# Knol Marketing Plan

Wasim AlSayegh

## Conclusion

The sample page that was released by Google to demonstrate Knol is far too advanced for most Internet readers. Knol should not target the knowledge market niche advanced segment. Instead Knol should position itself to target the intermediate segment of the market. We would like Knol to contain articles that are as readable as Times Magazine. Furthermore, Knol should include tools to enable programmers to access Knol's knowledge directly. These tools will not only create a buzz with bloggers and techno geeks to viral market Knol, but will also position Knol at the center of knowledge on the Internet.

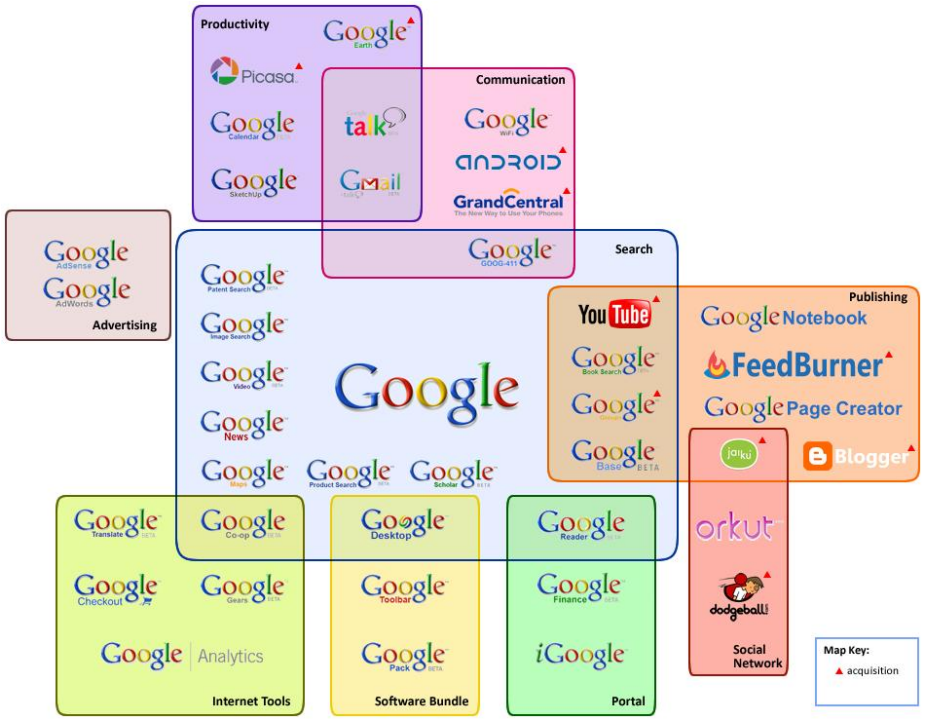
# Contents

## Current Status of Google

Google commands the lead in United States search engine use with a 57% share of the number of searches performed followed by a distant second for Yahoo with an 18% share (Nielsen Online, 2007). Google is also the most popular Website in the United States with 5.24% market share of visits (Hitwise, 2007). The downside of this statistic is that Google is the starting page of most United States Internet users who use Google to jump on to other Websites. The fact of the matter is that only 5% share of the total time spent online by United States Internet users is spent on searching while 47% of their total time is spent on reading or reviewing content (Online Publishers Association (OPA), 2007). Metaphorically speaking Google is that big highway advertising banner we zoom by everyday on our way to work. This loss of traffic to other Websites translates to lost advertising revenue. Thus the case for Knol, a site that has user generates articles and knowledge, to combat that loss of advertising revenue to other sites is obvious.

***In-depth Look at Google***

Google offers a slew of weakly coupled Websites, services and computer software. At the core of these offerings is Google's main competency: "assigning importance ranks to scattered information." This competency is delivered via a patented algorithm called PageRank (Lawrence, 1998). Google has put this algorithm to successful use in most of its offering from delivering highly relevant Web search results via Google.com to delivering targeted advertising via its advertising serving programs AdSense and AdWords. Through acquisitions and internal growth Google moved beyond basic Web search and into specialized web search and other fields such as: social networking, publishing, portals, software bundling, advertising, Internet tools, communication and productivity. We broke down the different Google products under these categories to demonstrate the sheer size of Google and its spread into different fields. This list includes products that are under Beta testing but does not include products that are still part of Google Labs.



