

Value of Trade Units

This white paper summarizes the performance of print yellow pages trade units from the Local Search Association National Marketing Division PAYS Database. PAYS, which stands for **P**roof that **A**dvertising in **Y**ellow pages **S**ells, is the only database of pure national call measurement results for print and internet yellow pages. The National Marketing Division maintains PAYS.

Results prove that print yellow pages trade units (Trademarks and Trade Names) continue to generate leads and very strong return on investment for national advertisers.

This white paper provides observations on trade unit performance overall, as well as by:

- Heading
- Directory size
- Type of phone number measured (Local or Toll-free)

A description of the analysis appears at the end of the document.

Overall Results

Based on a sample of 1,172 call tracking studies in 11 headings, print yellow pages trade units deliver solid returns on investment for national advertisers.

Average profit ROI is 16:1. That means for every \$1 invested in a trade unit, the advertiser receives \$16 in profit. Median profit ROI is 9:1. Median is the midpoint of all test values; there are as many ROIs above 9 as below 9. This is a very strong return.

Average cost per call for trade units is \$10.25. Median cost per call is \$7.35.

Average projected profit per location for trade units is \$9,261. Median projected profit per location is \$5,403.

Table 1 provides average and median values for the total sample.

Table 1: Average and Median Data – Total Sample

Based on Single Location	Trade Units*	
	Average	Median
Profit return on investment	16:1	9:1
Projected annual profit	\$9,261	\$5,403
Projected annual calls	143	88
Cost per call	\$10.25	\$7.35
Calls/M population	0.67	0.44
Directory distribution	202,000	127,000
Number of ads	1,172	

**Includes CTMWP, CTMWM, CTMW, CTMM, CTM, TMWM, TMM, TM and TN and related listings cost.*

Headings

Average profit return-on-investment and cost per call by heading for 11 headings are summarized in Table 2 on the following page.

The majority of tests (81%) were conducted in the Automobile Renting & Leasing and Pest Control headings, with 61% and 20% of total sample, respectively

Variation in ROI and cost per call can be explained by a combination of factors: Sample size and distribution, heading references, heading size (number of pages), competition in heading (number of ads and advertisers), average customer values and brand name recognition.

Table 2: Summary of Trade Unit Profit ROI and Cost per Call by Heading

Heading	2010 Annual References * (millions)	Average Profit ROI	Median Profit ROI	Average Cost per Call	Median Cost per Call	# of Call Tracking Studies 2009-2010	% of Total Sample
Automobile Renting & Leasing	33.7	14:1	9:1	\$7.51	\$6.37	717	61%
Pest Control Service/Exterminators	44.3	11:1	8:1	\$11.33	\$9.39	236	20%
Appliances-HH-Major-Service & Repair	49.6	5:1	4:1	\$3.87	\$4.34	42	4%
Banks	77.7	66:1	48:1	\$27.38	\$20.02	42	4%
Insurance	90.7	20:1	13:1	\$13.20	\$8.03	39	3%
Movers	15.1	10:1	6:1	\$19.93	\$19.89	33	3%
Uniform Supply Service	4.2	11:1	7:1	\$27.60	\$26.78	14	1%
Copying Machines & Supplies	1.1	65:1	75:1	\$35.87	\$22.45	14	1%
Automobile Dealers	147.4	75:1	79:1	\$6.80	\$6.08	13	1%
Air Conditioning Contractors & System	19.7	15:1	16:1	\$37.30	\$28.70	12	1%
Internet Services	43.3	11:1	8:1	\$4.57	\$4.33	10	1%

**Source: Burke, 2010*

Directory Size

Average profit return-on-investment is favorable across all directory sizes, ranging from 11:1 to 35:1. Average cost per call ranges from \$8.76 to \$28.66.

Average profit ROI and cost per call by directory size are summarized in Table 3 below.

The majority of tests (91%) were conducted in directories with distribution less than 500,000, while 9% of studies were conducted in large to very large directories with distribution from 500,000 to 1 million +.

Again, variation in ROI and cost per call can be explained by a combination of factors: Sample size and distribution, heading references, heading size (number of pages), competition in heading (number of ads and advertisers), average customer values and brand name recognition.

For example, a Trade unit would be more competitive in a small directory (distribution less than 249,000) with fewer pages and fewer display ads. A Trade unit in the same heading in a large directory (distribution over 500,000) would be less competitive because the heading likely would have more pages and more display ads.

