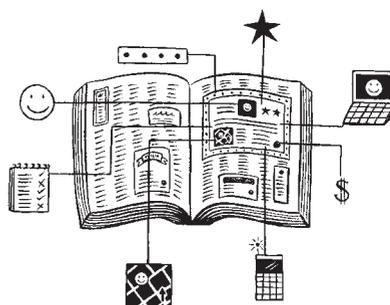


“Pick your market and own the customer.”

Adrian Di Marco, chief executive officer,
Technology One



Driving results with directory advertising

Buyers not browsers

There are many ways to promote your business, but all advertising can be broken into two categories – passive advertising and active advertising. Consider advertising seen on television, on billboards, in newspapers and magazines, or heard on the radio. What is it trying to do? Most advertising we are exposed to on a day-to-day basis attempts to remind us of something we want, convince us of something we need or inform us about a product or service we feel we should have. This type of advertising is known as passive advertising because you, the seller, are seeking out the buyer.

Directory advertising is different. Directory advertising is the place we often turn when we have already made a decision and we are ready to buy. Known also as active advertising because it's where consumers turn when they have a need and the buyer is seeking the seller. The person looking in the directory has identified a need and has picked up the directory with intent to spend money.

This is why most of the advertising rules we apply to other mediums don't usually apply to directory advertising. It is important to understand this different content orientation when designing directory ads.

The Yellow™ directories

Yellow™ is an important part of the marketing mix for most small businesses. Why? Because when someone turns to Yellow™ directories, they are unlikely to be reading for leisure and more likely to be looking for a product or service they have decided they need or want. Yellow™ is one of the few sources of advertising available in homes and businesses 24 hours a day, 7 days a week, 52 weeks a year. In 2007, more than seven million people were using the print directories every month in Australia, and the rapidly growing online directory www.yellow.com.au was also attracting more than 2.5 million unique visitors each month. In the new space of mobile advertising, an average 68,000 searches are made on Yellow™ Mobile every month. According to Sensis' research, more than half the people searching the Yellow™ directory have a product or service in mind, but don't know which supplier they wish to contact. This is precisely why your Yellow™ directory advertisement must focus on the reasons why they should buy from you.

When people search in Yellow™ whether it's print, online or mobile it usually results in a business being contacted. Better still, these contacts often result in a purchase. Of Yellow™ print directory searches, 92% contacted a business and of those 70% resulted in a purchase. Of yellow.com.au searches, 83% contacted a business and of those 72% resulted in a purchase. With Yellow™ Mobile 37% of searches conducted resulted in users taking further action and of those, 29% are using 'Click to Call' to immediately contact the business. (More on mobile advertising in chapter 15.)

A Yellow™ directory ad can also be complementary to your advertising in other media. For example, you may have a great radio or TV advertisement that creates awareness for your brand – but few people are sitting with pen and paper ready to write down your contact details, so having an ad in the Yellow™ directory means they can find your details long after the TV ad or radio ad has finished. In essence, Yellow™ makes your other forms of advertising work harder because it completes the buying cycle for people ready to buy. They may know your name from a newspaper ad, or have heard your name on the radio, but when they're ready to make a call or visit to make a purchase, consumers often consult Yellow™ to find your location, hours of operation and the other necessary information to complete their purchase.

Isis Flowers in South Australia primarily advertise in Yellow™ print directories and www.yellow.com.au. They have advertised in the print directory since opening more than 20 years ago and in Yellow™ Online for more than five years. They have tried a number of other advertising channels, but when they measured their leads and sales they found the best results for their business were generated through the Yellow™ print and online directories. With this in mind they decided to increase the size of their print advertisement.

"As a florist it is crucial people can find you then and there. Advertising with www.yellow.com.au has helped us gain a lot of new customers, and combined with our great product, has kept people coming back to us."

Maria Vozzo, Proprietor, Isis Flowers

The White Pages® directories

In 2007, when we knew a name, but needed the contact details, more than 7.8 million people turned to the White Pages® directory each month for the answer. A further 3.8 million people searched www.whitepages.com.au every month for the same reason. Interestingly, more than 65% of searches in the White Pages® are for business or government information, rather than residential as many people believe.