## Competition

Our online competition includes Wikipedia.org, Squidoo.com and Helium.com which are free information portals. So far Wikipedia.org has the biggest number of contributors and visitors. We have to note that 70% of Wikipedia's traffic is generated by search engines (Prescott, 2006). Other sites do not have much traction, though their operation models surely are interesting and will be discussed in this document.

***Google's Development Process***

Google's development process has not been officially documented and published, but there are several outlets from which we can have an insight into this process. Business Week wrote an article about Marissa Mayer the Vice President of Search Products & User Experience at Google which highlighted Google's "9 Notions of Innovation" (Marissa Mayer: The Talent Scout, 2006). The article can be summarized as follows: "Leave room for our Google engineers with PHD degrees to play and they will come up with products that we will eventually market it and make money out of." We believe that this philosophy has worked for Google less than often. Apart from Google main search Website which it development internally, its other offerings have suffered from this philosophy. For example, Google Video could not compete with YouTube's sheer traffic that Google opted to buy YouTube instead of competing head-on. Furthermore, Google's main offerings such as Google Maps and Gmail trail behind their top competitors by 9 (Hitwise, 2007)and 30 (Ipsos, 2007) points respectively. We believe that involving marketers in the last step of Google's "innovation" process hurts Google's bottom line. Having this marketing plan for Google Knol will surely enable Google to better position itself within the "Knowledge" market thus driving the greatest number of visitors to its site.

## Appealing to Reader

### Reader's Market

While the internet is borderless, we focused our research for the first phase of the Knol project on the United States market. The United States is estimated to have 188.1 million users (eMarketer, 2007). The activities of US Internet users that pertain to Knol are as follows: 73% seek personal internet information, 69% seek product information, 61% seek product reviews, 59% research for work/school (Deloitte & Touche, 2007). Our target market is hence 73% of 188.1 million, which is 137 million.

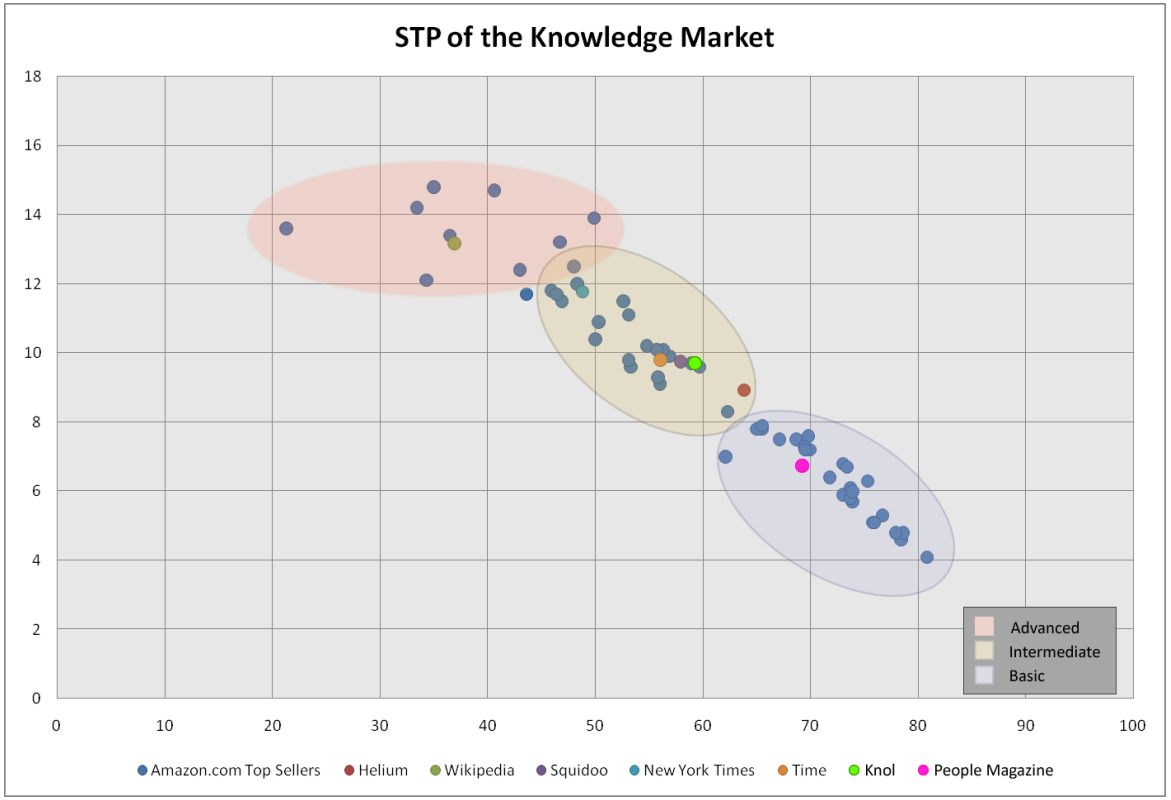
### Segmentation, Targeting and Positioning

