

Opportunity in Yellow Pages publishing outsourcing

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The information search business is growing globally and the use of yellow pages is set to increase. Despite the increasing competition faced due to rapid expansion of Internet and increasing presence of the web media, the yellow pages industry has been growing at around 2.5-3.5% per annum.

The US yellow pages market is estimated to be around \$15 bn and makes up for almost half of the global market. It is slated to cross \$18 billion by 2012. Compared to offshoring in publishing services as a whole, the offshore potential in yellow pages is high. The opportunity in directory yellow pages offshoring is estimated to be around \$1.1 billion currently.

The costs for acquiring and composing advertisements make up for half the costs of a yellow pages publisher. Several services pertaining to these two costs like Display and In Column Ad Design, Pagination, YP AD Production are offshoreable. The employee skill sets required for servicing the publishing industry are also transferable.

The publishing outsourcing industry in India is focused primarily on the STM/Educational publishing segment. There is an increasing number of vendors extending their capabilities to service emerging segments like directory publishing. The production process is more offshoreable than printing from the Indian point of view, as it involves non-physical transfer of data. The cost of production personnel in India is almost 7 to 8 times lower than those in the US. For an average \$16/hour for a graphic designer in the US, an Indian counterpart costs approximately \$2.5-3.5/hr. While Indian vendors can provide a significant cost advantage; to succeed, they need to identify changing customer needs and adapt new technologies to their advantage.

According to Aradhana Kolhatkar, analyst ValueNotes, "The information search business is burgeoning globally and usage of yellow pages is definitely set to increase. Online opportunities provide an entire gamut of services that can be done remotely. Attracting large customers is a challenge for vendors, however the growing number of titles by independent publishers also presents a big opportunity".

ValueNotes has been tracking the publishing outsourcing space comprehensively. The latest update to its report "Offshoring in the Publishing Vertical" focuses on the offshore opportunity in Directory Yellow Pages publishing.

About ValueNotes

ValueNotes Database is a leading provider of business intelligence and research, with expertise across selected domains and types of customer needs. Working with clients across the globe we have significant understanding of international markets.

About ValueNotes Outsourcing Practice

The ValueNotes Outsourcing Practice is one of the largest information providers on the outsourcing industry. Our Outsourcing Practice uses a comprehensive, analytical framework providing fresh insights into the fast emerging and yet, complex outsourcing space. We extensively track the outsourcing space in-depth through a regular analysis of news and events and continuous primary research and contact with the industry.

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