If you have a well-known business name, or rely on word of mouth to make your name known, a listing in the White Pages® directory can help people find you when they know who you are, but don't know where you

are. Like the Yellow™ print directory, the White Pages® print directory is available to almost every home and business in Australia, so it is a great way of reaching potential customers. The complementary websites are also available 24 hours a day for those who prefer to use the internet, and listings are updated on a daily basis. So if you have a listing, you can be confident your business details can be found even if you move.

Sometimes, rather than taking up precious air time with contact details, businesses advertising on television and radio say: “Find us in the White Pages® under ‘T’” (or whatever the relevant letter). This is a great way of blending the two mediums together and ensuring time is used well and people can find you.

Creating directory advertisements

There is an art to creating highly successful directory ads. Every customer, every company and every situation has a unique set of circumstances. No ad is perfect for every situation, but by understanding the techniques of great ad design, you can create effective ad that works for your business. A good directory should bring together buyers and sellers. A good directory ad should attract the customers you want and give them all the buying information they need to make a sound buying decision.

In any directory, under any heading, a handful of ads are often most likely to generate more calls than others. Dr Dennis Fromholzer of CRM Associates in the United States has coordinated a Metered Ad Study of more than 89,000 Yellow Pages® advertisements and the findings provide a number of key insights about the dynamics of the Yellow Pages® medium and about how smart advertisers can get the most from their Yellow™ investment.

Ad size

Statistically, the 2007 Metered Ad Study shows doubling the size of an ad will lead to a 38% increase in calls. Ad dynamics do however vary by heading, but interestingly the impact of ad size is the same for both local and national display ads, suggesting consumers react similarly to ads by

national companies as they do to ads by local companies. Both types of companies need to make their sales pitch to the buyer to get their business. The bottom line is larger ads generally receive more calls because they have more room for more information or ad content. Larger ads allow a business to give consumers more buying information and more reasons to choose them, and it is this content that brings in the calls.

Ad colour

According to Fromholzer, colour is a powerful tool in your advertisement. Its value comes not in whether it is used in an ad, but in how it is used in the ad. Colour can make key information in ads stand out; it can attract attention to an ad; colour can help organise information and make the ad easier to read. Colour can enhance ad content by imparting and reinforcing messages difficult to convey simply through words. The 2007 Metered Ad Study results showed effective use of colour can significantly increase calls to an ad while poor use of colour can hurt an ad. As might be expected, the results show the value of colour varies by heading.

What makes for effective use of colour? Ultimately, ad content is the most powerful driver of calls to an ad. Colour is effective when it enhances and contributes to ad content.

Colour can do this in one of two ways:

- a) Colour can be used to organise and prioritise ad content to make the ad easier to read and understand quickly; and,
- b) Colour can add to the content by communicating messages such as high quality, professionalism, customer service or benefits, or by bringing in the benefits of brand-imaging created in other media advertising.

The ultimate test of whether colour adds value to an ad is whether its use “makes it easier for the user to picture him-or-herself being a satisfied customer of the business.”

Ad position

What is the role of ad position and its impact on call response to ads? Publishers place display ads in headings in order of size, from largest to smallest. The largest ads receive the lead positions in the heading. Thus, while large ads generally receive more calls than smaller ads, it is difficult to know whether to attribute the calls to ad size or ad position since the two factors are so interrelated. Further study by Fromholzer again reinforces earlier findings that the most powerful driver of calls is neither size nor position, but ad content. In terms of importance to call volumes, content is the biggest driver of calls, ad size is the second biggest, colour is the third, and position is a distant fourth. The 2007 Metered Ad Study showed ad content accounts for approximately 70% of the variation seen in call volume across ads. Analysis of more than 80,000 display ads gives a strong indication that ad content (the message and information delivered to consumers in the ad) is a much larger factor in determining call response than all other factors combined.

Ad content is the primary driver of calls to a business. All other factors can add value, but are secondary in importance to the message and information in the ads. Calls increase with ad size; the fact that larger ads have better position within headings is why many think, incorrectly, that position is the primary driver of calls.

The analysis suggests that after the effects of ad size are accounted for, position alone is important in some, but not most headings. Yellow™ represents hundreds of different “marketplaces” and people shop differently in different categories or situations. In some cases, an individual will purposely seek out the first ad, while in others, the same person may purposely seek out the mid-size ads. Consumer behaviours are driven by their needs, their urgency, their assumptions, and a variety of other factors. It is easy to talk about “how people use Yellow™” in general terms, but there is no single way for everyone.

