

Message

From: Benedict Gomes [Redacted@google.com]
Sent: 3/23/2019 3:35:16 PM
To: Nick Fox [Redacted@google.com]; Shashidhar Thakur [Redacted@google.com]
CC: Abhinav Taneja [Redacted@google.com]
Subject: Ads cy

Hey - here's what I want to send to Pragh prior to the meeting. Wdyt?
Not helpful? I have to admit that I'm feeling annoyed both personally and on behalf of the team. This may be a useful framing too. Maybe worth turning into a doc?

ben

Definitely the main topic. I think there are many things being done, and there is misunderstanding between the teams that we need to sort out.

- I think your team somehow feels that we don't care about usage. This is just not true. Not true. And this is causing a lot of angst on both sides. Almost all the team now does (a pivot I got Amit to start a few years ago) is growth motivated. We do care very deeply. Saying that we don't feels very strange to my team.
- most headcount (non assistant) for search has gone into projects that are growth oriented. To the point I worry that we are really not investing in research or speculation adequately. However, our ability to predict growth associated with work we do in the short term (months) is still limited. The longer term (years) seems like there are very clear correlations between growth and investment and vice versa (no investment leading to declines).
- we have spun up efforts with your team to look at
 - desktop (by porting over mobile UI)
 - UI tweaks to improve access points (0 query suggest, query box size etc). suggest ranking etc.
 - latency efforts which are a high priority already but will get more attention.
- the explore team is working with the goal of increasing user journey length.
- Aside from latency, we have historically not been able to move queries in the very short term in a meaningful way. Some suggest changes do so, and some system changes do so.
- there is angst around the metrics - I think this angst is excessive since all good metrics will be correlated - but we are moving to a metric that will hopefully keep both teams happier and more in sync.
- there are issues around forecasting that have not been fully resolved.

We can improve *engagement* in the short term. I know ways we could do this. This is the *equivalent of rpm heroics*, but that does not help you! But we don't have the levers (or muscle) to increase queries in the code yellow way. To a certain extent we will develop a bit of this with a tweaks type approach to entry points, even more focus on latency etc. But imho this is just far more limited than increasing engagement.

We could increase queries quite easily in the short term in user negative ways (turn off spell correction, turn off ranking improvements, place refinements all over the page). If we, as a company, want to go there we should discuss that. It is possible that there are trade offs here between different kinds of user negativity caused by engagement hacking. But I will say that I am deeply deeply uncomfortable with this, and I'd be surprised if the ads team wants this. The nature of how you would easily increase queries is a key reason I don't like queries as an end metric. The easy ways are almost all bad. Having queries as a metric will, in my opinion, have a subtly bad effect as a launch metric even if we 'decide not to do the bad things'.

My claim is that our best defense against query weakness is compelling user experiences that make users want to come back. This is why I care so much about organic shopping info as a driver of long term query growth - it

REDACTED FOR PUBLIC FILING

**EXHIBIT
PSX00204**

Redacted

GOOG-DOJ-04372072

is one of the largest unaddressed areas where we could easily have a better experience. We have not built that experience despite my pleas to do so for 4 years or more. Short term revenue has always taken precedence. I think we are finally on the right track.

I think we are also not thinking consistently about the page evolution. The search team strongly feels that we can get longer journeys by faster, smaller, in page expansions. Ads is geared towards whole page experiences today. In-page expansions (think of the related questions unit) requires new, smaller, ad experiences we are not yet building. We hope that feed will be another such opportunity and are pivoting the GSAs towards that. Again, this is a case where queries as a metric does the wrong thing for the product/user.

I think the teams are somehow thinking about the problem in fundamentally different ways and this is causing unhappiness on both sides. We need to fix at least the communication and probably the reality to get to a better place. I'm happy to work with you on doing so in the ways you feel are necessary for both teams.

ben

On Fri, Mar 22, 2019 at 9:52 PM Prabhakar Raghavan Redacted@google.com> wrote:

Let's talk about this Monday please. The current revenue CY was addressed by heroic RPM engineering, but the core query softness continues without mitigation. At this rate the full year plan is a bad miss and will need drastic steps on the query side.

