

APPENDIX 3.1
(referred to in paragraph 3.61)

**Comparisons of classified advertising categories
in *Yellow Pages* directories and local newspapers**

1. In BTYP's view, *Yellow Pages* directories generally compete in the wider market of all classified advertising, including all regional and local newspapers. Data published in the *Advertising Statistics Yearbook, 1995*, show that expenditure on classified advertising in national, regional and local newspapers, magazines and directories in 1994 was £2,319 million, its highest level (measured in real terms) since 1990. In 1994 regional and local newspapers accounted for about 49 per cent (at £1,129 million) of the total, directories for 25 per cent, magazines for 15 per cent and national newspapers for 11 per cent.

2. Much of advertising expenditure in national and local newspapers and in business and professional magazines is for particular goods or services and usually includes specific prices or other details which make them relevant only for a short period. Examples include property and car sales, recruitment advertisements, travel offers, sales promotions, etc. It is BTYP's view (see paragraph 3.60) that much of local newspaper advertising, on the one hand, and advertising in *Yellow Pages*, on the other, serves a similar purpose, particularly, though not exclusively, newspaper advertisements in the 'other' classified advertising categories (ie other than recruitment, property and cars) and local display advertising (eg in the 'going-out' sections of newspapers).

3. In 1994 the 'other' classified category amounted to about £396 million, or 29 per cent, of all classified advertising in newspapers (both national and regional or local); the equivalent figure for regional or local newspapers only was £336 million, or 30 per cent. In 1994 local display advertising in regional or local newspapers amounted to £537 million, a figure equivalent to about 48 per cent of all classified advertising in regional or local newspapers.

4. We examined the contents of five *Yellow Pages* directories, chosen as a representative sample of directory areas (eg covering rural, provincial and urban areas) to determine the percentage of advertising space in them accounted for by each of the three categories recruitment, property and cars. The figures were calculated by taking the number of pages of advertising for that category as a percentage of the number of pages in each volume. The classifications included in each category for the purposes of these calculations are listed in the annex to this appendix.

5. The results are set out in Table 1. They show that while, in 1994, recruitment accounted for 33.5 per cent of all newspaper classified advertising, it accounted for 1.1 per cent of the advertising space in the *Yellow Pages* directories we sampled. For property advertisements, the equivalent figures were 17.8 and 1.4 per cent, and for cars, 20.1 and 8.4 per cent.

TABLE 1 **Share of advertising space in *Yellow Pages* directories accounted for by recruitment, property and cars advertisements**

Directory	Total number of pages	Share of all pages accounted for by advertising for:		
		Recruitment %	Property %	Cars %
London Central	1,840	1.7	2.1	5.2
London East	1,272	0.9	1.7	10.7
Nottingham	1,234	0.8	0.9	8.9
Manchester South	1,092	1.0	1.0	9.1
Plymouth & Cornwall	1,092	1.3	1.3	8.3
Average		1.1	1.4	8.4

Source: MMC.

Annex

The classifications used in the measurement of content of the recruitment, property and cars categories were:

(a) Recruitment:

- careers advice;
- employment agencies;
- nanny and childcare agencies;
- personnel consultants; and
- secretarial services.

(b) Property:

- accommodation-residential;
- estate agents;
- property management; and
- surveyors and valuers.

(c) Cars:

- car (all classifications commencing with 'car');
- driving schools;
- engine reconditioning;
- engine tuning;
- exhaust systems;
- garage services;
- MOT testing;
- motor cycle accessories;
- motor cycle breakdown recovery;
- motor cycle and scooter dealers;
- motor cycle training and testing;
- motoring clubs and associations;
- tyre dealers and distributors; and
- windscreen services.