Some advertisers, if they cannot obtain the first ad position within a heading, become discouraged. The data about position shows all ads have the potential to deliver strong value to advertisers – since ultimately

content, not position, is the biggest driver of calls. Ads with good buying information, even if far back in a heading, can and do receive strong call volumes.

The key to a successful ad is to have advertisers focus on the right message and content needed to win over a detail-oriented, value-shopping consumer, and to put the content together with enough white space to make the ad readable.

The conclusions about position do not diminish the importance of having larger ads.

Larger ads allow for more of the information consumers seek when they want to make a good buying decision, which attracts more calls. In general, doubling the size of the ad will increase calls by about 38%.

Dr Fromholzer’s top 10 tips for an effective directory ad:

1. Provide complete and relevant information – services, opening hours and delivery areas – don’t assume people know anything about your business
2. Use headlines (large, visible, benefit-oriented)
3. Provide a call to action, e.g. “phone for a free appraisal”
4. Use clear space for ease of reading and to draw the eye
5. Provide multiple locations, phone lines and your website
6. Use bullet points – consumers want information quickly
7. Communicate what sets you apart from competitors – try using a tagline
8. Use pictures/graphics that show benefits of using your business
9. Show your credentials and compliance with industry standards – memberships, accreditations, years in business
10. Reinforce recognition of your brand – use your logo

And how to create an ineffective ad:

1. No list of locations or phone numbers
2. No stand out headline, is too uniform in type/size, or use of your business name as the heading
3. Too cluttered, text-heavy, useless information
4. Picture/graphic of the problem rather than the solution

5. Just listing 1300 number and no local numbers
6. Unrealistic picture or not relating to product or benefit
7. Phone numbers in a font too small to read
8. Technical content rather than benefits to customer
9. Using lengthy testimonials from clients
10. Not clear about what kind of business it is or why it's credible

The bottom line is your directory advertising should fulfil the role of your sales staff. The potential customer has come to the directory looking to buy, and the salesperson's job is to provide information, answer questions and assist the buyer.

Try to speak to your potential customers using bulleted text instead of lengthy paragraphs. Every word in your ad that does not meet the needs of your readers is likely to drive them away from your ad. Be wise; make your words count. White space can emphasise text and create the necessary counterbalance, allowing readers to read text.

In chapter 5 we discussed developing your unique buying reason. This is a vital component in your directory advertising because you need to stand out among competitors. To do this you should know the most compelling element of your business from your potential customer's perspective, not yours. Marketer Peter Sun suggests the following checklist as a guideline to developing your advertisement:

- Your time in business
- Your location if this is an advantage
- Any awards or accreditations you have achieved
- Your guarantee
- Service and back up – warranty offered
- Your product range
- Any free booklets/information kits/DVDs you may have
- Details of any free offer/trial/analysis you offer
- Special equipment you use unique to your business
- Training and experience of your staff
- Price value/cost saving you offer
- Service and back-up – warranty offered

KM Tubular in Sunshine, Victoria, makes products from tubular steel. Last year they received a call from a buyer who had seen their display advertisement in the Yellow™ directory. Their ad stood out as it was slightly larger than their competitors' and included a picture. "The buyer came around that night, discussed his needs and placed an order. The buyer was from Toyota and the order was to fit out one of their production lines. The orders they have placed since with KM Tubular are worth more than half a million dollars."

Trevor Sonnenberg, business owner, KM Tubular Industries

Online directory advertising

Yellow™ Online is Australia's most recognised online business directory. It was the first Yellow™ directory in the world to go online and has been helping people find Australian businesses on the internet for more than 15 years. You can search by business type, brand, product, service or business name (if you know it). You can also run a map-based search, or search categories, for example restaurants.

Like those searching the print directories, people who use yellow.com.au are actively in the market to buy. They are typically looking for a business to help meet their needs and they intend to purchase. They're not window shopping!