On Fri, Mar 22, 2019 at 9:13 PM Benedict Gomes Redacted@google.com> wrote:

Congratulations! I suspect an additional good side effect is that some of the plans that this ramped up will play our well through the year!

ben

On Fri, Mar 22, 2019 at 5:46 PM Jason Spero Redacted@google.com> wrote:

+1 appreciate the partnership here. Proud of the x-fcn approach and of the outcome. Well done. J

On Fri, Mar 22, 2019, 5:44 PM Shiv Venkataraman Redacted@google.com> wrote:

Thank you team for the great team effort on the cy. Looking forward to the chrome and search related work streams that are continuing to give us a tailwind in q2 and beyond.

Shiv

On Fri, Mar 22, 2019, 5:40 PM Jerry Dischler Redacted@google.com> wrote:

Congrats on the exit and thank you all for the partnership that led to this excellent result!

Looking forward to the continued partnership with the Search, Chrome and Sales teams on the remaining open issues.

Best,
-Jerry.

On Fri, Mar 22, 2019 at 5:25 PM Darshan Kantak Redacted@google.com> wrote:

CONFIDENTIAL - DO NOT FORWARD

TL;DR

REDACTED FOR PUBLIC FILING

Redacted

GOOG-DOJ-04372073

Week 7 marks the **end of our code yellow**, we met both our exit criteria as of today -- Ads and Shopping teams just hit 1.0 on Q1 launch OKR with the launch of "Sugarshack". Previously we had already met the other exit criteria for one week of revenue exceeding plan. There are several follow ups from Cersei 19 - (a) improvements to ongoing collaboration between Search and Ads leadership and teams (e.g., jointly review of Ads-heads-up process) (b) planned experiments to understand the impact of two major Chrome M69 releases and assess if there are opportunities to claw back some of the query declines (c) work closely with Search product team to drive suggest tweaks to improve query volume and (d) Sales will continue to push forward with BFM changes to include RSA in Creative Excellence, and drive keyword coverage.

Our sincere thanks to everyone involved in helping us exit this Code Yellow in 7 weeks and facilitating future collaboration to limit such events.

Current revenue performance:

Google.com at [Confidential] to plan for this week [Confidential] to plan expected for EoQ) - softer performance compared to prior weeks driven primarily by EMEA weakness due to recent Brexit news cycle and Dutch shooting leading to shift in query commerciality / "user distraction". Global desktop query weakness persists.

	Weekly Performance	EoQ Performance	EoQ Outlook WoW Growth	7 day YoY Growth	QTD YoY Growth
Search	<h1>Confidential</h1>				
+ Mobile					
+ Computer/ Tablet					
+ AFS					

Workstream 1: Search/Chrome Query Weakness

Chrome Product: @ [Redacted], @ [Redacted] @ [Redacted]

- M72 omnibox metrics confirmed the pre-launch experimental metrics from M69 -- confirmed the expected query loss (1.09% for all three ablations vs 1.08% from original M69 exp; non-nav is 0.38-0.71%) and Chrome benefits (0.2%-0.5% improvements in suggestions usage/ recall/ precision and typing time/characters). Rollback not under consideration as changes were Chrome positive and aligned with long term product strategy.
- M73+ forward looking omnibox experiments are rolling out, early data available next week ([timeline](#)). Launches subject to Chrome's process.
- New effort to measure impact for New Tab Page shortcuts feature from M69 in process: two new search box [UI variant](#) launch candidates, ablation of the shortcuts feature for new users are targeting 73/74 ([timeline](#)).
- Chrome will notify Ads Heads Up of any future launches with query loss. Chrome and Vasco will continue to collaborate on experiments in Chrome.

