

# China Search Engine Survey Report 2007

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北京正望諮詢有限公司

China IntelliConsulting Corporation

September 2007



# SUMMARY OF FINDINGS

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# SURVEY METHODOLOGY

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- The survey Covered 3 major cities in China: Beijing, Shanghai and Guangzhou
- Used CATI system to randomly sample and interview Internet users residing in the urban districts in the 3 cities with a total sample of 2800, 1000 each for Beijing and Shanghai, 800 for Guangzhou
- For results based on the total sample, one can say with 95% confidence that the error attributable to sampling and other random effects is less than  $\pm 2$  percentage points; for results based on single city of the 3 cities surveyed, the margin of sampling error is  $\pm 3$  percentage points



# SEARCH ENGINE MARKET SHARE



# Frequently Used Search Engines

Number of Search Engines Frequently Used:

	Beijing Users	Shanghai Users	Guangzhou Users	Total Users
Single	66.8%	63.4%	62.5%	64.3%
Two	27.2%	31.2%	31.3%	29.8%
Three or More	6.0%	5.4%	6.2%	5.9%

Search Engines Frequently Used:

	Beijing Users	Shanghai Users	Guangzhou Users	Total Users
Baidu	85.9%	77.9%	83.3%	82.3%
Google	32.6%	47.2%	38.8%	39.6%
Yahoo	6.5%	6.3%	6.8%	6.5%
Sogou	7.2%	4.2%	4.7%	5.4%

\*Frequently Used – Used on a weekly basis



# Unaided Brand Awareness

	Sept., 2007				March, 2006
	Beijing	Shanghai	Guangzhou	Total	
Baidu	88.7%	85.9%	82.9%	86.0%	81.7%
Google	58.4%	74.3%	58.6%	64.1%	*61.5%
Guge*	4.3%	4.3%	4.5%	4.4%	-
<b>Google + Guge</b>	<b>62.0%</b>	<b>76.7%</b>	<b>61.7%</b>	<b>67.1%</b>	<b>61.5%</b>
Yahoo	21.4%	23.2%	24.6%	23.0%	28.9%
3721**	1.2%	1.0%	0.8%	1.0%	3.0%
Sogou	31.9%	25.0%	23.8%	27.1%	32.7%
Soso	5.0%	4.2%	6.7%	5.2%	4.6%
iAsk	14.1%	9.9%	5.3%	10.1%	12.4%
Netease	1.9%	3.0%	4.7%	3.1%	4.1%
MSN (Live Search)	1.0%	1.4%	0.8%	1.1%	1.5%

\*Guge – Google’s official Chinese name

\*\*3721 – a Yahoo subsidiary



# Brand Recognition (Unaided and Aided)

	Sept., 2007		March, 2007	
	Unaided	Total	Unaided	Total
Baidu	86.0%	99.7%	81.7%	99.6%
Google	64.1%	94.3%	*61.5%	*91.4%
Guge*	4.4%	61.2%	-	-
<b>Google+Guge</b>	<b>67.1%</b>	<b>94.9%</b>	<b>61.5%</b>	<b>91.4%</b>
Yahoo	23.0%	97.7%	28.9%	97.8%
3721**	1.0%	61.4%	3.0%	62.7%
Sogou	27.1%	91.8%	32.7%	90.7%
Soso	5.2%	58.7%	4.6%	48.7%
iAsk	10.1%	31.6%	12.4%	33.8%
Netease	3.1%	77.9%	4.1%	79.9%
MSN (Live Search)	1.1%	58.6%	1.5%	56.9%



# Market Shares Based on Primary Use

	Beijing	Shanghai	Guangzhou	Total
Baidu	74.0%	63.7%	71.0%	69.5%
Google	17.9%	29.4%	21.2%	23.0%
Yahoo*	2.0%	2.2%	2.9%	2.3%
Sogou	2.6%	1.5%	1.3%	1.8%
Others	3.4%	3.2%	3.5%	3.4%
Sum	100.0%	100.0%	100.0%	100.0%

\*Yahoo Market share data include the 3721's primary users, which contribute 11.3% of Yahoo's total primary users



