

## Sell Action, Not Eyeballs

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Hopes are high that radio will make a successful transition to the internet. With most of the talk today about its potential, and everyone gearing up for selling web site ad impressions to shore up shrinking spot revenue, it's a good time to bring up a few internet related topics you should consider.

There are three areas that need to be considered with any serious internet venture:

- 1) What is the purpose of this web site?
- 2) How are audiences and advertising measured and tracked?
- 3) What's with all the talk about "testing" ads?

I know there are only three points in this short list, but context of each is so deep that covering it all would result in a very thick book. So let's take an overview of what is needed when a radio broadcaster moves online, with a start in stating that the concept of simply selling web site *impressions* is too old school for what's ahead.

### **The Adjustment**

Moving from radio's universe of measuring stations within a geographically defined area, and pricing determined by "share" and "point", into a world that's bombarded by radio stations from all points of the globe is not an easy transition. It takes a mental shift; a reassessment of who is being reached and where they are coming from.

The attraction (pulling power) is decided by answering question #1, above.

To improve what radio currently uses as web sites, station need to leave much of what was initially created behind. Today's online visitor doesn't return to a page that's over-burdened with promotional messages and ads. Those who design and maintain radio web sites need to un-clutter content, making it more user-friendly with an updated presentation.

But, we'll leave this discussion for the future because it is broader than it appears and requires many more words than there is room for on this page.

Today, concentrate on points #2 and #3, above – in an overview fashion. These are areas that require the greatest adjustments for anyone taking their radio station online. They represent the biggest shift in how revenue is generated in media today, and they pose additional tasks that must be mastered to attract more advertisers and a larger audience.

Here are your options for numbers, relative to generating online revenue: They are metrics dealing with web site traffic that defines visitors, and those that count ads. Each has many subdivisions, which we will not dive into here. Each gives insight into what is being used and just how big of an adjustment needs to be made to make tomorrows numbers better. In the most basic form, metrics is made up of a variety of numbers presented in whole, decimal, and ratio forms.

Analytics is the analysis of quantifiable data coming from the numbers metrics generate. While a stack of numbers can deliver information, often the most prominent effect from staring at an untouched list is confusion. Therefore, the most important aspect of Analytics is in knowing which data to ignore, and how to structure the remaining data into valuable groups. Neither task is as easy as it sounds.

### **The Basics of Basic Internet Numbers**

Everyone with a web site has quoted how many “hits” they get. Move farther up the food chain and terms like “unique visits,” “landing page,” and “exit rate” are mentioned. Still farther up, “Bounce Rate,” “Cost-per-Action” and “Performance Increase” start being discussed.

Outside of radio, and deeply embedded in daily use by tech savvy media buyers today, this collection of metrics determines a Return on Investment (ROI) – which is a hard number that says whether or not an ad campaign is costing more or less than it generates.

If you still find it easy to sell banner ads on your web site, or to charge a few bucks for having an audio ad played on your station’s stream, don’t get used to it. There are many different angles in defining what an advertiser receives and, everyday, it’s getting farther away from just serving an impression.

An Online Advertising Primer would mention that a majority of internet advertising revenue is generated by search engine keyword ad buys. The reasons are a) It is a relatively easy system to understand, though very difficult to master. b) Advertisers (or media buyers) need to have no interaction with account reps. c) It is inexpensive. The purchase of internet *banner* advertising reflects these same basic advantages. Each, banner and keyword ad buys, usually provide free metrics by the delivering source.

What is it that your station provides to a client who advertises on your web site? What is it that an advertiser on your web site is paying for? What ways do you deliver metrics to help the advertiser improve results?

Answer these three questions in the following ways, and you’ll be approaching the efficiencies of what online-only media are delivering.

### **What is it your station provides to an advertiser?**

Radio account reps are used to selling numbers that are an estimate of reach and come. Until now, that's been good enough. What's changed is that by using software from technology companies like Spatial Audio it's possible to define more precise number to a greater level of advertiser satisfaction. Combine these metrics with platforms like Google Analytics, WebTrends, comScore, or HitWise, and you have a powerful addition to any sales presentation.

All major search engines that sell keyword ads offer, free, a complete analytics software package. Buyers can, literally, reach in and peel off an assortment of metrics. How you assess these numbers is determined by your needs and skill level. Just know that there are no intelligent online campaign buys being made today that are justified by simply the number of impressions delivered.

### **What is it that an advertiser on your web site is paying for?**

Eyeballs or action? What is the main selling point of being listed on your station web site? Answering "eyeballs" means you're still in a CPM mindset, which isn't terrible but it does place you in a shrinking pool of sellers.

Advertising on the internet, to a high degree is done for response; immediate response. When a client pays you to list their banner, text, or audio ad, you can bet this week's paycheck that they will be going to their web site analytics program to see if you are sending visitors.

You may be selling eyeballs but your advertiser is buying action, and the online advertising world is better at tracking it than any other media.

### **What ways do you deliver metrics to help the advertiser improve results?**

This may just be the most controversial aspect of what a radio station can offer online. The "testing" of an audio ad is an unheard of action (sans a few focus groups for national campaigns). But testing advertising online is a simple task that offers the most promise. It is the single most important attribute that you can present an advertiser to persuade them to keep their money with you, on your web site.

The metrics of ad testing are quantifiable, and immediate. Within a short time you determine if the ad is drawing response, or being ignored. Then, through minor tweaking you may improve the percentages or replace the ad entirely.

Testing is not difficult. It's only misunderstood.

The future of radio is not so much in recognizing what the industry is offering to advertisers, but in what new media competitors are waving in front of them. From all major players (Google, MSN, and Yahoo!, and an assortment of aggregate networks) come an advertising tool box that makes Arbitron ratings and Scarborough look like a third grade math book.

When you begin to dig deep into not only the analytics and metrics being offered but how these numbers and approaches may be rearranged to give greater degrees of insight, a new world of advertising sales opens; it's like Dorothy stepping from the farm house into Oz.

Fear of change has been holding back many persons from moving their thoughts to this new world of numbers.

I'll guarantee that if you wade into this sea carefully, though, you'll see the reasons why radio needs to take the plunge now.

Wait and you'll be treading these internet waters, while others are cruising by using craft created with these new analytics and metrics.