

The Secret Life of a Cross-Dressing Goliath

By Franklin Raff

Love thine enemies, bless them that curse you. Matthew, 5:44

Whether the idea is anachronistic or utopian, whether it may lead to *two* bruised cheeks, this much is certain: it is a core philosophy of the most highly trained, ruthless and competitive local sales force in the country: Yellow Pages (YP) reps. Indeed, their *modus operandi* might be translated: "Give thine enemies enough rope to hang themselves."

The YP industry was valued at \$12 billion in 2000. Independent YP publishers (those not affiliated with a telephone company) are growing at 10%-20% per year. YP publishers in new and mature markets around the world are expanding at a break-neck pace and focusing (astutely, I think) on the effects of privatization and deregulation. And new electronic revenue streams are both enhancing their core product and introducing new products: The internet YP market *alone* was valued at \$164.9 million in 2000. But as in our industry, the national reputation, strength, and stability of The YP is built largely on the streets, with the local reps.

The YP six-week rookie training program has an affectionate pet name: *Hell*. New reps are forced to memorize an interactive ten-page pitchscript verbatim. YP reps master approximately twenty concise techniques for turning as many objections into upsells. Bigger. With Color. In a new heading. Because Verizon shares lists and information with AT&T (indys like The One Book must *purchase* this information), rookies also hit the streets armed with the growth trends (phone bill increases, new phone lines) of their prospects. YP publishers have even partnered with school boards to *teach* YP use to all students as a part of a "reference" curriculum. And should our wide-eyed fingerwalkers become dead-beat business-owners, bundling ensures quick collections: if an advertiser defaults on the one-close annual, the Bell matriarch swiftly shuts down their phones.

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There is a guiding principle behind YP sales: *Love your enemy*. YP reps respond to news of clients' radio expenditures, for instance, with "Great!" YP reps are trained to appear to *love* other media. They never acknowledge an all-encompassing "advertising" category. Rather, they proclaim their own selling proposition *anchoring* a business without which all other advertising is simply futile. Their saccharine approach is disarming; the heavy cloak of Ma Bell hides a crafty giant.

Sadly, this giant dominates both his/her category and ours. While YP advertising is moment-of-decision advertising, radio, properly implemented, is not. And though the differences may seem obvious to *us*, it is critical that we remind our clients, early and often, of the relative strengths and weaknesses.

YP will *hurt* a business if it is not prepared to beat competitors' prices or close on the first call. According to The YP Publishers Association, the average YP user considers 5.4 ads per reference. If a CSR is not prepared to close on a price-quote call, the sale is usually lost to a more aggressive competitor. YP doesn't generate leads, it guides existing leads to a pool of competitors.

YP delivers a specific, unchanging factual message to *some* consumers (58% of consumers 18+ refer to the YP in the average week) who are ready to buy. But emotional attachment to brands is in almost all cases developed prior to purchase. Winning customers prior to day-of-decision—through radio—means higher profit margins and uncontaminated leads.

Tracking efforts indicate YP rules the roost in response. But YP is only a *last point* of reference. Prospects report "seeing you in the Yellow Pages", but prospects that become customers generally do so for only four reasons: emotional attachment, top-of-mind-awareness, emergency, or price. The first (and most profitable) reasons require preexisting

knowledge of the business: *before* the day of decision.

YP reps are upsell experts, systematically pitting competitors against each other for the next size up, the next color, the next heading. **Chris Lytle** calls it the "club your neighbor" concept. And as the books grow and more titles emerge, an unchanging ad takes up less and less of the total directory reference space.

One way businesses can get the benefit of last point of reference advertising without the drawbacks is to mention in their radio advertising that they can be found in the *White Pages*. Not only will radio repeat the name of their business (whoopee!) with a clear call-to-action while drawing prospects to a *free* last-point-of-reference (mandated as such by the FCC), it also draws them to a space that is free from competitors' advertising.

Even the most competitive YP centered business in America, the pizza delivery business, is learning that overemphasis on Yellow Pages and Direct leads to profit-killing and product quality killing price-wars: \$9.99, then \$8.99, then \$5.99 large pizzas. *Papa John's*, the most rapidly expanding Pizza chain in the United States, is spending comparatively less on local YP, focusing instead on a high-reach, high-frequency *audiocentric* non-price positioning message: *We deliver the perfect pizza... Papa John's!* So when time comes for last point of reference, the decision is already made. Indeed, customers expect to pay a little more for what they perceive as "Better Ingredients Better Pizza" before they order! Radio makes products and services valuable by engaging the imagination of the prospect. YP can only make products and services valuable by encouraging lower prices. Ironically, radio reaches out and touches new prospects; YP simply pools competitors.

Why should our clients pay for the privilege of losing customers to price shopping? Why should they be continually upsold for zero new reach and little competitive advantage? YP reps make

fabulous money, have gargantuan commissions and resources, are the most effective closers, and have the most at stake. What's at stake is the realization—*en masse*—that their "club your neighbor" approach produces neighborhoods of underperforming businesses.

If, in a national initiative, we were to allocate 5 seconds in every new local :60 to the following words: "*Look us up in the white pages, under _____*" we would deliver a *crippling* blow to the yellow Goliath. If we were to schedule our radio clients responsibly, keeping clients off of stations and dayparts in which they can't afford proper reach values (thus also allowing us a clear upsell path when they *can* afford to own those stations or dayparts) we would match Yellow Pages' phenomenal upsell record. If we would realize fundamentally and universally that radio advertising owns its own "prior to day of decision" category; if we would train new reps to sell that category with the vigor they habitually ascribe to trashing their fellow radio Davids, we would, I believe, catalyze a revolution in nationwide media spending. This would happen at a vulnerable time for YP: a critical and fragile phase in online product development. Think, for a moment, about \$12 billion in spoils.

Until that day, our enemy will love us to death, for better or for worse, as radio's share of nationwide advertising wanes, as the Yellow Pages grows, and as innumerable radio rookies hit the streets armed with new suits, new business cards, and of course, the Yellow Pages.

I am grateful for the input of a marvelous radio rep, Rae Carol Flynn at WMAL/WRQX Washington. She once sold Yellow Pages but found, at last, that she loved her enemy, radio, just that much more.

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