



*With some 10 years in online marketing, Richard has extensive experience working with leading technology companies. A frequent industry speaker on pay-per-call, he is an expert on local media and search. As Vice President of Business Development at CallSource, Rosen was responsible for managing call measurement and pay-per-call services for a host of top publishers, ad agencies and high volume enterprises.*

**SMS:** Thank you for taking the time to answer a few of our questions, Richard. Please tell us a little bit about your own background and how you got involved with Jambo.

**R:** I have been in the "call" space for about five years. My first experience was with a leading online real estate website. At the time, we found that our advertisers were not happy with the results they were seeing from our site – which focused on driving email requests, a process that continues to be the prominent business model for online advertising. We tested consumers' telephone response to our real estate listings and found that consumers overwhelmingly called the realtor, home builder or rental property manager. As well, we found that advertisers actually preferred the phone call, as a more immediate lead, over email.

I then spent the next three years working for CallSource, the leading provider of call measurement technologies, which enable publishers to provide telephone response data to their advertisers. My clients included nearly all the top publishers in the classified advertising automotive and real estate categories. During that time I was able to analyze millions of consumer phone calls to advertisers.

**SMS:** Can you explain the pay-per-call model for those readers who may not be familiar with it?

**R:** Pay-per-call is a performance-based advertising model that charges per phone call, instead of per click. It opens up local search and online advertising to merchants who either don't have a website, or don't care to drive consumers to their site. We've found that many local businesses want phone calls, not clicks, and don't have the time or resources to manage online search campaigns. Using Jambo's pay-per-call, all they have to do is answer the phone. Jambo also goes beyond online search to provide leads to our advertisers from print and radio sources as well.

**SMS:** So, what exactly sets pay-per-call advertising apart from other pay-per-performance services? Are ROIs or conversion percentages higher?

**R:** Many local advertisers are service-oriented companies – plumbers, lawyers, auto repair shops – and they need to close the deal over the phone or make arrangements for an in-person appointment. By using the phone, we allow merchants who don't yet have a website to take advantage of local search for the first time.

It's too soon for us to know if conversion is higher, but we're extremely optimistic. Just as Yahoo!, and then Google, found the market rates for clicks, we expect to find the market rates for calls. Our assumption is that we've identified merchants who prefer calls, understand the value of calls, are not buying clicks, and many who don't have websites.

**SMS:** How large is the Jambo Ad Network? I've read that you have a relationship with InfoSpace and Local.com – any new partnerships on the horizon?

**R:** Yes, we are seeing great feedback from traditional and online publishers who are eyeing local search and need a channel to reach local merchants. Some publishers have a sales force and see us as a great way to penetrate new verticals or go deeper into existing verticals of advertisers. We've recently made announcements with print publishers the LA Weekly and Urban Pages – radio, and Informa, a leader in mortgage rate information.

**SMS:** How much does the typical pay-per-call lead cost? Do companies bid for position in your network?

**R:** We do not offer bidding. Fundamentally, we don't think local businesses want to self-service their advertising, and they don't want to sit in front of a PC all day bidding for advertising. We set pricing by category using ROI as a guideline

for rates. Our rates start at \$5.00 and go to \$100 per phone lead. To ensure value, we employ a sophisticated filtering process that makes it more likely that the consumers we forward to a merchant will turn into customers.

**SMS:** The pay-per-click model has been around for many years and online merchants are quite familiar with it. Lately, however, issues such as click fraud have plagued the industry. Do you think the pay-per-call advertising model is the wave of the future? Does it solve the click fraud issue completely or is fraud still a problem?

**R:** It's much easier to protect against fraud with a phone call, but the issue of click fraud brings up an even larger challenge facing advertisers: how to get quality leads online. For there's fraud, and then there's activity that isn't fraud – but it's not quality, either. Consider a basket of strawberries. The buyer knows he or she is paying for the big, juicy ones on top, but also knows that there will be a few bruised ones at the bottom. There's no way to guarantee 100 percent perfection – with strawberries or with leads – but the onus is on the seller to be fair and provide value.

**SMS:** What makes your pay-per-call collect (PPCC) service different from your other offerings?

**R:** Pay-Per-Call-Collect is a patent-pending advertising technology designed to serve both consumers and merchants. Jambo places category ads (i.e., taxi cabs, plumbers, attorneys) in various media, directories and publications. When a customer is searching for a service provider in that category and calls the number in the ad, that call is forwarded simultaneously to multiple merchants. The first merchant to accept the call is connected to the customer.

For merchants, this "live lead" is a terrific way to acquire customers. When they receive the call, they'll be told the cost of accepting this customer, and that charge automatically will be billed to their regular phone bill.

For customers, this is a quick, relevant and efficient way to find a business that is immediately available. No more calling lists of numbers and encountering out-of-service numbers, merchants who are unavailable to talk immediately, or companies who are not accepting new customers.

For online and offline publishers, Jambo serves as a sales channel that actively recruits new advertisers.

**SMS:** What gives you the edge on larger, more mainstream pay-per-call initiatives, particularly a

well known property like Superpages.com (Verizon)? What does Jambo offer that competing services from larger players such as Verizon, Ingenio, and now even Google and Yahoo!, do not?

**R:** The ability to pay for calls directly through a merchant's phone bill, for one. That's a huge advantage.

But in terms of the big picture, Jambo offers more than just pay-per-call capabilities. We've designed our entire business model to provide a complete solution for local advertising – making it easy for merchants to acquire new customers, for consumers to find relevant local businesses, and for publishers – both online and offline – to increase revenues. We use patent-pending methodology to identify the merchants most likely to be relevant to a particular consumer's search – increasing the likelihood that a consumer will choose to make the call, and that the merchant will accept the charges.

**SMS:** What does the future hold for Jambo, in your opinion?

**R:** We believe Jambo will significantly improve local search by helping publishers deliver the right merchant at the right time to their users.