

Ringging Up Profits

in the



Yellow Pages

Insider Secrets for Creating
Yellow Pages Ads
that ***Make Customers Call!***



BY DICK LARKIN
THE YELLOW PAGES COMMANDO

Ringing Up Profits

By Dick Larkin, The Yellow Pages Commando

Foreword

Yellow Pages advertising is a \$25 billion industry worldwide. So why is it so poorly understood by advertisers? Unlike most other media, Yellow Pages is dominated by unsophisticated local advertisers. The entire process is directed by a directory advertising salesperson who is compensated primarily for increasing the amount the advertiser spends over the previous year. The skills that make a salesperson successful by this measure are rarely accompanied by a strong understanding of and dedication to effective ad design. The goal of this report is to empower both advertisers and Account Executives to create ads that generate more calls.

This report is the product of nearly a thousand contributors. Designers and copywriters showed off their incredible talents. Industry experts and luminaries shared years of experience, insights and wisdom. Voters put forth their thoughts and opinions, **and they certainly have opinions!**

I've included nearly all of it. Edited a little for readability, but you're seeing the whole tomato.

Some of the comments are particularly nasty, some totally outrageous, and others are downright blasphemous. And yet, by reading the feedback, we gain a greater insight into the buying public's mind.

You hold in your hands pure gold. By following the principles that are so beautifully illustrated, you will be able to design effective Yellow Pages advertising that compels customers to call you.

Enjoy,

Dick Larkin

About the Author

Dick Larkin writes the Yellow Pages Commando News, an electronic newsletter, web site and blog covering, you guessed it, Yellow Pages. He is the Vice President of Internet at TransWestern Publishing, an independent publisher of Yellow Pages which in the process of being acquired by Yellow Book.

Larkin is the former Vice President of Sales and Marketing for GTE Interactive Media which has since merged into Verizon. He was a CPA and CFP for Deloitte & Touche and earned a degree in finance from the University of Notre Dame.

Larkin is the author of the forthcoming book, Redneck Riddles and Hillbilly Brain Busters Vol. 2. - Buford and Festus Bounce Back.

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Executive Summary

This report is organized in 7 sections including the great exclusive bonus reports

1. The Contest to Create the Best Yellow Pages Ad
2. Elements of Great Yellow Pages Ads
3. Yellow Pages Industry Data
4. Plumbing Industry and the Yellow Pages
5. Analysis of Every Ad
6. Conclusion
7. Special: Bonus Reports

Success is a Phone Call Away. The ability to get their phone ringing with motivated buyers is what rockets customer-driven businesses past the competition. The most effective way of capturing customers who are on the verge of buying is Yellow Pages advertising. The customer has a need, he is ready to buy, he picks up a phone book and **ca-ching!** One business makes the sale and the others eat dust.

Business isn't fair. The best company will not get the customer's call if they don't have the best Yellow Pages ad. Sorry, that's life. In any directory, under any heading, a handful of ads will generate an unfairly large number of calls. Oh, and it's no accident which ads are the winners. There is a science and an art to creating highly successful Yellow Pages ads.

There is no single, perfect Yellow Pages ad. 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 **the best ad for your business.** Ultimately, a Yellow Pages directory brings together buyers and sellers. Apply the formula, and you can create the ad that attracts the customers you want and keep them from calling your competitor.

Don't try to be funny. If there is one glaring lesson from this exercise, it is that **humor does not make the phone ring.** The consumer using the Yellow Pages is looking for a solution to a problem. In other media, humor works to distract the audience and divert attention. The Yellow Pages is a reference book similar to an encyclopedia. **If the information and content of your ad would be inappropriate in the encyclopedia, it doesn't belong in the Yellow Pages.**

The Contest to Create the Best Yellow Pages Ad

This report is the result of a four-month competition where designers from around the world competed to create the best Yellow Pages ad for TV Plumbing, a Santa Monica, California, based plumbing contractor. Thirty-eight designers submitted ads for the competition. I invited the public to vote for the ads that they would call first, second and third. I also asked for comments on what attracted or repelled voters from the ads. Nearly every voter commented.

I evaluated the ads using **extensive industry research** to see if the ads had the elements that are likely to be successful in the real world. In several cases, ads that performed well in the contest are unlikely to generate high call volume when published in the directory. Other ads that got creamed in the contest did contain the elements that would probably trigger high call volume. **A focus group (or contest) does not exactly mirror the real world.**

I should point out that only **1 person out of 711 voters** selected all three ads in the winning order, and only 7 others selected all three winning ads in any order. That just goes to show you that we can look at trends, but individuals differ on what they find appealing.

