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YAHOO AUSTRALIA LAUNCHES LOCAL ONLINE BUSINESS DIRECTORY

By Andrew Colley, ZDNet Australia

Yahoo Australia will today launch a local commercial search directory, a sign that the battle for the local Internet audience and advertising dollar is intensifying.

The new search facility will be integrated into Yahoo Australia's portal and sent live at 10 pm EST. The launch will mark the first time that Yahoo Australia has provided its users with a means to find businesses and services in their local neighbourhood.

The new service is essentially a free public online business directory. To date only one search provider has been able to deliver such a directory on a similar scale.

Sensis, which officially launched its one-stop search services last month, has been providing an index of online businesses through Yellow Pages online, spun-off from its familiar print counterpart.

Yahoo Australia search producer, Peter Crowe, today said the launch was not intended to be a direct challenge to Yellow Pages online.

"We've seen over a period of time, just by looking at our search logs, Australian users have been conducting more local queries in our main search product than they ever have before," said Crowe.

However, the Yellow Pages online is widely seen as giving Sensis -- which also owns White Pages online, Whereis.com, Trading Post online and CitySearch -- an edge in the lucrative pay-per-click advertising market as it frees smaller businesses from the need to have a Web site to reach online audiences.

At its launch last month, Sensis claimed its Yellow Pages customers-base included 420,000 small and medium-sized businesses. Crowe said Yahoo's database currently covered over 80 percent of the estimated 1.2 million businesses listed in Australia.

Crowe revealed that Yahoo Australia planned to monetise its local search service in the future. While the company was today providing few details about its revenue strategy, Crowe said it would involve Overture paid listings delivered using the same "process and technology" as it currently does for conventional Web search engines.

Yahoo Australia was also giving few clues on how it managed to compile its directory but gave assurances that White Pages and Yellow Pages were not sourced during the exercise.

According to Crowe the company built its database from scratch the using a combination of publicly available sources and Web harvesting techniques.

The launch of the business directory service today follows the launch of similar local search products in U.S. and Asian markets over recent weeks.