

Alphabet Soup

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‘Alphabet Soup’ *noun: a confusing or confused mixture of things*

A is for Alphabet

B is for Boston Dynamics

C is for Calico

D is for Deep Mind

E is for Express

F is for Fiber

G is for ...

In August 2015, when news hit social networks that Google was to become a wholly owned subsidiary of a new holding company Alphabet Inc. many of us wondered if this was an April Fools resurrected from earlier in the year. But no, checking the official blog announcement “G is for Google” - dated 10th August - confirmed that it was genuine.

Eleven years earlier Google gurus Larry Page and Sergey Brin had proclaimed: “Google is not a conventional company. We do not intend to become one.” They now take charge of the new company with Sundar Pichai becoming CEO of the new Google, which will include search, maps, YouTube, Android, ads and apps.

On the Google blog Larry Page mentioned some of the other subsidiaries that will be formed:

“What is Alphabet? Alphabet is mostly a collection of companies. The largest of which, of course, is Google. This newer Google is a bit slimmed down, with the companies that are pretty far afield of our main Internet products contained in Alphabet instead. What do we mean by far afield? Good examples are our health efforts: Life Sciences (that works on the glucose-sensing contact lens), and Calico (focused on longevity). Fundamentally, we believe this allows us more management scale, as we can run things independently that aren’t very related.”

No doubt there will be many more but at present a list compiled by [Marketing Land](#) includes:

- [Calico](#) (harnessing technology to understand the biology that controls lifespan and in doing so live longer and healthier lives)

- [Fiber](#) (high speed internet)
- [Google](#) (search, maps, YouTube, Android, ads, apps)
- Google Ventures (venture capital business)
- Google Capital (investment fund)
- [Google X](#) (self-driving cars, Google Glass, internet by balloon, moon shots)
- Google Life Sciences (diabetes technology with blood sugar sensing contact lenses)
- Nest (smoke alarms, home cameras, thermostats & connected home devices)

The move is intended to provide clarity and transparency as to how revenue is generated and spent across the different interests of Google. At present, the new Google (search, maps, YouTube, Android, ads and apps) generates 90% of the company's revenue some of which is used to support other projects and new services. The divisions will be separated out in Alphabet's financials in early 2016 but how much detail will be provided is a question that actively is being debated by market commentators. We shall just have to wait and see on that one.

Peter Henning, Professor of Law at Wayne State University Law School, was quoted in the [Guardian](#) as saying:

"It's a very complex structure - they're setting it up for something else down the road. It is form over substance, but you have to have the form in place before you can do the substance. It gives them a lot of flexibility for financing and for spin-offs."

Henning goes on to suggest that it makes it easier for Google to isolate less-profitable businesses that could issue their own stocks or eventually be sold.

What effect is all of this going to have on search? Industry commentators have concentrated on the impact on existing and future investment and either ignore search or merely say that it will be business as usual. In one sense they are right. Google will continue to ensure that their main moneymaking machine - search and ads - continues to generate enough revenue to keep the markets happy. For those of us who are serious in-depth researchers, though, there is bound to be trouble ahead. We know from experience that Google disposes of search features, commands and services that are little used or fail to generate sufficient income. It is even back peddling on Google+ with Google+ links and reviews being dropped from search results, as has the requirement to have a Google+ account to use products such as YouTube. It may not be for the chop just yet because it does look as though Google is trying to find another use for it, for example [Google+ Collections](#), enabling people to organise and share themed posts and information with colleagues, followers and friends.

As well as making search "simpler" Google now tries to provide quick answers and facts that obviate the need to look any further. These might include, for example, a straightforward answer to a currency conversion request (displayed at the top of the page), or a summary of information on a town or university (shown to the right of results gathered from multiple sources.) The origin of the information may be given or it may not, so verifying the "facts" can be difficult. And, yes, Google does get it wrong with alarming frequency. Why does Google bother with it? I have no doubt that the official explanation

would be along the lines of “improving the user experience”. For many users it works and the results are “good enough”. I’m meeting up with friends in Oxford, say, and want to know what we could do while there (apart from sitting in the pub!). All I have to do is type in “Oxford” and Google immediately shows me places of interest and upcoming events. I have no idea where the information has come from but the average user probably won’t care. As a researcher, however, I am concerned that the information is incomplete, in some cases inaccurate, and it looks as though some entries are “sponsored” or paid for. I am beginning to see more infiltration of ads into search results and it makes sense for Google to take this approach. Many of us are now using ad blockers so Google has to find another way to slip advertising in under the radar in order to maintain revenue. It does mean, though, that as researchers we really do have to keep our wits about us when assessing the relevance and accuracy of results.

To investors Alphabet/Google is a neatly organised collection of companies and projects. For researchers it is more like an unappetising, pre-prepared hotchpotch of a soup, the recipe of which is secret. We have no control over the ingredients or where they have come from, and have to spend hours separating out the good bits.

More than ever as researchers, we need to keep up with what Google is doing. What search options are still available to us and how can we use what remains more effectively? How is Google manipulating and processing results? Or perhaps we should consider chucking this confused mixture of things into the garbage and investigate the alternatives? There are plenty out there. It is worth spending time to find out what they are, and when and how to use them.