Please list the main (i) advantages and (ii) disadvantages of search advertising in Google's AdWords compared to competing online advertising platforms.
20. Have you ever experienced a sudden reduction of your AdWords Quality Score without having made any material changes to the landing page to which users clicking on your ads are redirected? If yes, please explain the background to the incident(s) in question and any related discussions with Google. Please also provide, if any, supporting documents whatever their form (e.g. e-mails, faxes, letters, notes taken during telephone calls or meetings, etc.). Insofar as not already covered by your reply to this question, please also provide an answer to the following questions:
 - 20.1 Through which channel did you request Google to explain and/or change the Quality Score reduction in question?
 - 20.2 How and how swiftly did Google follow up on your request? Please explain in particular (i) which suggestions Google made to solve the issue, (ii) whether Google required adjustments to your landing page (including whether you complied with this request, (iii) which solution, if any, you eventually agreed on and (iv) how this solution was implemented.
 - 20.3 Please explain what impact the incident(s) in question had on your website in terms of advertising spending (including possible changes to the required minimum bid) and traffic volume derived from your search and/or content targeted ads (please provide traffic volume data before the incident, during the incident, and after the incident, if applicable).
 - 20.4 Did you experience in parallel to any of the incident(s) in question a comparable reduction in your website's ranking in Google's natural search? If yes, please explain (including whether there was any follow-up by Google) and provide supporting documents whatever their form (e.g. e-mails, faxes, letters, notes taken during telephone calls or meetings, etc.).
21. Please explain whether and, if yes, to what extent your advertising spending with Google has ever had an influence on your ranking in Google's natural search.
 - 21.1 Has Google ever mentioned to you that increasing your advertising spending could improve your ranking in Google's natural search? If yes, please describe the background to this statement and, if any, provide supporting documents whatever their form (e.g. e-mails, faxes, letters, notes taken during telephone calls or meetings, etc.).

(V) Portability, synchronization and storage of advertising campaign data

22. Please explain the existing methods to port advertising campaign data from Google's AdWords to other online advertising platforms (i.e. manual porting, automatic porting, programmatic porting and other, if any (please specify). For each of the different methods, please specify:
 - a) the tools required (e.g. AdWords Frontend, AdWords Editor, etc);
 - b) the different steps to be taken;
 - c) the average time required for each of the different steps with regard to an average online advertising campaign (please specify what you consider to be an average campaign in terms of number of keywords, budget and duration);

- d) the costs incurred, if any, for each of these methods; and
- e) the advantages and disadvantages of each of these methods.

22.1 In case your company uses any of these methods to port advertising campaign data from AdWords to other online advertising platforms, please specify which and explain why you have chosen to do so.

22.2 In case your company does not use one or more of these methods, please explain the reasons for this choice.

22.3 In case you have ever encountered difficulties when using any of the porting methods mentioned in your reply to Question 17.1, please explain which and to what extent they have prevented you from making further use of the respective method.

22.4 Please explain whether you consider the possibility to automatically port campaign data from one online advertising network to another as important. If yes, please specify the importance of this feature for your company both in strategic and economic terms.

- 23. Do other online advertising platforms offer the same or similar methods to port advertising campaign data from their platform to other online advertising platforms? If yes, please provide examples and explain the main differences and similarities to the porting methods available for Google's AdWords.
- 24. Have you ever used a tool that adapts manually exported online advertising campaign data from Google's AdWords for uploading these data to other online advertising platforms? If yes, please
 - a) specify (i) the name of the tool, (ii) the purchase price and (iii) the name and the contact details of your supplier and, if not identical, its developer;
 - b) explain how the tool works in practice; and
 - c) specify the cost and time savings resulting from the use of this tool.
- 25. Have you ever used a tool that retrieves your online advertising campaign data from AdWords in an automated way via the AdWords API with the purpose of uploading these data to other online advertising platforms? If yes, please
 - a) specify (i) the name of the tool, (ii) the purchase price and (iii) the name and the contact details of your supplier and, if not identical, its developer;
 - b) explain how the tool works in practice; and
 - c) specify the cost and time savings resulting from the use of this tool.
- 26. Have you ever used a tool that programmatically ports your online advertising campaign data from AdWords to other online advertising platforms? If yes, please
 - a) specify (i) the name of the tool, (ii) the purchase price and (iii) the name and the contact details of your supplier and, if not identical, its developer;
 - b) explain how the tool works in practice; and
 - c) specify the cost and time savings resulting from the use of this tool.
- 27. Please explain the existing methods to synchronise advertising campaign data on Google's AdWords and on other online advertising platforms at the same time. Please also explain which methods are used by your company for this purpose and the reasons for this choice.
- 28. Please provide a copy all your AdWords API agreements (i.e. expired and current agreements) with Google for the last 6 years (i.e. 2005-2010). In addition, please provide a

brief description of the main features (e.g. services covered, duration and payments) of each agreement you have entered into with Google.

