

***Toll-Free Numbers  
In Radio Advertising***

**Research Report**

**November 2006**

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## **Abstract**

### ***Direct-response Tools in Radio Advertising***

Effective use of vanity 800 numbers in advertising is proven to increase response rates by at least 30 percent. As companies expand their use of direct marketing, vanity 800 numbers will continue to remain a critical element in advertising.

The primary purpose of this study was to compare and document the effect on response rates when using a vanity 800 phone number (mnemonic numbers that translate into words for easy recall, e.g., 1-800-NEW-RIDE), versus a numeric 800 number in radio advertising.

The results of this study show that a vanity 800 number yields 58 percent more incoming phone calls.

## **Executive Summary & Findings**

### ***Vanity 800 Numbers Pull More Calls from Radio Ads than Numerics***

Even with the growth of the Internet, radio continues to be one of the most popular forms of advertising media today. As of 2006, there were over 13,800 radio stations<sup>1</sup> reaching 94% of the U.S. population every week<sup>2</sup>. For those over the age of 18, over twenty hours are spent listening to the radio during the weekdays<sup>3</sup>.

The Out-of-Home reach of radio has grown to more than 129 million adults over the age of 18 who listen to the radio while driving, compared with just 93 million who listen to the radio while at home<sup>4</sup>. These are times when people do not always have a pen and paper available to write down a phone number, and most likely they will not remember a numeric toll-free phone number they hear in a thirty or sixty second radio commercial.

The average national commuter travel time has grown from 21.7 minutes in 1980 to 24.5 minutes per one-way trip in 2000, with the longest commute time logged in the Northeast at an average of 27 minutes per one-way trip<sup>5</sup>. Whether they are traveling to the airport or commuting to work, 82% of Americans can be reached in their vehicles during the course of each week<sup>6</sup>.

The use of vanity 800 numbers in radio advertising is proven to generate more response than a numeric toll-free number with repeating digits (e.g., 1-800-NEW-CARS vs. 800-962-7272). The response rates measured in this test establish a notable difference when using a vanity 800 number, with the vanity 800 number receiving **58 percent more calls** than the numeric 800 number.

With increasing commuter travel time and higher listening rates taking place outside of the home, direct-response tools, such as memorable vanity 800 numbers (e.g., 1-800-FLOWERS), will remain crucial to businesses as they develop advertising plans designed to generate higher response rates and improve radio advertising performance.

## Findings

### *Vanity 800 Numbers Dominate in Radio Advertising*

Of the incoming calls analyzed for the radio study, **58% more calls came into the vanity 800 number**, versus an identical radio ad listing a repeating numeric 800 number.

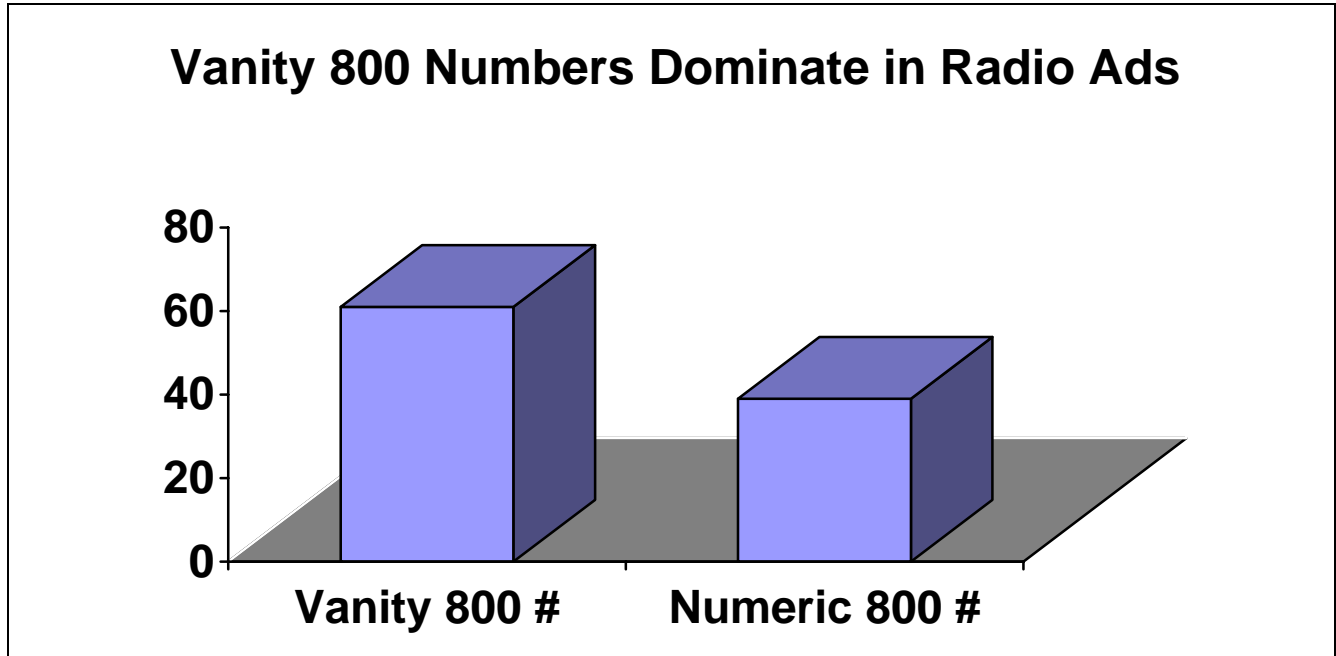


Chart 1

### *Majority of Callers Remembered and Dialed the Vanity 800 Number*

Using an even 50/50 rotation of radio spots, with one ad featuring a vanity 800 number versus the same ad featuring a numeric toll-free number, **61% of all calls rang into the memorable vanity 800 number**, versus just **39% that dialed the numeric 800 number**.