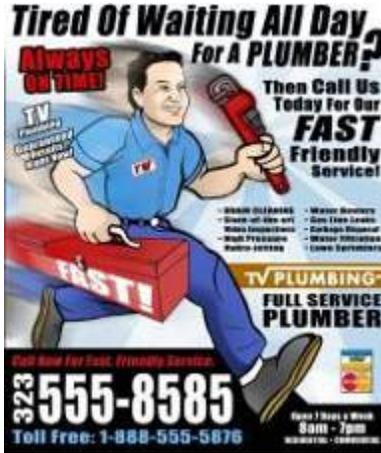
Every ad received some votes (even if it was just the designer and his mother). To weigh the votes, 1st place votes counted for 3 points, 2nd place votes received 2 points, and 3rd place votes received 1 point. Many voters included honorable mention selections, but these were not considered in the vote totals.

Top 3 performing ads

Ad #020



Ad # 030



Ad #001



<p>1st Place 449 Points</p> <p>10.3% of Female Votes 12.4% of Male Votes</p>	<p>2nd Place 443 Points</p> <p>9.8% of Female Votes 12.5% of Male Votes</p>	<p>3rd Place 364 Points</p> <p>8.2% of Female Votes 10.0% of Male Votes</p>
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Comment Summaries

Ad #020 - 1st Place

- The baby caught people's eyes and made them read further
- Owner's photo and comment a strong positive
- Large BBB logo had a strong impact
- Includes several consumer benefits
- Communicates trust, competence and professionalism
- Easy to read with lots of white space
- Performed better among males than females

Ad #030 - 2nd Place

- Entire ad solves customer's need for fast service
- Large phone number, credit cards and hours of service
- Top choice of male voters

Ad #001 - 3rd Place

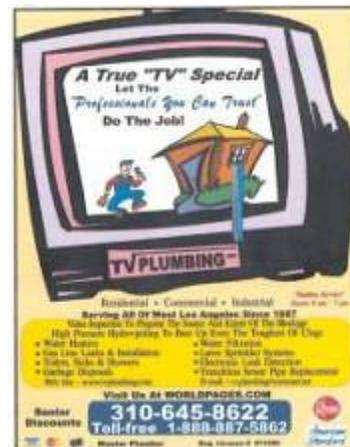
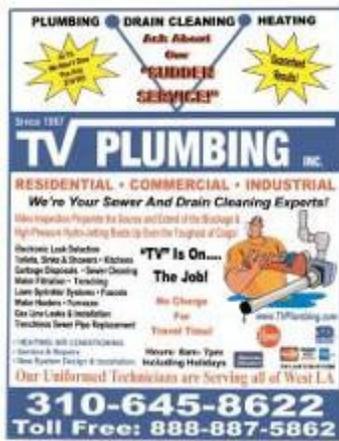
- Very content rich but still readable
- "You know the price **before** we start" was the most often cited reason for voting for this ad
- Humorous graphic caught people's attention
- Performed better among males than females
- List of the cities being served which is critically important when advertising in a directory covering a large geography

Bottom 3 performing ads

Ad #024

Ad # 038

Ad #021



<p>36th Place 16 Points</p>	<p>37th Place 15 Points</p>	<p>38th Place 8 Points</p>
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Ad #024 - 36th Place

This ad had many customer benefits, but the cluttered layout made it too hard for most people to follow. The cartoon graphic of the TV plumber is the first item that most people would look at, yet it is located in the lower right portion. Successful ads need to lead the eye through the ad. The jumbled layout and lack of white space made the ad particularly hard to read.

Ad #38 - 37th Place

I received dozens of negative comments about the screaming woman. Ads that perform well are those that solve a customer's problems, and this ad simply reminded the customer that he had a problem and it was about to get worse. This ad actually has some very redeeming qualities that I'll cover in the details section, but the screaming woman seemed to turn everyone off. **This ad was created by a specialist in direct mail where capturing attention is achieved differently than in Yellow Pages.**

Ad #021 - 38th Place

This ad simply faded into the background, receiving neither positive nor negative comments. The headline, copy, muted colors and graphics were so nondescript that the ad was skipped. In the contest, this ad was directly behind the winning ad, so unlucky positioning probably contributed. **Ironically, the industry research indicates that this ad has enough successful elements that it would be likely to generate significant call volume.** A few changes in the layout and graphic would make this ad much more successful.

Elements for Great Yellow Pages Ads

This entire report on great Yellow Pages ad design can be condensed into a single statement. I call this the Golden Rule of Yellow Pages advertising.