We surveyed 140 Internet users and organized focus groups to understand how Internet users seek information. We asked our surveyors to rate the importance of different attributes to the information they seek. The attributes included: quality, credibility, content and sources cited. All of these attributes

were important to everyone. On the other hand, we found out that over 50% of the people surveyed seldom verified the credibility of the information they read on the Internet. We concluded that Internet users consume whatever they find on the Internet and associate quality and credibility with the appearance of a site rather than the sources cited or the credibility of the author. Further supporting this point is the phenomenon that more and more people have tuned out from watching credible TV news shows and turned to less "credible" bloggers (blogger traffic continues to grow immensely (Nielsen Online, 2007)). From the behavioral aspect, our survey points out that 81.5% of Internet users seeking information almost always start with a search engine. This is compared to only 6% that start with an online encyclopedia. Our focus should be on appealing to websites link to Knol rather than worry about having articles with cited sources. Having websites link to Knol and its articles will strengthen our position in search engine results, thus driving more traffic to our site.

What is quality? What is credibility? Do they mean the same thing to Jill as they do to Jim? Can we use them to segment our market? Since price is not used in the equation everyone wanted the best quality and credibility in the information they seek. Though can you give credibility a grade? "Depends" is the answer to all of these questions. That said the written word does have scales and measurements. Flesch Index and Flesch-Kincaid Index are widely used readability tests. The Flesch Index, developed in 1940 by Dr. Rudolph Flesch, is an indicator of reading ease. The score returned is based on a 100 point scale, with 100 being easiest to read (Amazon.com). Flesch-Kincaid returns the US grade level of a given text. For example, a text with a Flesch-Kincaid score of 9.2 is considered suitable for someone with a 9$^{th}$ grade education.

To understand our market we used Amazon's Consumers' Top 100 list as a proxy. Amazon's Consumer's Top 100 list compromises of the top selling books. Each book on that list was successful in attracting a big readership volume and for that reason is a good proxy of consumer's readability preference. Furthermore, Amazon is the top selling online book retailer in the US (Nielsen/NetRatings, 2005), and since it's an online store it is accessed by the same users that will access Knol. We plotted the Flesch Index and Flesch-Kincaid Index for each book[1] on Amazon's Consumers' Top 100 to represent our market.




We notice from out plot that our market has three segments:

1. **Advanced:** 17.5% of the market (niche). 24 million users.
2. **Intermediate:** 37% of the market. 50 million users.
3. **Basic:** 45.5% of the market. 62 million users.

[1]Flesch reading and Flesch-Kincaid grade level were retrieved from Amazon. We plotted the 2007 top sellers, and the top sellers for January 15. Books that appeared in both lists were plotted only once. Amazon did not provide indexes for every book on their top seller list. Books that did not provide this information were omitted. A total of 58 books were plotted.