# Market Shares Based on Primary Use Historical Data

	Sept. 2006	March 2007	Sept. 2007	Change in 12 MO	Change in 6 MO
Baidu	61.9%	69.0%	69.5%	▲7.6	▲0.5
Google	24.1%	21.6%	23.0%	▼1.1	▲1.4
Yahoo*	5.2%	3.2%	2.3%	▼2.9	▼0.9
Sogou	3.2%	2.0%	1.8%	▼1.4	▼0.2
Others	5.6%	4.2%	3.4%	▼2.2	▼0.8
Sum	100.0%	100.0%	100.0%		

Change in 12 Months and Change in 6 Months are expressed in percentage points of ▲ increase or ▼ decrease



# Market Shares Based on Daily Usage

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	Beijing	Shanghai	Guangzhou	Total
Baidu	66.0%	58.3%	61.1%	61.8%
Google	21.4%	31.9%	27.6%	26.9%
Yahoo*	2.6%	2.7%	3.1%	2.8%
Sogou	3.5%	1.3%	1.8%	2.2%
Others	6.4%	5.8%	6.5%	6.3%
Sum	100.0%	100.0%	100.0%	100.0%



# Market Shares Based on Daily Use Historical Data

	Sept. 2006	March 2007	Sept. 2007	Change in 12 MO	Change in 6 MO
Baidu	60.3%	61.2%	61.8%	▲1.5	▲0.6
Google	25.5%	25.7%	26.9%	▲1.4	▲1.2
Yahoo*	4.9%	4.9%	2.8%	▼2.1	▼2.1
Sogou	3.0%	2.2%	2.2%	▼0.8	-
Others	6.3%	5.9%	6.3%	-	▼0.4
Sum	100.0%	100.0%	100.0%		

Change in 12 Months and Change in 6 Months are expressed in percentage points of ▲ increase or ▼ decrease



# USER DEMOGRAPHIC

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## Baidu vs. Google

The following analyses are based on survey results according to the definition of primary users, i.e., those who use Baidu as their only or primary search engine are defined as Baidu primary users, and those who use Google as their only or primary search engine are defined as Google primary users, and so on.



# Gender and Student User Proportion

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Gender:

	Baidu Prim-Users	Google Prim-Users	Other Prim-Users	Total Users
Male	57.7%	59.4%	51.4%	57.6%
Female	42.3%	40.6%	48.6%	42.4%
Total	100.0%	100.0%	100.0%	100.0%

Student Users as % of Total:

