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<div align="center">Gator – the good guys?</div>

The average internet user receives a popup advertisement every forty-five seconds
while surfing the World Wide Web. Every type of advertisement from "FREE VIAGRA"
to "WIN A VACATION TO NEVERLAND RANCH – TEN AND UNDER ONLY" is
likely to appear on the computer screen during this short period. These nuisances are
virtually unavoidable and internet users are forced to co-exist with them as they traverse
the internet. In the face of these "popups" users simply tend to close them and continue
with their task. Due to the lack of relevancy to the subject's internet enabled task, the user
often only pays attention to the advertisement long enough to where the "close" button is
located. However, one could imagine a harmonious world in which popups were relevant
and only appeared when deemed appropriate. This is exactly the world that the G.A.I.N.
(Gator Advertising Information Network) has created with their Gator software bundle.
The Gator Corporation not only utilizes intelligent data mining techniques "pro-user" but
also in turn supports the development of small software companies.

The Gator Corporation is based in Redwood City, California where it has been in
operation since April of 1999; however it was bought out earlier this year by the Claria
Corporation. Gator, as it is still widely known, pioneered a concept known as behavioral
marketing and is the industry leader for advertisements in that area on the internet. Their
behavioral marketing techniques are what really put the Gator Corporation on the map
and will be discussed in great detail later in this essay. In a news.com interview CEO and
Founder of Gator Jeff McFadden stated that in their first year of operation they started

out with fewer than 500,000 users but today their network has grown to include and audience of roughly 45 million with a user base extending into almost every country in the world [Olsen, reference]. With such a large viewing audience Gator attracts big name clients such as Sears, Proctor & Gamble, Chrysler , CS First Boston, Dell Computer, ESPN, MSN, Mazda and the New York Times [Olsen, reference]. Gator was also rated one of the top 25 web properties in July 2001. So what does the Gator Corporation actually *do*?

In the broadest sense of the term the Gator Corporation is an advertisement firm that specializes in online content. However, Gator does not utilizes advertisement opportunities in the traditional areas, such as banner ads, but rather has initiated a method that more directly interacts with the user. This method involves the display of advertisements over the view of user's current task. These "popups" often appear in the center of the screen or off to the side depending on the configuration set forth by the user. The ads that appear are not randomly generated by the Gator software but rather contextually displayed as a result of the activity of the user. For example, if a user is surfing the internet looking for baby food the Gator software might display an advertisement that offers a ten percent discount on Gerber baby food from an online retailer. The content of the ads are the result of a company paying Gator anywhere from $25,000 to a six-figure dollar fee to be associated with that particular surfing habit. So, if Gerber wants Gator to display ads to users every time they match the criteria of someone who is looking for baby food Gerber pays Gator the hefty fee and their ads will be displayed accordingly by the software.

The technology behind the Gator software is sophisticated, intelligent and useful. First the user must obtain the software; this can be done in two ways: the user can download the Gator software directly from their website or get it as part of a bundle of software such as Kazaa Media Desktop, Audio Galaxy, Weather Bug or Gozilla[1]. Once installed the software generates a unique ID and activates the "adserver"; a program that runs as a background process. The user is typically unaware that the software is even running and thus operation of it requires little to no user intervention. The adserver software then monitors surfing habits by collecting disparate data generated by the user. Data can be collected from any number of places including the computer's temporary internet files, cookies, and history of sites visited. This information is meaningless by itself however when analyzed as a whole the data can reveal a great deal about the user. Once the information is collected the software sends the raw data to Gator's centralized servers where it is compared to databases that can identify the type of advertisement that pertains to the immediate surfing habits of the user. Using the unique ID linked to the incoming data the Gator servers create a profile for the user. As the adserver sends more data the profile becomes more tailored to user.

Now that the Gator servers have some statistical information about the user they can begin to analyze the surfing habits in order to send special offers back to them. Once the analysis is complete a specialized advertisement is sent to the user's computer and received in the adserver's buffer. Depending on the configuration of the adserver software the advertisement placed in the buffer may appear as soon as it is received or displayed later when similar surfing habits are detected. By default the software is

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[1] Audio Galaxy, Weather Bug and Gozilla have recently dropped their GAIN affiliations due to their financially stable and no longer needing to be ad-supported.

designed to display the advertisement as soon as it is received thus typically creating a sale opportunity pertaining to the information the user was browsing. This entire process is done with no user intervention and is typically completed in under a second[2].

Though this technology is purely for commercial purposes, the theme it promotes could be used in all sectors of the internet. One could imagine a similar software package that was not for use purely as an advertisement module. What if after searching the web manually for five minutes for information regarding breading habits of lemmings your computer popped up a window and said "Hey, maybe this will help". The idea is out there but it seems that if there is not a great deal of profit involved no one is willing to take the time to code such a program. However, not all hope it lost.