Tips to help increase your Yellow™ Online directory results

1. Select the most appropriate category heading and locations for your business to advertise – ask your Yellow™ account manager to show you the Heading Usage Statistics to help you do this.
2. Do you have multiple locations? Talk to your account manager about the best way to ensure you can be found
3. Purchase the most appropriate product(s) within the category heading
 - A Gold Online Solution gives you the best chance of being found in www.yellow.com.au all year round – it provides you a full page (almost like an online flyer) including pictures, text and descriptions. You can include all sorts of detail like opening hours, payment methods and more. It guarantees position and priority and includes additional keywords allowing people to search by brands or services and still find you.

- The Platinum product is great for businesses who want to build brand/ product awareness, or who are looking for a short term boost in sales at a particular time of year. Imagine having a banner across a busy highway and everyone driving down the highway has a chance to see your message. Platinum tiles are very effective at building brand and presence – they can work like a billboard with a message driving people to a website.
- The gold solution, in conjunction with the platinum product, provides a complete solution to help build awareness and presence. They can help you attract customers' attention with a range of features targeting customers and highlighting key business information.

These features can help your business stand out from competitors:

- Business profile – your business information such as contact details and opening hours
- Brand package – space to display your brand and communicate your products/services
- Text descriptor – key statement about your business
- Target media – your business appears in searches for the suburbs you service even if your business is not based in the area
- Business logo – display your logo to build your brand and drive traffic to your website
- White Pages® Online Duo – duplicate your Yellow™ Online solution content on white.pages.com.au

4. Use AdPoints effectively

AdPoints are both search keywords and filters consumers can select to refine their search. Every heading has several associated AdPoints for example under the heading 'Florist' the AdPoints might include roses, 24 hour, delivery, exotic, native, tropical, weddings, anniversaries, Mothers' Day. AdPoints can be specific products, services or brands or they can be advertiser features like hours of operation, accepted payments etc. The purpose of AdPoints is to improve the search relevancy of Yellow Pages® OnLine so consumers can quickly and easily find the product or service they are looking for.

AdPoints work in two ways:

- Search keywords: When a consumer searches using a word or phrase matching an AdPoint, yellow.com.au returns all headings with this AdPoint. The matching AdPoints appear underneath the heading names as hyperlinks. These links are not separate headings or 'sub headings'. When a consumer clicks on the AdPoint link, they are taken directly to refined search results containing only advertisements associated with that AdPoint
- Search filters: At the left hand side of the yellow.com.au search results page, there are several drop down menus or 'filters' underneath the heading 'Refine by'. These are the AdPoints relevant to the heading being searched. Clicking on a selection within the drop-down box refines the search results to include only those advertisements associated with the AdPoint. Users can click on several AdPoints within separate AdPoint field boxes to continue refining the search results. This helps consumers locate the specific businesses they are looking for.

Make sure you mention all the parts of your business you wish to promote within your advertisement, so the AdPoints can assist customers to find your business and differentiate you from your competitors.

5. Display your full address so Yellow™ can put you on the map - if your customers come to you, make your full address is included so your business can be displayed on the online maps along with directions
6. Allow customers to look at your website or send you an email - no matter how hard we try, we don't always provide customers with enough information. Allowing them to link to your website or send you an email will make it easy for them to find the answers they need
7. Display your logo prominently - help your customers remember you
8. Capture the attention of potential customers - display a few clear photos/images to support the message you wish to communicate to your customers

9. Tell people what you sell and how they can pay for it. Think of unique features that set your business apart from your competition
10. Make sure you measure your advertising – where are your customers finding you and what do you need to do to improve your return on investment?

Importantly, advertising on yellow.com.au also ensures your business can be found across the wider Yellow™ network. This includes Yellow™ Mobile, whereis.com, sensis.com.au, sensis mobile, 1234 & Call Connect™ and ninemsn's local directory site, mylocal.com.au.

When people search on yellow.com.au they are looking for information to help them make a buying decision. The content of an ad is important in helping customers decide which business to contact. Make sure your Yellow™ Online ad provides customers with all the relevant information they need.

Steel Roofing is a small business based in Sydney that sells primarily to other business. They advertise almost exclusively online and are updating their website to increase their presence. "We rely heavily on www.yellow.com.au to generate business. It drives approximately a quarter of our total enquiries, but accounts for nearly three quarters of our total sales from online leads."