To make the plot easier to read we collected and plotted readability statistics for major publications[2]. This includes The New York Times, Time Magazine and People Magazine. We also plotted our competitors to better understand their positioning (if they had any). We notice that Wikipedia is after the niche Advanced segment. In addition to that we notice that Wikipedia has by far one of the worst readability score amongst written texts.

When Google announced Knol, they included a sample article about Insomnia[3]. The article had a readability score of 46.6 and a grade of 10.5. We believe that this article is far too complex and that articles on Knol should be far easier to read. Knol should target the Intermediate segment and position ourselves as the Time magazine of online knowledge. Our target point is an article average of Flesch Index of 59% and a Flesch-Kincaid grade of 9.7. This position will enable us to appeal to both segments as well. Competitors in that segment do not currently have a lot of traction and we do not believe that they pose much threat.

## Appealing to Writers

We surveyed Helium.com and Squidoo.com writers[4] to better understand our potential writers. From our survey we learned that there is a market for writers are motivated by recognition, money and fun. These writers are not like the Wikipedia writers that are motivated by fun, ideology and values (Haney, 2007). These motivation categories create our segmentation. The segment that we want to target is the one that contains writers that are motivated by recognition and money rather than the one that contains writers that are motivated by ideology and values. Competing in that segment is both Squidoo.com and Helium.com. We also have to note that there is a small sub-segment of writers that are not just interested in making money of their articles. These writers also make money by writing

[2] The position of each newspaper and Website was calculated based on the average readability score of 33 articles selected at random. Microsoft Word was used to calculate the score for both Flesch reading and Flesch-Kincaid grade level.
[3] The article can be accessed from http://www.google.com/help/knol_screenshot.html.
[4] 56 Helium.com and 40 Squidoo.com writers were surveyed

about their businesses and services. These writers use primarily Squidoo.com and claim that their top priority is to get exposure to a service or product they are offering. These writers pose a threat to Knol and should be avoided as their writing is considered Spam. Knol should ensure that have the necessary software to identify and eradicate Spam. On average Helium.com users make $13 a month[5]. Since these users are motivated by money and recognition we believe that Knol will be more appealing as it will have more user traffic than both Helium.com and Squidoo.com. We expect that Helium.com and Squidoo.com will chose to move to Knol especially since the switching barriers are low.

## Appealing to Bloggers and Techno Geeks

Knol should also appeal to bloggers and techno geeks. The reason for this is twofold. First, users seeking information start with search engines and search engine rankings are determined to a huge extent by the number of pages linked to a result. Appealing to people that command the majority of blogs will help Knol secure a lot of links to the site. These links will increase our ranking not only with Google's search engine, but with almost all other search engines. Second, bloggers and techno geeks are not only early adapters but also create a lot of buzz on the Internet. This buzz can lead to free viral marketing for Knol.

We were monitoring Digg.com, a popular social community, when Google announced Knol and noticed that this announcement was not perceived positively by the community. To assess the effect of launching Knol on bloggers and techno geeks' opinion we surveyed 12 self-confessed techno geeks that had at least one blogging/social network activity in the past 3 months. From this small sample we learned that the perception of Google became less favorable only for 9% of the techno geeks surveyed. 82% did not think less or more favorably, while 9% thought of Google more favorable.

[5] This number cannot be verified. This figure is a result of our survey question "On Average how much do you make a month (in US Dollars) from your activities on Helium?"



We put forward a couple of options to see if we can positively change the opinions of those techno geeks that had neutral or negative opinions about Knol's launch. The techno geeks unanimously agreed that "introducing an application programming interface (API) that will allow programmers to tap into Knol's information" will make them feel more positively about Google. Introducing an API will allow programs to build different extensions and propel Knol to become the core of information on the Internet. Access to Knol information can become another revenue stream for the project. *Note: this feature is out of scope for the project and will not be discussed in depth*. That said, the article authors should be able to select whether they want to share their articles or not. To facilitate that, Knol should allow authors to select the type of licensing available to each article (more about that in the required features section).

