

Google: Great Deal or Greatest Deal?

October 11, 2013

[Ben Sperry](#)

Critics of Google have argued that users overvalue Google's services in relation to the data they give away. One breath-taking headline asked [Who Would Pay \\$5,000 to Use Google?](#), suggesting that Google and its advertisers can make as much as \$5,000 off of individuals whose data they track. Scholars, such as Nathan Newman, have used this to [argue](#) that Google exploits its users through data extraction. But, the question remains: how good of a deal is Google? My contention is that Google's value to most consumers far surpasses the value supposedly extracted from them in data.

First off, it is unlikely that Google and its advertisers make anywhere close to \$5,000 off the average user. Only very high volume online purchasers who consistently click through online ads are likely anywhere close to that valuable. Nonetheless, it is true that Google and its advertisers must be making money, or else Google would be charging users for its services.

[PrivacyFix](#), a popular extension for Google Chrome, calculates your worth to Google based upon the amount of searches you have done. Far from \$5,000, my total only comes in at \$58.66 (and only \$10.74 for Facebook). Now, I might not be the highest volume searcher out there. My colleague, Geoffrey Manne states that he is worth \$125.18 on Google (and \$10.74 for Facebook). But, I use Google search everyday for work in tech policy, along with Google Docs, Google Calendar, and Gmail (both my private email and work emails)... for **FREE!***

The value of all of these services to me, or even just Google search alone, easily surpasses the value of my data attributed to Google. This is likely true for the vast majority of other users, as well. While not a perfect analogue, there are paid specialized search options out there (familiar to lawyers) that do little tracking and are not ad-supported: Westlaw, Lexis, and Bloomberg. But, the [price](#) for using these services are considerably higher than zero:

2010 Westlaw Classic Retail Costs for Law Firms		
File/Service	Hourly (per minute)	Transactional (per search)
All Federal Cases	\$19.05	
Ohio State and Federal Cases	\$23.08	
Sixth Circuit Cases	\$8.60	
All Ohio Cases	\$8.60	
Get a Document/Find		\$14.00 (primary) \$24.00 (secondary)
KeyCite		\$6.25

Costs have increased since 2010.

Can you imagine having to pay anywhere near \$14 per search on Google? Or a subscription that costs \$450 per user per month like some firms [pay for Bloomberg](#)? It may be the case that the costs are significantly lower per search for Google than for specialized legal searches (though Google is [increasingly used by young lawyers](#) as more cases become available). But, the “price” of viewing a targeted ad is a much lower psychic burden for most people than paying even just a few cents per month for an ad-free experience. For instance, consumers almost always [choose free apps](#) over the 99 cent alternative without ads.

Maybe the real question about Google is: Great Deal or Greatest Deal?

* Otherwise known as unpriced for those that know there’s no such thing as a free lunch.

Filed under: [advertising](#), [antitrust](#), [google](#), [truth on the market](#) Tagged: [antitrust](#), [google](#), [Harm to Competition](#)

[View Article](#)