Chris Ameghino, managing director, Steel Roofing Pty Ltd

To get the business, you must answer the phone

We've already discussed how Yellow™ delivers potential customers to businesses. Yellow™ does this more effectively than almost any other alternative available to businesses because when people search in Yellow™ whether it's print, online or mobile it usually results in a business being contacted. Better still, these contacts often result in a purchase. Of Yellow™ print directory searches, 92% contacted a business and of those 70% resulted in a purchase. Of yellow.com.au searches, 83% contacted a business and of those 72% resulted in a purchase. According to the 2007 Yellow Pages Industry Usage Study the average display ad in Yellow Pages delivers about 815 calls per year.

In order for a business to realise the fullest value possible from Yellow™, the business must effectively convert calls received to sales. While it seems obvious, the first step toward doing this is to make sure all calls are answered.

On average, roughly 8% of calls go unanswered. For an ad delivering 815 calls a year, this means about 65 calls per year (5 per month) go unanswered. This directly translates to lost business opportunities. Some businesses are quite good at answering the phone. About 26% of businesses, however, fail to answer more than 10% of the calls they receive through Yellow™. It is critical for these businesses to find better ways of ensuring all calls are answered if they are to realise the full benefit of their investment in Yellow™ advertising. A strong ad does no good if the buyer cannot successfully reach the business.

Top ten tips for converting phone calls into transactions

1. If you don't have the time, hire someone to answer all incoming phone calls
2. Answer all incoming phone calls within the first 3 rings, and be pleasant and helpful
3. Introduce yourself and ask for the name of the person who is calling you
4. Attempt to obtain the caller's address and phone number
5. Make an appointment with the caller to understand what they are shopping for and show them your products and solutions, and how they can be of benefit
6. Do not put the caller on hold - be prepared with the answers to common questions customers tend to ask over the phone (this means training your staff too).
7. If you have to place the caller on hold, don't leave them on hold for more than 30 seconds

8. If asked for pricing details, respond with confidence and always follow with one or two value statements
9. Thank everyone who calls you and mean it
10. If you can't serve them help the caller find someone who can – it's all about good service!

Specialist directories

Directories specific to your industry category can be worthwhile considering as part of your advertising. For example, if you have a bed-and-breakfast or a motel you should consider a listing in relevant print and online directories that cater for tourism, such as www.gostay.com.au. There are also many regional and government accommodation guides available.

Another example is the restaurant and takeaway food industry. In Australia, there were 4.5 million searches on www.yellow.com.au between July 2004 to August 2005 for food-related products and services – that's a 75% increase on the previous year. In order to stand out in this boom industry, it might be worthwhile listing your business on specialist food-related and entertainment websites, like www.citysearch.com.au.

Local directories

Yellow™ Local directories are an important part of the marketing mix for a range of reasons. Many people prefer to spend money in their local community to help support their local suppliers. Australians can be very parochial and their loyalty and patriotism can play a part in their purchasing decision. If you have a product or service which is locally made or provided, this should be made very clear in your advertising for this reason. An advertisement in your Yellow™ Local directory is also important if you have a product or service for which your customers are unlikely to want to travel great distances. For example, most people when looking for a doctor or dentist will opt for a service close to their home or work for convenience. Once a relationship is established they may well travel back to see you even after they have left the local area, but as a new customer they are likely to look for something nearby. With this

in mind they are likely to reach for the local directory rather than wade through a range of providers from further afield. On the other hand, if you consider larger purchasing decisions like buying a car, we are more likely to travel greater distances to find the right purchase, but would you travel the same distance for a bunch of flowers or leg of lamb? So it is important to consider advertising in your local directory especially if you have a product or service which is likely to appeal to people in your neighbourhood.

Locality guides

Guides are also available in some larger directories by geographic area. Directories covering large territories contain Locality Guides so consumers don't have to wade through page after page of advertising to find a business close to home. For example, a dentist might be listed under suburb rather than business name. This is helpful for people who are looking for a dentist in their area, but don't know the name of their local dentist and don't want to drive several suburbs away to find one. If your directory has a Locality Guide, you should consider investing in a spot – as discussed in chapter 12, local area marketing is vital for some businesses and if your local guide is well used, then you should be in it.

Wall planners

Some magazines publishers also publish a yearly wall planner or calendar that has various businesses located around the perimeter of the planner. They normally offer these as 'category exclusive', meaning only one plumber, one electrician etc. Unless the calendar is appealing enough that people will put it on their wall, this kind of advertising is unlikely to generate leads.