

Call Concentration: The Importance of Ad Content



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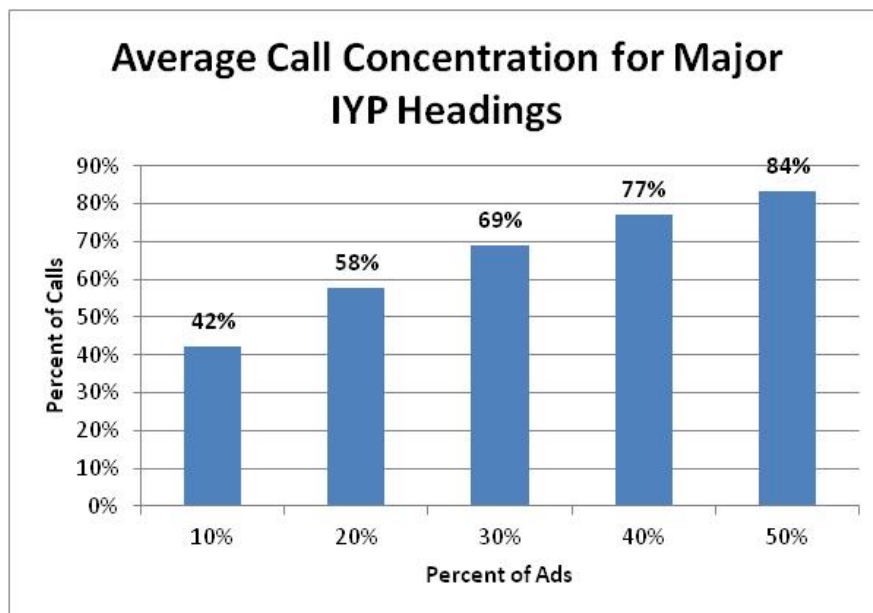
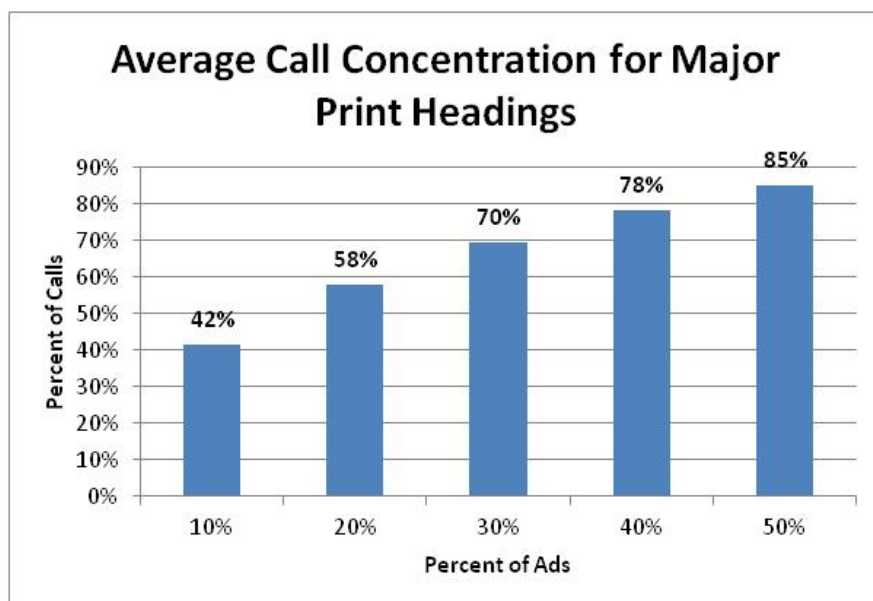
It has been noted in previous studies that ad content is truly king, i.e., ads with great content receive disproportionately greater numbers of calls than other ads. Statistical regressions based on quantifiable factors such as ad size, ad position, color, and market size only account for about 30-40% of variation in call responses - the remainder being due to the content inside the ads. Metered ad results frequently show one ad receiving two to ten times more calls than other ads of the same size in the same heading and directory.