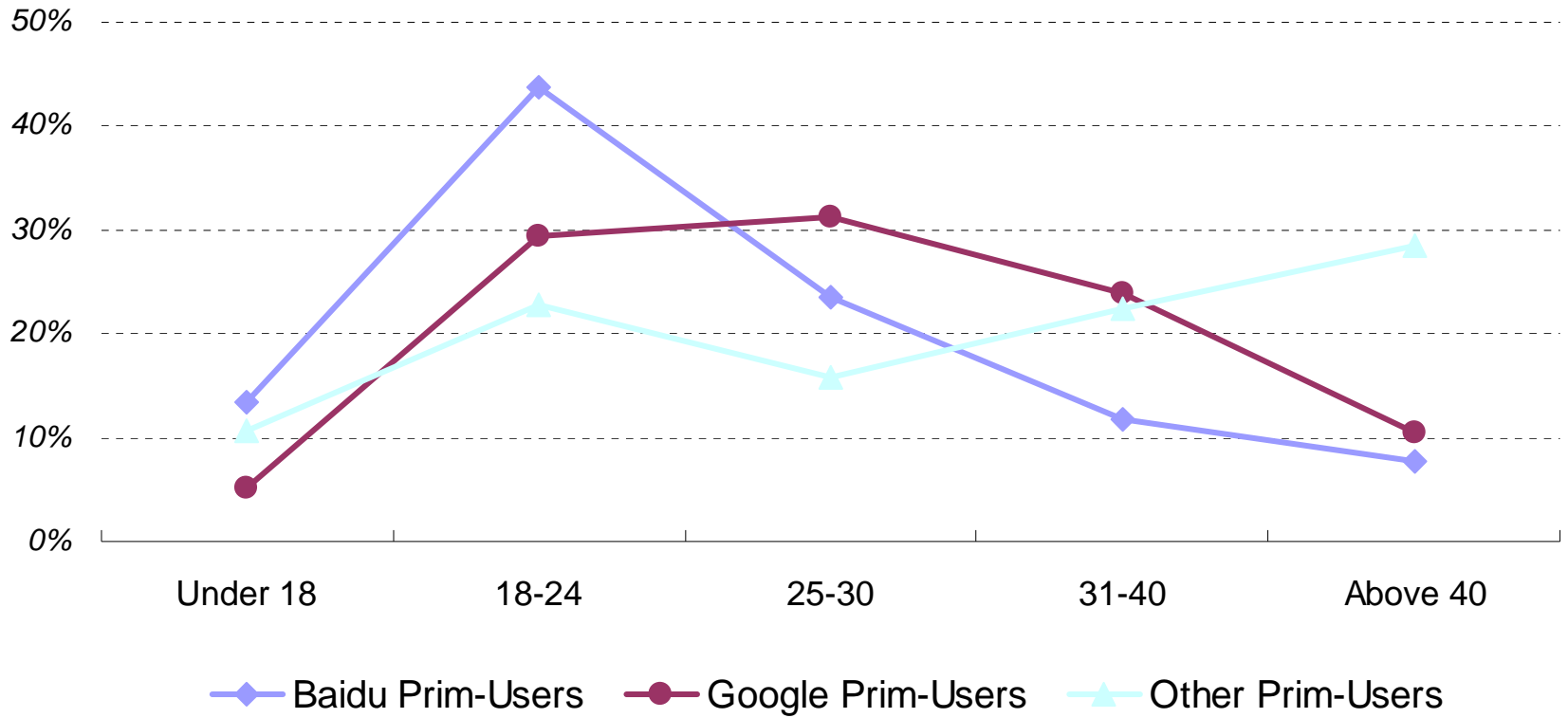
	Baidu Prim-Users	Google Prim-Users	Other Prim-Users	Total Users
Student	38.1%	21.8%	17.5%	32.8%
Non-Student	61.9%	78.2%	82.5%	67.2%
Total	100.0%	100.0%	100.0%	100.0%