## Required Features

We surveyed our potential readers, writer and techno geeks to better understand their needs. The priorities are set based on readers, writers and techno geeks' feedback. We also specified the need for each feature: quality, usability, novelty. The following is the collected list of requirements:

| Feature | Priority | | | Appeal | | | Need | | |
|---|---|---|---|---|---|---|---|---|---|
| | Extremely High | High | Medium | Writers | Readers | Techno Geeks/Bloggers | Quality | Usability | Novelty |
| **Readability Checker**<br>To guarantee that Knol targets the "Intermediate" segment we need to provide writers with feedback about their writing. The feedback should assist the writer in writing articles that have Flesch Index and Flesch-Kincaid Index that appeal to our segment. | ✓ | | | ✓ | | | ✓ | | ✓ |
| **Spelling and Grammar Checker**<br>Before submitting an article, allow the article to check its spelling and grammar. This will increase the quality of Knol by ensuring that the articles are correctly written. | | | ✓ | ✓ | ✓ | | ✓ | | |
| **Article Private Statistics**<br>Provide writers with statistics about their work through a simple interface. These statistics should include the number of users that have read an article, keywords that lead to the writer's articles and list of sites that link to the writer's articles. Helium.com writers felt that the lack of statistics about their articles' readership made their work harder. | | ✓ | | ✓ | | | ✓ | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Article Public Statistics**<br>The following information should be included in each article: rating, number of users rated that rated the article, the date the article was create, the date that the article was modified, the number of users that viewed the article. The lack of these statistics frustrated Helium.com writers. | | ✓ | | ✓ | ✓ | | | ✓ | |
| **No photo**<br>Both our readers and writers did not feel that the inclusion of the author's photo on each article added value. Instead, some writers felt that it would make the site worse. The writer's photo should be limited to their biography or introduction page. | | ✓ | | ✓ | ✓ | | ✓ | | |
| **"Searchability" and Navigability**<br>Readers' biggest complaint when it came to Wikipedia is its lack of a search engine that helped them find what they needed. Having an excellent search engine will help attract more visitors to Knol. Users should also be able to navigate the site using tags and categories. In addition that that, users should be able to provide feedback and rate articles. | ✓ | | | | ✓ | | | ✓ | |
| **Spam Filtering**<br>We have noticed that Websites which have user generated contents tend to have a problem with Spam. Having Spam on Knol will hurt our readers' retention. | ✓ | | | | ✓ | | ✓ | ✓ | |
| **Creative Commons Licensing Options for Articles**<br>Helium.com writers unanimously agreed that they needed more control over their articles' licensing. This feature is currently being used by Flickr.com, a 2.0 photo sharing site. Creative Commons helps our writers publish their work on Knol while letting others know exactly what they can and cannot do with the work. For more information about this topic visit: http://creativecommons.org/about/licenses. This will also help expose our writers to possible publishing opportunities which were sought after Helium.com writers. | | ✓ | | ✓ | | ✓ | ✓ | | ✓ |
| **Knol API**<br>As previously discussed Knol's Website is not going to be the only avenue to access Knol's knowledge. Knol should integrate into Google API (http://code.google.com/more/) to allow third party vendors and techno geeks to extend Knol's features. | ✓ | | | ✓ | | ✓ | | | ✓ |

## Revenue Estimates

Our revenue estimation relies heavily on the public information available about Wikipedia's traffic and growth[6]. We analyzed Wikipedia's traffic between the dates 8/31/2002 and 10/31/2004 for its most active projects[7]. Through our analysis we found that the number of visits per day is highly correlated[8] to the number of article a project had. On average each article received 1.839 visits per day. For example, on 12/31/2002 Wikipedia's English project had 49423. From this information we can estimate that Wikipedia had around 90910 visits a day (49423*1.839 = 90910) or 2,818,210 unique visits that month.

[6] Wikipedia Statistics can be accessed http://stats.wikimedia.org/EN/Sitemap.htm

[7] Wikipedia Statistics did not have complete statistics about dates that were not in this range. The English, German, French Japanese and Polish were analyzed.