This disproportionate response to the ads with the best (and most) content leads to a highly concentrated distribution of calls in the directories¹. The two figures below show the average concentration of calls for print ads and for IYP ads. The first thing to note is that the concentration of calls is identical for print and for IYP - suggesting content is equally important for IYP and for Print.

Ten percent of ads receive over 40% of all calls to the heading. Twenty percent of ads receive almost 60% of all calls. If a heading has 20 display ads, this means that, on average, 2 ads receive 40% of the response to the heading, and 4 ads receive 60% of the response.

Note that the top 50% of ads receive roughly 85% of all calls to the heading. Put another way, the lower performing 50% of ads all together receive less than 15% of the total response to the heading. The top 10% of ads receive more calls than the lowest 80% of ads all together.

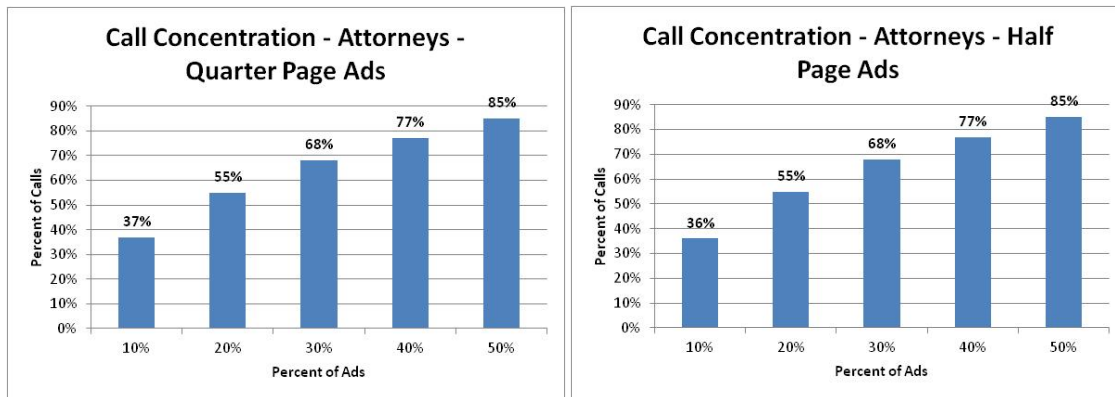
¹ For this analysis, ads are ranked by calls, regardless of ad size or ad position. The top 10% of ads would thus be the 10% of ads that individually received the highest call responses.



Source: CRM Associates, 2011 Metered Ad Study, 5,000+ IYP ads and 140,000+ display ads.

The concentration of ads is true not only across all ads in a heading, but also across all ads of the same size in a heading. The chart below compares the call concentration for

quarter page ads and half page ads in the Attorney heading. Again, note that the distributions of calls are virtually identical².



What Does This Mean?

The secret to successful selling and the secret to success for publishers lie in understanding the implications of the high concentration of calls.

It is not enough to simply sell ads or product to advertisers. It is not enough to simply sell larger ads or better placement or premium online ads. Two businesses that buy the same products from a publisher and spend the same amount of money with the publisher can receive dramatically different results - all based on the content of their ads.

It is up to the publishers and the reps to be "content experts." It is up to the publishers and reps to be true consultants to businesses.

In order to create and deliver value, publishers and their reps need to focus on helping businesses get their message to prospective customers in the most compelling way. Ads need to inform, educate, sell, and win over customers; and ads have to do this better than the competition. The cost of not getting the content right can be a factor of up to 10 to 1 difference in calls received from an ad.

² Same-ad results for other headings show the same characteristics - a similar concentration of calls in all cases.

Appendix: Call Concentrations for 10 Top Print Headings

The concentration pattern of calls is similar for almost all headings. The numbers can vary a little by heading - for example, the top 10% of Attorney heading ads received 38% of all calls to the heading, while the top 10% of Storage heading ads received 48% of all calls. But, the overall message is the same for all headings - a few ads do the best job of informing, educating, and selling and consequently receive the majority of total calls to the heading.

The charts below show the call concentrations for ten top print headings.