# Age

	Baidu Prim-Users	Google Prim-Users	Total Users
Average Age	25.5	29.1	26.9

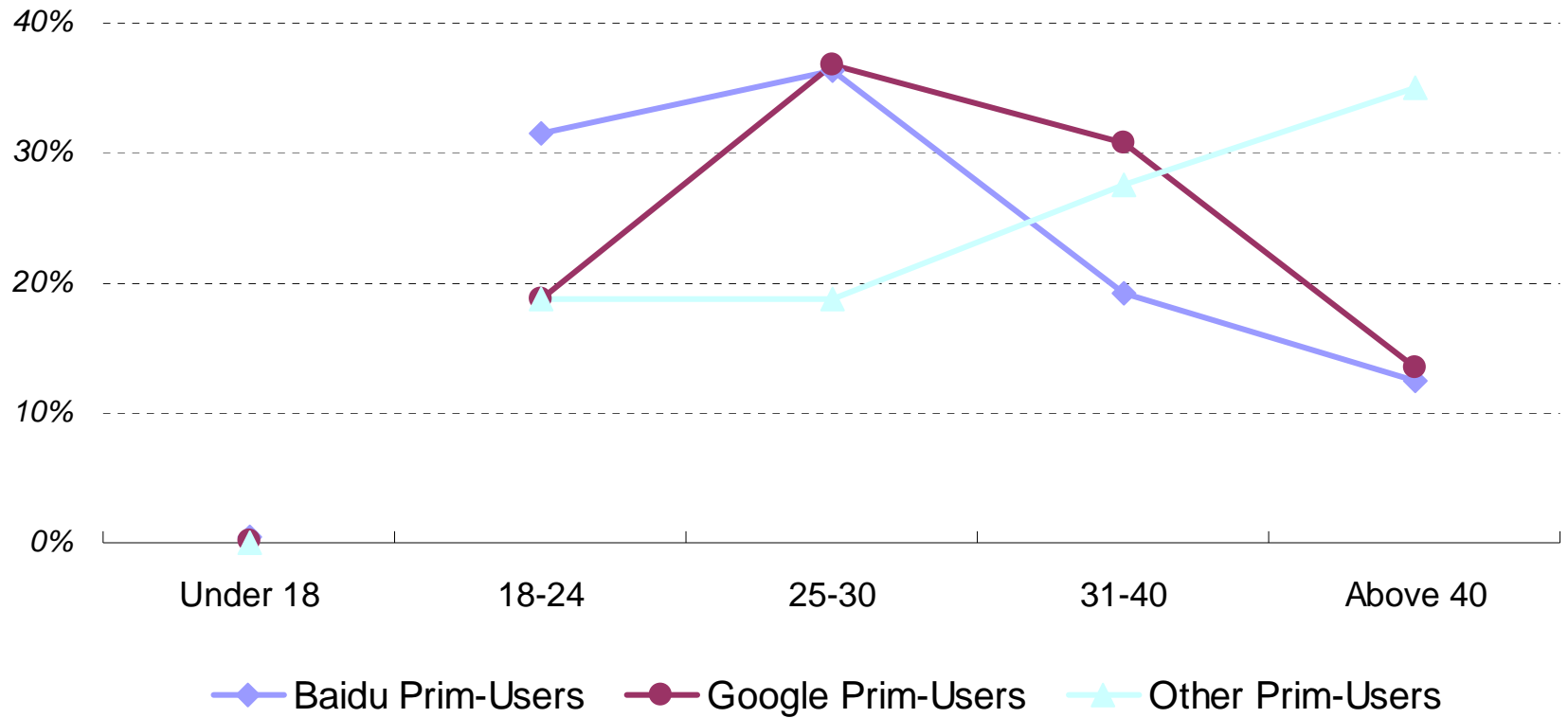
## Users' Age Distribution



# Age – Non-Student

	Baidu Prim-Users	Google Prim-Users	Total Non-Student
Average Age	29.7	31.8	31.0

## Non-Student Users' Age Distribution



# Student Users

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	Baidu Prim-Users	Google Prim-Users	Other Prim-Users	Total Student
Elementary	1.7%	1.4%	2.7%	1.7%
Middle School	43.0%	28.6%	64.9%	41.6%
College	50.2%	54.3%	32.4%	50.1%
Postgraduate	5.1%	15.7%	0.0%	6.5%
Sum	100.0%	100.0%	100.0%	100.0%



# Non-Student Users' Education Level

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	Baidu Prim-Users	Google Prim-Users	Other Prim-Users	Total Non-Student
Middle School or less	23.8%	9.3%	36.5%	21.1%
University Diploma*	36.0%	26.9%	30.0%	33.0%
Bachelor's Degree	34.6%	45.1%	29.4%	36.9%
Master's/PhD	5.6%	18.8%	4.1%	9.0%
Sum	100.0%	100.0%	100.0%	100.0%

College diploma refers to university education that usually requires less than 4-year full-time study as a bachelor's degree so requires.



# Hi-End Users

- ➡ High-End users are defined to be those non-student users who meet all of the following three conditions:
- Aged 25 and above
  - Received 4-year university education or above (bachelor or higher degree holders)
  - Earn a monthly income of 3,000 yuan or more

Conditions	Age ≥25	Education ≥4-Year University	Income ≥3000	Hi-End Users
% of Non-Student Users	72.6%	45.9%	47.3%	28.3%



# Hi-End Market Shares Based on Primary Use Historical Data

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	Sept. 2006	March 2007	Sept. 2007
Baidu	43.7%	51.5%	53.4%
Google	45.2%	41.9%	39.6%
Others	11.1%	6.6%	7.1%
Sum	100.0%	100.0%	100.0%



# USER SATISFACTION



# Importance of the Use of Search Engine

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Respondents give scores on a 10-point scale for the importance of the use of search engines.