Table 3: Trade Unit Profit ROI and Cost per Call by Directory Size

Directory Distribution (000)	Average Cost per Call	Median Cost per Call	Average Profit ROI	Median Profit ROI	# Call Tracking Studies 2009-2010	% of Total Sample
<100	\$10.94	\$9.86	11:1	6:1	470	40%
100-249	\$9.11	\$5.99	16:1	10:1	424	36%
250-499	\$8.76	\$4.60	20:1	14:1	181	15%
500-999	\$11.29	\$4.99	29:1	17:1	78	7%
1000+	\$28.66	\$21.69	35:1	21:1	19	2%
Total Sample	\$10.25	\$7.35	16:1	9:1	1,172	100%

Local Phone Numbers Only

Of the 1,172 total studies in the sample, 401 trade units (34%) measured only local phone numbers in the ad. Average profit ROI for all call tracking studies with only local numbers is 20:1. Median profit ROI is 9:1.

Local numbers in trade units received an average 115 projected annual calls per location; median value for projected annual calls is 72. Average cost per call is \$14.45. Median cost per call is \$9.47.

Average projected profit per location for trade units with local numbers is \$9,144. Median projected profit per location is \$4,594.

Table 4 provides average and median values for trade units measured with only local phone numbers.

Table 4: Average and Median Data – Local Phone Numbers Only

	Trade units	
Based on Single Location	Average	Median
Profit return on investment	20:1	9:1
Projected annual profit	\$9,144	\$4,594
Projected annual calls	115	72
Cost per call	\$14.45	\$9.47
Calls/M population	0.61	0.30
Directory distribution	262,000	154,000
Number of ads	401	

Toll-free Phone Numbers Only

Of the total studies in the sample, 771 trade units (66%) measured only toll-free phone numbers in the ad. Average profit ROI for all call tracking studies with only toll-free numbers is 14:1. Median profit ROI is 9:1.

Toll-free numbers in trade units received an average 158 projected annual calls per location; median value for projected annual calls is 99. Average cost per call is \$8.07. Median cost per call is \$6.54.

Average projected profit per location for trade units with toll-free numbers is \$9,322. Median projected profit per location is \$6,032.

Table 5 provides average and median values for Trade units measured with only toll-free phone numbers.

Table 5: Average and Median Data – Toll-free Phone Numbers Only

Based on Single Location	Trade units	
	Average	Median
Profit return on investment	14:1	9:1
Projected annual profit	\$9,322	\$6,032
Projected annual calls	158	99
Cost per call	\$8.07	\$6.54
Calls/M population	0.71	0.49
Directory distribution	171,000	115,000
Number of ads	771	

Whiles the sample of advertisers measuring local numbers only and toll-free numbers only is different, the ROI and projected profit are comparable. This could indicate that Trade units are strong performers regardless of whether a local or toll-free numbers is used.

Description of Analysis

The analysis summarizes performance of 1,172 trade units (CTMWP, TM and TN and related listings costs) for 41 national advertisers conducting call tracking in directories publishing in 2009 and 2010 with call count data through January 2011. Sample includes 11 headings with a minimum of 10 tests per heading:

- Air Conditioning Contractors & Systems
- Appliances-Household-Major-Service & Repair
- Automobile Dealers
- Automobile Renting and Leasing
- Banks
- Copying Machines & Supplies
- Insurance
- Internet Services
- Movers
- Pest Control Service
- Uniform Supply Service

Data was projected to 13 months test duration and full directory distribution. The 13 month time period acknowledges: a) the distribution pattern of directories which, rather than being delivered on one day, are distributed throughout the delivery month; and b) some old directories continue to be used after new directories are delivered. Results are based on projected total calls to a single location.

Trade unit costs are based on Rates and Data for the year which the directory published (e.g., directories which published in 2008 reflect trade unit costs in 2008.) All rates were adjusted to reflect 50% discount, which acknowledges publisher incentive programs available to national advertisers. Listings costs were included with the trade unit.

Data is aggregated and reported overall based on total sample, presence of local and toll-free numbers, heading, and directory size.

Please note: All information contained in this analysis is for directional purposes only. Test results vary by directory. Figures shown are based on past results and may not predict future outcomes.

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