29. Please explain the main reasons for which your company is using the AdWords API (e.g. commercial, technical, customer request, specific advantages/cost savings, etc).
30. The Commission understands that the use of Google's AdWords API is subject to a fee, but that Google offers at the same time a substantial amount of free credits to its API clients. Please explain against this background whether your company has in practice incurred any costs for using the AdWords API during the last six years (i.e. 2005-2010). If yes, please provide your total annual spending on Google's AdWords API (i) in absolute terms and (ii) as a percentage share of your total AdWords spending for this time period. To this end, please use the table below:

	2005	2006	2007	2008	2009	2010
Total spending on AdWords API (in Euro)						
Share of total AdWords spending (in %)						

31. Please explain whether the AdWords API agreements you have entered into with Google contain(ed) any limitations on the storage of online advertising campaign data from AdWords. If yes, please identify the relevant clause(s) and explain its/their content and purpose.
32. Do any of the AdWords API agreements you have entered into with Google contain clauses preventing you from programmatically porting online advertising campaign data to other online advertising platforms and/or synchronising such data on different online advertising platforms at the same time? If yes, please identify the relevant clause(s) and explain its/their content (including the type of ads covered by this clause (e.g. search ads, content targeted text and/or display ads, display ads)).
33. Did you ever refrain from advertising on other online advertising platforms because you considered the porting of advertising campaign data from Google's AdWords to those platforms to be too expensive and/or too burdensome? Please reason your reply and, if yes, please provide your best estimate of the share of advertising campaigns (in terms of the share of your online search advertising expenses in one year) for which you have refrained from porting data to other competing advertising platforms.
34. Would you consider advertising on more advertising platforms in parallel if it were easier to port data? Please reason your reply and, if yes, please give your best estimate of the share of your current total advertising spending you would have an incentive to port to other competing advertising platforms.

35. Please explain whether Google's AdWords provides features that competing online advertising networks do not offer (e.g. maximum length of certain text fields, etc). If yes, please
- describe these features and provide screenshots where appropriate;
 - explain whether and, if yes, why you consider these features to be essential;
 - explain whether and, if yes, to what extent these features have caused problems when manually and/or automatically porting online advertising campaign data from AdWords to other online advertising platform and/or synchronising such data across different online advertising platforms; and
 - explain whether programmatic porting could have an adverse effect on the implementation of these features (e.g. whether programmatic porting tools would only implement the lowest common denominator between different online advertising platforms so that these features would no longer be available to your customers).
36. Do you experience a higher return on advertising spending (Return on Investment) if you use all available AdWords features (i.e. including optional features)? Please reason your reply and provide supporting documents, if any.

(VI) Miscellaneous

37. In case you place search ads, please describe the format in which such ads can be designed. Should there be different formats, please explain the differences between each of them and, if possible, provide screenshots that illustrate the differences.
38. In case you place context targeted text ads, please describe the format in which such ads can be designed. Should there be different formats, please explain the differences between each of them and, if possible, provide screenshots that illustrate the differences.
39. What are in your view the advantages and disadvantages of Google's AdWords auction system? Please reason your reply.
40. What do or would you typically do in case the click through rate ("CTR") of your ads for certain keywords in AdWords decreases/decreased? Please choose one or more of the following options and reason your reply:
- Nothing;
 - Stop bidding or bid less often on these keywords in AdWords;
 - Increase the maximum bid for these keywords in AdWords;
 - Try to increase the quality of the respective ads with a view to raising the Quality Score in AdWords; or
 - Other (please specify).
41. Are you aware of the Quality Score of your ads? If yes, please explain (i) how and (ii) whether and, if yes, how often you verify during an ongoing ad campaign potential changes to the Quality Score.
42. What do you typically do or what would you do to increase the quality of your ads with a view to raising your Quality Score in AdWords?
43. If your minimum bids were set at a level (please specify) that would make advertising on AdWords for you economically unviable,
- whether and, if yes, to what extent this would cause problems to your company (please

provide supporting data and/or documents, if any);

b) whether and, if yes, to what extent you would increase your advertising activities on other online and offline channels (please specify the channels in question);

c) whether and, if yes, to what extent you would try to optimise your website to achieve a higher ranking in the natural search results of search engines or search service providers; and

d) how much time would you need on average to reorganise your advertising activities:
(i) insignificant, (ii) less than one month, (iii) 1-3 months, (iv) 3-6 months, (v) 5-12 months,
(vi) more or (vii) not applicable since there is no alternative to AdWords for my company.

Thank you for your co-operation

Reminder: Does your reply contain business secrets or other confidential information? Have you attached a non-confidential version of your reply? For details and instructions, see Annex III.