Average Scores:

	Primary Use		Frequency of Use			Total Users
	Baidu Users	Google Users	Heavy Users	Often Users	Rare Users	
Sept.,2007	7.92	8.12	8.69	8.21	7.28	7.94
March,2007	7.72	8.11	8.47	7.96	7.29	7.74



# Search Engine Performance – Primary User Evaluation

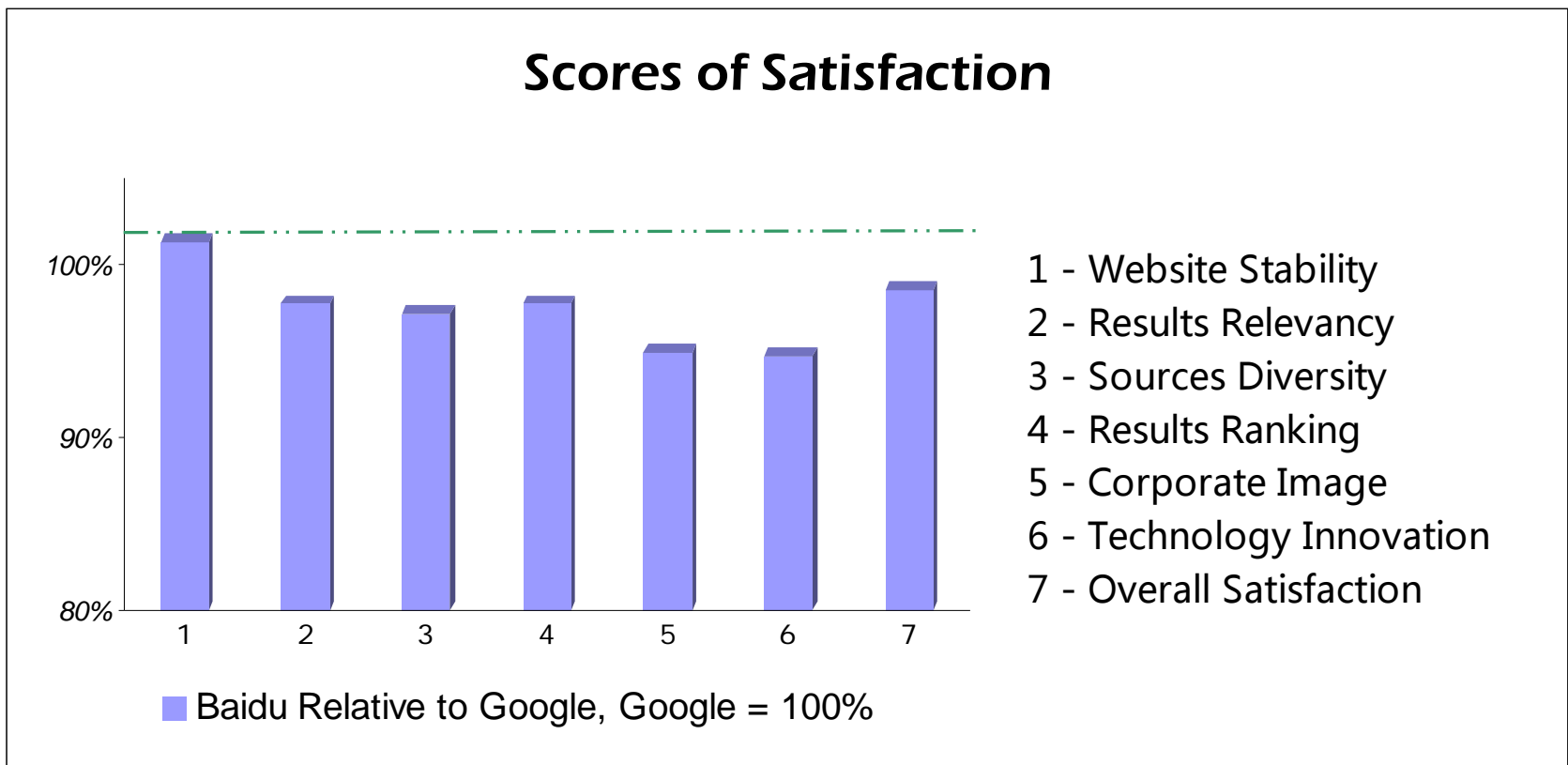
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Items		Baidu	Google
1	Website Stability	8.04	7.91
2	Results Relevancy	7.56	7.70
3	Sources Diversity	7.63	7.84
4	Results Ranking	7.26	7.44
5	Corporate Image	7.86	8.06
6	Technology Innovation	7.24	7.65
7	Overall Satisfaction	7.90	7.95