Google has been using behavioral surfing analysis for quite some time now to aid users when using their search engine. Google directly (from their own databases) collects and analyzes search term data to compute the relevancy rating for a search term. For example, if someone uses google.com to search for "extinct mammals of the south pacific" they will benefit from others who have searched and located information using the same search term. The page that was most relevant to a majority of the users will appear on the top of the list. This saves the user a lot of time sifting through false positives that others may have already discounted as relevant to the search topic. From this example we see that behavioral surfing analysis can be used with respect to non-commercial aspects.

As of now Gator's "one-on-one" behavioral surfing analysis technology is for commercial purposes only, generating incredible profits for both Gator and the companies that subscribe to it. 10-15% of Gator's advertisements are clicked on and 11%

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[2] Process completion varies depending on the connection speed of the user.

of those actually complete a transaction [Helperin, reference] which is 35 times higher than inline banner advertisements [Edelman, reference]. Additionally a Media Metrix analysis conducted in October of 2001 concluded that Gator's active shopping population is 33% more likely to complete a transaction than the average internet bargain hunter [Helperin, reference]. This seems to be a "win-win" situation: the users of Gator's software get great deals on things they actually in the market to buy, as indicated by the Media Metrix study, and Gator's commercial subscribers benefit from increased sales. Why didn't anyone think of this before?

The truth is, Gator is not the first to utilize behavioral marketing tactics. Take Meijer for example: when you are done shopping you take your groceries to the checkout line, pay for them and receive a receipt and a handful of coupons. This is where Catalina Marketing's purchase analysis technology comes in. The technology analyzes your receipt, much the same way Gator's servers analyze disparate data, and then prints off coupons that you may find helpful during your next shopping experience. While the technology that drives Catalina Marketing and Gator may have the same commercial theme, Gator has an advantage: their software is pre-purchase oriented. This offers the user an opportunity to save money at that moment while Catalina's only offer's a "next time" appeal. Meijer has been able to reach a large number of customers by offering this discount incentives, however the Gator Corporation reaches people in a different way.

Gator obtained such a huge consumer base by integration with other software packages. As mentioned previously Gator's adserver software is included in such popular software packages as Kazaa, Audio Galaxy, Weather Bug and Gozilla[3]. This is the

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primary method of deployment of the adserver software and it benefits both the

companies bundling the software and The Gator Corporation itself. If one were to

examine Kazaa's "Ad-supported" section of the license agreement it specifically states:

> "Each day a team of people go to work with a mission – to make sure that peer to peer is here forever. Because Kazaa Media Desktop is supported by advertising and other revenue sources, this group of people can continue to enhance and improve the world's most popular file sharing application and provide it to you for free" [Kazaa, reference]

The statement goes on to explain that G.A.I.N. is the advertisement software that

supports them. From this testimonial we see that Kazaa would not be here today if not for

the revenue pulled in by including the G.A.I.N. software in their installation package. It is

not clear how much G.A.I.N. pays companies like Kazaa to include their software as part

of their distribution. However, judging from Kazaa's statement above it can be assumed

that it is enough to support a company like Kazaa. The same basic statement can be found

on the "about us" sections of each of the other software titles that include the G.A.I.N.

software as part of their installation package.

Naturally, people get worried when software claims to collection any information

about them. Privacy is a hot topic in this digital age and G.A.I.N. has not ignored that. It

is true that the adserver software collects personal information, however this information

is never sent to the Gator servers as stated in a Business 2.0 article [Helperin, reference].

In fact it is stored locally on the users own machine in an encrypted file only to be used

per the users request to automatically fill in online forms – an option included in the

Gator eWallet application. So, what information is being sent to Gator's central servers?

Due to the Gator Corporations inability to answer my question I, with the help of

a friend, created a test setup to see what information was actually being sent out. The

setup included a computer with a G.A.I.N. software package installed and a packet sniffing application. Analysis of the packet sniffing logs revealed that the only information sent to Gator's servers was the user's unique ID (generated randomly by the adserver software), machine ID, IP address, time zone and zip code – all of which can be obtained using alternate legal methods[4] and the transmittance of this data is stated in the Gator license agreement upon installing the product as well as on their website.

The G.A.I.N. software packages is currently classified as "adware" by pestpatrol.com [Pestpatrol, reference] and it is rather unfortunate that such a useful piece of technology has such a bad reputation. Gator's behavioral marketing techniques are quite sophisticated and benefit the user a lot more often that not. There have been remarkably similar applications of targeted marketing, such as those used by Catalina Marketing, that have existed without legal trouble while G.A.I.N. takes the heat for being the first to utilize this method on a one-on-one basis (see Harvard Law documentation). I'm not saying that Gator is completely clean, afterall it *is* a business, but there are more intrusive software packages out there that do not benefit the user as nearly as much. What G.A.I.N. has done here is opened the door to a new way of thinking of an effective online experience. The applications of their behavioral marketing tactics are not limited to the confines of the business world, it's just that no one has created a software application for those areas… yet.

The future is here, just not yet implemented however with innovation as the fuel for technology development firms like G.A.I.N. maybe our access to useful information just got a little bit easier.

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[4] Any user can "query" another user's system for this information using openly available knowledge

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