



United States of America  
FEDERAL TRADE COMMISSION  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Division of Advertising Practices  
Bureau of Consumer Protection

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[Name and Address]

[Name]:

In 2002, the staff of the Federal Trade Commission's Bureau of Consumer Protection published a letter ("2002 Search Engine Letter") advising search engines about the potential for

search strategies company found that nearly half of searchers did not recognize top ads as distinct from natural search results and said the background shading used to distinguish the ads was white.<sup>3</sup>

In addition, many general search engines now often integrate or offer specialized or vertical search options as part of their search service. This allows consumers to narrow their search to particular categories of information, such as news, images, local businesses, or consumer goods. Although sometimes specialized search is just another way of organizing and presenting a subset of natural results, in other instances, it is something different entirely. Sometimes the results returned as part of a specialized search are based at least in part on payments from a third party. If that is the case, it is also a form of advertising and should be identified as such to consumers.

Given the importance of distinguishing advertising from natural results in a clear and prominent manner, we recommend you review this letter and make any necessary changes to conform to this guidance.

## **I. Clarity and Prominence of Advertising Disclosures Are Key**

Even with the growing number of searches conducted on mobile devices, search apps, and social media, the predominant means of search remains entering terms into a text-based box and receiving search results in return. Subsequent to the 2002 letter, most search engines engaged in this form of search have adopted similar conventions to distinguish any advertising from natural search results, usually giving advertising results a different background color or “shading” combined with a text label.<sup>4</sup> To the extent that search engines continue to use this convention, we encourage them to consider several factors to ensure that any labels and visual cues used are sufficiently noticeable and understandable to consumers.<sup>5</sup>

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<sup>3</sup> SEObok, *Consumer Ad Awareness in Search Results*, \*2, 7-8 (Apr. 15, 2012), <http://www.seobook.com/consumer-ad-awareness-search-results>. Earlier published research has reported similar findings. For example, in the 2005 Pew Research Center survey, 62% of searchers were not even aware of the distinction between paid and non-paid results, with only 18% saying they could always differentiate paid from non-paid results. 2005 Pew Search Engine Survey at ii, 17.

<sup>4</sup> Specifically, these con





### **III. Conclusion**

Search engines provide invaluable benefits to consumers. By using search engines, consumers can find relevant and useful information, typically at no charge. At the same time, consumers should be able to easily distinguish natural search results from advertising that search engines deliver. Accordingly, we encourage you to review your websites or other methods of displaying search results, including your use of specialized search, and make any necessary adjustments to ensure you clearly and prominently disclose any advertising. In addition, as your business may change in response to consumers' search demands, the disclosure techniques you use for advertising should keep pace with innovations in how and where you deliver information to consumers.

We appreciate your cooperation in ensuring your business practices conform to the supplemental guidance provided in this letter. Please contact Commission staff with any questions you may have about this letter.

Very truly yours,

Mary K. Engle  
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