# Search Engine Performance – Double User Evaluation

Among users who use both Baidu and Google at least once a week:



# GOOGLE CHINA ADVANCE



# Ever Noticed Changes Made in 2007 by Google China, and What Are They?

	Google Prim-Users	Non-Google Prim-Users	Total
Yes, Noticed	49.2%	39.0%	58.5%
Not Noticed	41.5%	41.6%	41.5%
Sum	100.0%	100.0%	100.0%

Respondents to this question are those who use Google on a weekly basis, irrelevant of what search engine they use as primary. They account for 39.6% of total search engine users in the 3 cities surveyed.

Changes Are (Silent Options):

(Multiple Selection)	Positive or Negative?	
	Positive	Negative
Stabilized Website Access	3.0%	0.9%
More Chinese Products	11.6%	1.8%
Improved Chinese Search Quality	49.6%	6.0%
Enhanced Market Promotion	3.2%	0.0%
More Comfortable with Use	9.2%	1.2%
Others	2.8%	
It's Hard to Say	26.1%	



# FAVORITE WEBSITES (FREQUENTLY VISITED)



# Frequently Visited Websites for Non-Search Purposes

	Beijing	Shanghai	Guangzhou	Total
SINA	49.6%	35.6%	20.6%	36.2%
SOHU*	36.7%	19.3%	12.4%	23.4%
Netease	13.8%	12.8%	28.5%	17.7%
Yahoo China	10.6%	9.1%	6.4%	8.8%
QQ.com	6.1%	6.1%	10.8%	7.5%
Baidu**	5.8%	5.3%	6.3%	5.8%
MSN	3.0%	4.2%	2.2%	3.2%
Taobao	2.1%	2.9%	1.6%	2.2%
Tom Online	1.7%	0.8%	1.5%	1.3%
Google/Guge	0.9%	0.5%	1.3%	0.9%

\*Sohu refers to Sohu Website properties consisted of sohu.com (20.0%), 17173.com (2.3%), ChinaRen (1.8%) and focus.cn (0.1%).

\*\*Baidu is the combination of baidu.com (4.3%) and hao123.com (1.5%).



# Frequently Visited Websites

## Six-Month Changes

Rank	Website	March 2007	Sept. 2007	Change in Percentage Points
1	SINA	34.5%	36.2%	▲1.7
2	SOHU*	26.1%	23.4%	▼2.7
3	Netease	20.1%	17.7%	▼2.4
4	Yahoo China	10.8%	8.8%	▼2.0
5	QQ.com	7.2%	7.5%	▲0.3
6	Baidu**	5.0%	5.8%	▲0.8
7	MSN	3.2%	3.2%	-
8	Taobao	2.0%	2.2%	▲0.2
9	Tom Online	1.8%	1.3%	▼0.5
10	Google/Guge	1.0%	0.9%	▼0.1



# CONCLUSIONS

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# Further Concentrated China Search Market

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- China search market continues to concentrate, with Baidu and Google accounting for 92.4% of total primary users or 88.7% of total daily users in any given day
- Baidu has managed to hold its market share higher over the past 12 months, while Google's market share seems like bounced back a little in the last six months
- Both Yahoo and Sogou saw their market shares down, but Sogou has stabilized whereas Yahoo slipped in the recent six months
- Baidu's market shares have increased in both Beijing and Guangzhou but slightly decreased in Shanghai over the past six months. Baidu's primary users account for 74% and 71% of total users in Beijing and Guangzhou, respectively
- Google's market shares have increased in all the three cities over the last six months, with the strongest recovery in Shanghai
- Baidu continues to excel in high-end user market, and encroach Google's core users



**For further inquiry on**  
**CIC China Search Engine Survey Report**  
**2007**

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September 17, 2007

