

July 2011

www.responsemagazine.com

Response

*The Only Independent Source
for Direct Response Marketers*

Leading Lincoln Forward

CMO Piper Jameson says a multimedia expansion of the educational leader's historical reliance on direct response marketing promises a bright future.

**Expanding Video
Options Boost
Entertainment
Marketing**

**DR Products Find
Success in
Product Placement**

**CASE STUDY:
eLocal Listing
Page 38**

**1Q Long-Form
DRTV Media Billings
Slip \$21M**

A QUESTEX PUBLICATION

Search Visionaries

eLocal Listing helps companies of all sizes harness the power of local search.

Tim Judd has a message to share with all marketers: “Whether you like it or not, your audience has fractured, so get over it.” The same consumers who just 10 years ago were reachable through one or two means are now tuned into television, radio, websites, blogs and social media, he says, and search is at the root of those and most other channels that marketers are scrambling to add to their repertoires right now.

“You can’t get away with just buying a few pay-per-click keywords anymore,” says Judd, president and CEO at Temecula, Calif.-based eLocal Listing, a provider of search-driven lead generation solutions for local businesses. “You have to cover search thoroughly or risk getting left behind.”

Judd points to the “two guys running their company from a garage” example as proof of search’s power. On the Internet, no one can discern the size of that operation, or its prowess. “A national leader in the same industry as those two guys can easily get crowded out, mainly because the larger firm is still thinking in 1990s marketing terms,” says Judd. “What it doesn’t realize is that it’s a messy world out there; you have to cover all of the bases.”

In fact, the word “messy” is an understatement, according to Judd, who envisions a time when marketers struggle to engage consumers and drive leads in an increasingly global world. “It’s a nightmare,” says Judd, “and we’re in the middle of it, helping to untangle this massive ball of string.”

Deciphering the Code

Founded in 2007, eLocal Listing isn’t Judd’s first foray into the world of search. In fact, he’s a pioneer in the field. In 1999, he joined Fast Search and Transfer (FAST), a provider of enterprise search solutions, as director of business development. An early competitor in the Web search wars of the early 2000s, FAST was later acquired by Overture Advertising, which was subsequently merged into Yahoo.

Judd’s next stop was Terra Lycos, which — at the time — was another large player in the search game. There he was responsible for the maintenance and growth of the company’s Side-Search product, which displayed related web links in a panel on users’ Internet Explorer browsers.

After racking up success at two major search firms, Judd was bitten by the entrepreneurial bug. “At that point, I knew that I wanted to form my own U.S.-based search consulting

firm,” recalls Judd, who started Contraco USA, an international search and consulting company focusing on vertical applications of innovative search technology.

Around the time Judd decided to strike out on his own, a few kids in a college dorm were making waves with an innovative search engine known as Google. “There was a clear winner in the national search space, followed by a clear second place and third place,” says Judd. “For anyone else to break into national search would require an enormous war chest, which was pretty impossible to come by.”

Uninterested in going head-to-head with Google — despite his expertise in the national search arena — Judd set his sights on what he calls “the next big frontier” — local search. Unlike the soup-to-nuts national searches, local search utilizes specialized search engines and geographically constrained parameters to provide only those results applicable to a structured database of local business listings.

“We set up eLocal Listing as a way for local businesses to get found in search engines,” says Judd. A primary customer target for the new service was the small to midsized business (SMB) owner who lacked the marketing budget and manpower to compete with *Fortune* 500 firms operating in the same space.

Seeing an opportunity to help close that gap, and also aid established advertisers in gaining a footing in the local search arena, Judd and his team worked out a two-pronged approach for eLocal Listing. One niche market would be small car dealerships, plumbers, chiropractors and other SMBs, and the other was made up of large insurance firms, medical service providers and other established brands.

The first customer group was a no brainer, but the second was also in need of local search assistance, whether it realized it or not. “Even if you’re a national brand with 700 locations across the country, every one of those locations is a local entity as far as search is concerned,” Judd explains. “Because of this, you have to treat your nationwide marketing campaigns as if they were 700 micro-marketing campaigns.”