[8] The correlation factor was between .92 and .96. Since the date range is short we analyzed the traffic to all projects as a whole. This resulted in a correlation 0.92. A total of 146 points were used to give us enough confidence in our estimates.

We also noticed that Wikipedia projects grew at a rate of 1000% for the first month. This is typically followed by a 200% growth for the second month. The growth of articles continues at 38% for the next 10 months. We used the following for the advertising pricing model CPC 0.05 click, click-through rate 0.29% and CPM $1.00 per thousand impressions. These estimates are based on WR Hambrecht & Co.'s estimates (WR Hambrecht & Co., 2005). We also assumed that we will have three advertisements on each article. Hosting costs were estimated to be $0.000863925 per visit based on Wikipedia's 2005 hosting costs. We also estimated that five software programmers earning $90,000 a year will be required.

| Date | Art Growth | Articles | Traffic | Revenue | Royalties | Salaries | Hosting | Net |
|---|---|---|---|---|---|---|---|---|
| 5/1/2008 | 2000% | 42000 | 2317675 | 7961.21 | 3184.48 | 37500.00 | 2002.30 | -34725.57 |
| 6/1/2008 | 200% | 126000 | 6953024 | 23883.64 | 9553.45 | 37500.00 | 6006.89 | -29176.71 |
| 7/1/2008 | 38% | 173880 | 9595172 | 32959.42 | 13183.77 | 37500.00 | 8289.51 | -26013.86 |
| 8/1/2008 | 38% | 239954 | 13241338 | 45484.00 | 18193.60 | 37500.00 | 11439.52 | -21649.13 |
| 9/1/2008 | 38% | 331137 | 18273046 | 62767.91 | 25107.17 | 37500.00 | 15786.54 | -15625.79 |
| 10/1/2008 | 38% | 456969 | 25216804 | 86619.72 | 34647.89 | 37500.00 | 21785.43 | -7313.59 |
| 11/1/2008 | 38% | 630617 | 34799190 | 119535.22 | 47814.09 | 37500.00 | 30063.89 | 4157.24 |
| 12/1/2008 | 38% | 870252 | 48022882 | 164958.60 | 65983.44 | 37500.00 | 41488.17 | 19986.99 |
| 1/1/2009 | 38% | 1200948 | 66271577 | 227642.87 | 91057.15 | 37500.00 | 57253.67 | 41832.05 |
| 2/1/2009 | 38% | 1657308 | 91454776 | 314147.16 | 125658.86 | 37500.00 | 79010.07 | 71978.23 |
| 2/1/2009 | 38% | 2287085 | 126207591 | 433523.07 | 173409.23 | 37500.00 | 109033.89 | 113579.95 |
| 3/1/2009 | 38% | 3156177 | 174166475 | 598261.84 | 239304.74 | 37500.00 | 150466.77 | 170990.33 |

# Where next?

## Google User

Internet trends suggest that the future of the Internet is social networks and user generated content. For this reason Google needs Knol not only to sell advertisement, but also to create a "Google User". The Google User does not only use Google to search and leave, but also contributes and reads Knol, checks his Gmail account and uses Google Maps to find the telephone number for the next door pizza

place. Having uncoupled Websites hurts Google. We see this type of dedication in the more integrated Yahoo, where its users that spend more time using Yahoo's different offerings.

## Enterprise Knol

Large corporations find it difficult to share knowledge amongst its departments and employees. This market should be studied to see if large corporations are interested in having an enterprise version of Knol to enable them to share their knowledge on their Intranets.

## Generating Traffic from Google.com

For most search results, Google.com links the user to Answers.com. This link is displayed in the top right corner of the search results page. When Knol reaches a critical mass of articles, Google.com should link to Knol instead. Please note that we do not advocate changing Google's PageRank algorithm to rank Knol higher. We believe that such a move will surely backfire. Google is known best for its searching capability. Any tampering with PageRank to favor Knol might affect its search market share.

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