The Golden Rule of Yellow Pages Advertising:

Successful ads make a customer feel:

**This company really
cares about serving
ME.**

Conversely, less successful ads focus on the advertiser, not on the customer. It seems simple, but look through any directory, and you will find thousands of ads that violate the golden rule.

Advice from the experts and industry research:

- **Every element in a successful ad should solve the customer's problem.**
- Ads that would do well in other media typically **will not do well in the Yellow Pages** because the work that other media needs to do in capturing attention and creating interest has already been done in the Yellow Pages.
- Ad size, content, and composition are far more important to success than positioning within the heading.
- Color ads generate more calls, but usually not enough to justify a substantially higher price. Use the money to place additional black and yellow ads under secondary headings or in alternative directories before investing in color.
- Advertisers should advertise in every directory that demonstrates strong usage regardless of publisher.
- Track every ad with a metered telephone number to measure how well it is performing.
- Customers want to do business with local companies. Multiple local numbers and cities in an ad will increase the overall call count.
- Publishing only an 800 (national toll free) number without including a local number is the **kiss of death**.
- Hard to read = few calls.
- Good photos & illustrations = lots more calls.
- Bullet points are better than paragraphs.
- **Avoid humor. It is unnecessary and likely to backfire.**

Yellow Pages Industry Data

Yellow Pages advertising is a MUST BUY for plumbers. According to the Yellow Pages Association:

- **45 percent** of people actively looking for a plumber go to the Yellow Pages.
- **91 percent** of people looking at the "Plumbing Contractors" heading intend to make a purchase or have already done so.
- Local display advertisers in the "Plumbing Contractors" heading receive **\$10 in revenue for every \$1 spent on YP advertising.**
- "Plumbing Contractors" is the **9th most referenced heading** with over 265 million references annually.

Plumbing Industry Information

Plumbing is Highly Competitive - Counting the free listings for plumbing contractors is a quick way to size the market. In the three primary directories covering the areas where TV Plumbing operates, there is no shortage of plumbing contractors.

Yellow Book's West Los Angeles directory lists 416 plumbing contractors. Verizon's Santa Monica directory lists **215 plumbing contractors.** United's Santa Monica community directory lists **169 plumbing contractors.** The difference in counts is due to each directory covering a different geography. The point is that the consumer is faced with overwhelming choices.

	Verizon Santa Monica	Yellow Book Los Angeles Westside	United Yellow Pages Santa Monica
Copies (estimated)	233,624	380,142	114,900
Annual Price for a Full-Page Ad	\$29,232	\$18,264	\$10,224
Annual Number of customers TV Plumbing needs in order to cover cost of advertisement if each customer generates \$120 in profit (cost / \$120)	244	152	85
Breakdown:			
Monthly	20	13	7
Customers per Week Needed to Break Even	4.7	2.9	1.6
High likelihood of success using strong YP ad design?	YES	YES	YES

So which directory should TV Plumbing advertise in?

TV Plumbing should ONLY advertise in the directories where it's profitable to attract customers. All three directories have served the market for decades. They all provide value to the consumers and the advertisers. Based on this information, all three directories are likely to be successful for TV Plumbing. If I had to rank them, I would select the Yellow Book as my top choice because of its broad distribution and lower cost of customer acquisition. However, it would be unwise not to be represented in Verizon's directory.

[Full disclosure: TransWestern Publishing, my employer, has agreed to be acquired by Yellow Book. I am not a Yellow Book employee as of this writing. I am also a Verizon shareholder and was formerly a Vice President of GTE, which merged into Verizon. I have attempted to be as unbiased as possible in this report. The numbers speak for themselves.]

If TV Plumbing is likely to get at least 4.7 customers per week from Verizon, he should buy the ad. The same goes for ads in Yellow Book and United. I believe that TV Plumbing is highly likely to generate at least that much business, and probably much more.

Putting all of his advertising dollars into one directory is ignoring the customers who choose to use the other directories. It is not the best way to grow his business.

Conclusion

Yellow Pages advertising is a critically important source of customers to plumbing contractors. Combining the elements of successful ads and professional graphic design is the best way of achieving success in the directory.

Every Yellow Pages publisher offers free ad design as part of the advertising in the directory. It is unwise to use the free design service if the quality of the finished ad is not as good as the top 10 performing ads in this contest.

Do not hesitate to hire a professional designer if you are not satisfied with the ad you have received from the Yellow Pages publisher. A full-page ad created by a professional Yellow Pages design firm will usually cost between \$1,000 and \$3,000. This is a small price to pay for the substantial increase in response that the ad is likely to generate.

Success in the Yellow Pages requires putting the customer's needs first. Designing a highly effective ad using proven techniques is likely to generate substantial numbers of customers.