	Vanity Toll-Free Number (800-TRADE-NOW)		Repeating Numeric Toll-Free Number (800-954-2828)
Number of Radio Spots:	77		77
Number of Calls to Vanity:	38	Number of Calls to Numeric:	24
<b>Percent Difference of Callers Dialing Vanity 800 Number</b>	<b>58% MORE calls came into the vanity 800 number!</b>		

Chart 2

## **Conclusions**

### ***Vanity 800 Numbers and Radio Advertising***

According to the Direct Marketing Association (DMA), direct marketing expenditures will continue to grow and boost the economy through 2007<sup>7</sup>. Widely used throughout many forms of advertising, direct-response tools can be found in Out-of-Home advertisements, radio and television campaigns, direct mail materials, and the Internet.

For advertisers, radio is a crucial component of the media mix – it is highly targeted and easily tracked. With radio advertising reaching more than 230 million listeners each week<sup>8</sup>, and with the majority of consumer listening time spent out of the home, it is important for advertisers to continue using a memorable direct-response mechanism, like a vanity 800 number, in order to make it easy for consumers to reach them.

The use of vanity 800 numbers in radio advertising is proven to generate more response than a repeating toll-free number. The response rates show that 58% more calls rang into the vanity 800 number during the radio test, proving that the use of these unique and easy to remember tools is effective for the radio medium and should be incorporated as an important element of the direct marketing mix.

Featuring vanity 800 numbers in ads can substantially raise advertising response rates – by as much as nearly 60%, as evidenced in this study. As companies continue to use direct marketing as a way to reach consumers, effective response mechanisms remain critical to a healthy return on investment.

## **Methodology**

Over a two week period, two radio stations in the Chicago metro area ran 154 radio advertisements. Fifty percent (50%) – 77 radio spots – featured a vanity 800 number, and the other 50 percent featured a numeric toll-free number. Both stations used an even rotation of the radio spots, with one version featuring 800-TRADE-NOW, and the second version featuring 800-954-2828.

The following data were collected:

- Number of incoming calls into the vanity 800 number vs. the repeating numeric phone number

Commercials were rotated equally throughout all day-parts. Calls were tracked and recorded electronically.

### ***Client:***

Griegers Chrysler Dodge Jeep, Valparaiso, IN (Chicago Metro)

### ***Conducted By:***

Creative Broadcast Concepts, Inc., Biddeford, ME

### ***Source of Toll-Free Numbers:***

800response, Burlington, VT

## **Appendixes**

### **Contact Information**

The study, ***Toll-Free Numbers in Radio Advertising***, was conducted by CBC Advertising, Greiger's Dodge, Chrysler, Jeep and **800response**. The technical elements of the study were developed, organized, and administered by Laura Noonan, Vice President of Marketing ([lnoonan@800response.com](mailto:lnoonan@800response.com)), and Jeanne Landau, Public Relations Manager ([jlandau@800response.com](mailto:jlandau@800response.com)).

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### **Details of Methodology**

#### **Sources:**

WLJE-FM 105.5 (Country)

- 90 radio spots total
  - 45 radio spots with vanity 800 number
  - 45 radio spots with repeating numeric toll-free number

WKQX-FM 101.1 (Rock)

- 64 radio spots total
  - 32 radio spots with vanity 800 number
  - 32 radio spots with repeating numeric toll-free number

### **Dates of Study**

October 4, 2006 – October 18, 2006

### ***Endnotes***

1. Arbitron, “*Radio Today 2005 Edition*”, p.2
2. Arbitron, “*RADAR<sup>®</sup> 85*”, p. 4
3. Arbitron, “*RADAR<sup>®</sup> 85*”, p. 8 (Source: Spring 2005 Arbitron American Radio Trends Time Spent Listening Estimates)
4. Arbitron, “*2006 Network Radio Today*”
5. Transportation Research Board, “*Commuting in America: The Third National Report on Commuting Patterns and Trends*”
6. Arbitron, “*RADAR<sup>®</sup> 85*”, p. 14
7. Direct Marketing Association (DMA), “*The Power of Direct Marketing*”
8. Arbitron, RADAR, Fall Survey Reports
9. FCC 2005

### ***Other Studies Conducted by 800response***

1. *2005 Toll-Free Numbers in Television Advertising*
2. *Direct Response Mechanisms in Billboard Advertising*, 2003
3. *Telephone Number Recall in Radio Advertising*, 2002
4. *Toll-Free Vanity Numbers in Radio Advertising*, 2000

### ***About 800response***

**800response** is the premier provider of Custom 800 service in North America and offers the broadest selection of Custom 800 numbers available today. Principals at **800response** have over 30 years of experience in the telecommunications industry and have been featured in major industry publications including *Marketing News*, *Direct*, *Response*, *AutoSuccess*, *Dealer Marketing Magazine*, *Outdoor Advertising Magazine*, *Marketing Management*, and *Forbes* as authors and subjects of articles on direct marketing and innovative ways for businesses to improve their advertising response rates. Services provided by the company include Custom 800 numbers, a sophisticated Call Routing platform, Call Recording, and real-time online Call Tracking reports.

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