Search Product: @ [Redacted] @ [Redacted]

- Identified top tweaks to pursue (in yellow at [go/cersei-search-prioritization](#)) based on headroom analysis, priors from Explore, Suggest, Growth, and SRP teams, and guidance from [Redacted]@
- Ads UI team received Search UX approval this week to start [Suggest UI tweak](#) experiments
- Search PgM leads ([Redacted]@, [Redacted]@) driving program framework and work plan

Workstream 2: Search Ads Launches - Leads: @ [Redacted], @ [Redacted], @ [Redacted], @ [Redacted]

- AQ team is ramping up *Sugarshack* launch (previously "stretch") to full launch today. This is fine grained format pricing slack tuning launch that will deliver [Confidential] RPM.
- Shopping's Q1 whole-page RPM impact to date has been [Confidential] vs. our [Confidential] Q1 OKR. Overperformance is due in part to accelerating and prioritizing launches with positive whole-page RPM for the Cersei effort.
- With this, the team has now launched all projects necessary to push the team over the quarterly estimated [Confidential] long term incremental RPM target.

Workstream 3: Advertiser/Sector Weakness - Leads: @ Redacted

Global: Updated BFM metrics for Tops/Tails to include RSA in Creative Excellence, and drive keyword coverage via augmentations to optiscore (coming in 3 months).

Close-The-Gap Plans:

- **EMEA:** Progress on key Search close-the gap initiatives (dashboard):
 - **Accelerating OptiScore Usage (+4.3 QTD, -0.6 wow) SE leading on usage at 28% and accelerating fastest (+0.15pt wow).** Progress for OptiScore +0.1 QTD, progress from the Ads & Extensions and Keywords & Targeting sections are being cancelled out by negative growth in Bids & Budgets section.
 - **Boosting Travel through peak (95% EOQ, +0.3ppts WoW):** Continued positive trajectory driven by UKI (+0.5ppts) and EEM (+1.2ppts). EMEA coverage score stable wow (60, +7pts qtd). New Hub Travel MG structure and cadence to be introduced in April for faster learning and scaling.
- **Americas:** "Close the Gap" actions are Search-focused to optimize for quick impact. The Q1 Close the Gap contest is driving results in Automated Bidding (**2.5pp improvement since contest launch**). Tops and Tails KPIs are also trending positive with 3 out of 4 KPIs seeing w/w improvements (Auto-Bidding: 0.9pp, Optimization Score: 0.6 and Creative Excellence: 0.4pp)
- **APAC:** Close-the-gap plans drove

Confidential

Confidential

• **GCS:** Continues to deliver over ^{Confidential} estimated EOQ performance to quota on Search (and overall). Operating business as usual; teams are reviewing headroom opportunities across budgets and product priorities where applicable.

Top Advertiser Performance (based on largest Search quota gaps):

- **Confidential**
- **US Finance** ^{Confidential} to quota, ^{Confidential} Y/Y, ^{Confidential} EOQ perf this week)
- **US Auto** ^{Confidential} to quota, ^{Confidential} Y/Y, ^{Confidential} EOQ perf this week)

Please let us know if you have any questions.
Darshan

--

You received this message because you are subscribed to the Google Groups "cersei-2019" group. To unsubscribe from this group and stop receiving emails from it, send an email to ^{Redacted} [Redacted @google.com](mailto:Redacted@googlegroups.com). To post to this group, send email to Redacted@googlegroups.com. To view this discussion on the web visit <https://groups.google.com/a/google.com/d/msgid/cersei-2019/CALZKkYvcB8OFNZ8VZ5CDjErRkiOMDsPUQsvSMmxDfY-D%3D1Rbjw%40mail.gmail.com>.

--

You received this message because you are subscribed to the Google Groups "cersei-2019" group. To unsubscribe from this group and stop receiving emails from it, send an email to ^{Redacted} [Redacted @google.com](mailto:Redacted@googlegroups.com). To post to this group, send email to [Redacted @google.com](mailto:Redacted@googlegroups.com). To view this discussion on the web visit https://groups.google.com/a/google.com/d/msgid/cersei-2019/CALysA5taFdrVf9ne0M-xOY%3D6sK58Y74UOVQWJ_H4qkKEASufbA%40mail.gmail.com.

Sent from Gmail Mobile

--
p.r.
--

REDACTED FOR PUBLIC FILING

Sent from Gmail Mobile

REDACTED FOR PUBLIC FILING

Redacted

GOOG-DOJ-04372076