Opening the Doors

Judd founded eLocal Listing with Ralph Williams, chief financial officer. Williams is responsible for the angel financing used to start the firm, and to “keep it financially stable,” says Judd. Early on, the pair took a self-service approach to local search, working with newspaper publishers to try to drum up interest in their new concept.

They quickly realized that a different tack was needed. “Unfortunately, self-service wasn’t ‘there’ in 2007,” says Judd. To raise awareness, the duo went for a more proactive approach: They bought a call center and went into direct sales mode. “We started calling small businesses all over the country, and offering them a way to get more clients through search engine visibility,” says Judd.

The most difficult aspect of the effort was the fundamental fact that small business owners are marketing novices.

“As clients, SMBs are also fairly expensive to acquire and maintain, with many of them cancelling before you even get a chance to recoup the client acquisition costs,” says Judd. Even with those hurdles to jump, eLocal Listing’s grassroots, direct-selling ap-

CONTINUED >



proach fueled rapid growth for the firm in 2008 and 2009.

Then the recession hit the local advertising market hard, taking eLocal Listing into the abyss with it. The real estate market took an especially tough tumble, as did home-related services and automobile sales. All three were at or near the top of eLocal Listing's client roster prior to the recession.

"People stopped buying and selling homes, which meant all home-related verticals also took a hit," says Judd. Literally overnight, the two-year-old company's direct sales model became financially unviable. On the bright side, eLocal Listing had been gaining significant traction in the local search market, and was making a name for itself, despite economic conditions.



Tim Judd is a veteran of the search landscape and his work with Ralph Williams on eLocal Listing has pushed local-level advertisers to new heights.

Judd credits the millions of dollars and hundreds of hours of time devoted to eLocal Listing's automated local search platform with helping the firm through the worst parts of the downturn. And unlike many startups that didn't make it through those lean times, his firm has not only endured, but it's now positioned in an online search space that more and more companies are paying attention to.

Today, eLocal Listing puts its effort into creating content centered on specific advertisers, whether it's through

eLocal Listing is a provider of search-driven lead generation solutions for local businesses.

customized videos, images or written words that are scribed in an informative, easy-to-understand fashion. Advertisers then take that content and publish it prominently online in order to garner local search results.

Also on eLocal Listing's client roster are the online departments of several large direct response agencies, and in particular, those that have come to recognize search as the most valuable and transactable part of the Internet.

"The agency whose client has 800 locations — and who wants to drive 10 leads per location via local TV, radio, print and online — can either buy the clicks or take the organic route," says Judd. "We prefer the organic route, which is purely direct response; the vast majority of our clients pay us only when the phone rings."

So, unlike the early days when eLocal Listing spent much of its time and money on direct sales to small firms, the company now works with agencies that "hand over baskets full of clients," and all at no customer acquisition cost.

Shattering the Kaleidoscope

Fragmenting search campaigns geographically takes more work than the typical company is willing to do, says Judd, so many of them continue to stick to the national approach. That's not going to

work for long, particularly with customers looking all over the place for buying information. "It's very hard to centralize search efforts," he says. "That's where we come in. By working with large advertisers, we're able to provide search visibility for every one of their locations."

The fact that many of those advertisers are leery of new media methods continues to irk Judd.

"I never cease to be amazed by the Fortune 500 company that comes to us for help, but doesn't want to let us put their video campaigns on YouTube," says Judd. "That's a very short sighted view."

A better view, says Judd, is to get in and get your hands dirty. Support every single physical location with appropriate, local content that's unique and engaging. "Crowd out the competition," he adds, "by using video, Facebook, YouTube and the rest of the tools."

Most importantly, take a modern-day approach to marketing that factors in the knowledge that your market is no longer cohesive and targetable through traditional advertising means.

"Marketing has been shattered into a kaleidoscope of many different components," says Judd. "You can't just buy a few pay-per-clicks, do co-op buying in the Yellow Pages or buy a radio ad and expect to reach your audience. You have to hit it from all angles." ■