

Omg! Positive tone boosts Yahoo celeb site to top

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(AP) -- Think of the most popular brands in celebrity news, and you'll probably come up with a small list that includes Entertainment Tonight, US Weekly and People.

Consider the most successful celebrity [news](#) destinations online, and something else jumps to the top. For more than a year, one site has attracted more eyeballs than any other in the realm of celebrity [gossip](#): Yahoo Inc.'s omg.

With a dedicated staff of just five people, and more than a dozen shared with other Yahoo sites, the company has settled on a formula that Yahoo Media Group head Jimmy Pitaro calls "highly profitable," though Yahoo won't reveal details.

The fact that Yahoo's entertainment site outdraws rivals that aim to break news - such as TMZ.com, which broke the news of Michael Jackson's death - helps illustrate that success online doesn't always mean being first and having exclusives.

It also marks a rare success for the struggling Internet portal, which has shed thousands of employees and shuttered several businesses, a process CEO Carol Bartz accelerated after being hired in January.

While Bartz said at a shareholders meeting in June that she felt too many entertainment stories make Yahoo's front page, Pitaro said she's a solid supporter of the company's media properties in general.

Omg puts a light, positive spin on articles and other tidbits that mostly come from other news organizations such as Access Hollywood and The Associated Press. The vital placement of omg links and blurbs on Yahoo's home page gives it access to some 500 million unique visitors a month.

The strategy has vaulted the 2-year-old site past People and TMZ, both units of Time Warner Inc., as well as other popular celebrity sites like PerezHilton.com.

According to the latest figures from tracking firm comScore, omg clocked 20.6 million unique visitors in May, a 65 percent increase from a year ago and more than No. 2 TMZ and No. 3 People combined.

The majority of the omg traffic comes from people who click through Yahoo's home page, which critics and competitors view as giving it an unfair advantage. Although omg readers view on average half the number of pages once they arrive - about 16 compared with 29 for all entertainment news properties - the site is still top-ranked in overall page views in the category.

Other large media organizations have taken notice. In February, Microsoft Corp. and Hollywood production company BermanBraun jointly launched Wonderwall with a similar strategy of drawing traffic from a large portal - in this case, Microsoft's MSN. Like omg, Wonderwall runs on a small staff, about a dozen full time.

"Our traffic has been beyond any estimates that any of us had projected," said BermanBraun co-owner Lloyd Braun, a TV executive and former head of the Yahoo Media Group.

In April, the last month its data were broken out, Wonderwall had 9 million unique visitors, putting it past People and into third behind TMZ

had it been ranked by comScore among other entertainment news sites.

"They would not be there were they not affiliated with a Yahoo or an MSN or these large corporate entities," said Perez Hilton, the celebrity blogger who runs PerezHilton.com. "I think their numbers are misleading."

Omg, like its rivals, says it has been gradually succeeding at deriving more of its traffic "organically," through search queries or people bookmarking the pages. But there's no question traffic from the portal helps it stand out among some 1,000 or so celebrity news sites that have popped up, and occasionally dropped out, over the past several years.

The tone of omg, like Yahoo itself, is bright, breezy and nonjudgmental. Blurbs written by omg staff link to original stories and photos elsewhere on Yahoo or at other sites.

Following Jackson's unexpected death, omg took a respectful, celebratory view of the pop icon's life through photo galleries and celebrity reaction stories, leaving the hard-driving news pieces to Yahoo's front page and news site.

"We just like to tell the happy view on what's going on in the entertainment world," said Sibyl Goldman, an entertainment group vice president.

That bright spin has attracted advertisers worried that appearing next to salacious scandal stories would turn off some consumers. State Farm Insurance Cos. has sponsored a series of short celebrity-mom interviews, targeting mothers in a conflict-free format that avoids some of the celebrity muckraking of other sites.

"It's not all about traffic," said Ed Gold, the insurance company's

advertising director. "Our goal is not to put State Farm into environments that aren't appropriate to our brand. There are some ([celebrity](#) sites) that may go a little bit too far in what they cover."

People.com Editor Mark Golin said that while such sites may capture a lot of visitors, reliance on a portal home page may not work in the long term. Although People benefits from links on AOL's home page and other sites - even omg - Golin said most traffic comes to the site directly. People writers work both for the magazine and the Web site although he wouldn't reveal how many.

"We have our own reporters. We create our own center of gravity," Golin said. "Even should readers hear a piece of news somewhere else, they'll still end up coming to us to make sure it's true. You don't necessarily get that with an aggregator."

Benefiting from the largesse of a portal is nothing new: TMZ launched in November 2005 attached to the AOL home page. What is astonishing about omg and Wonderwall's success is the lack of any aspiration to break news, while focusing on glossy, magazine-like packaging and photos.

"I think omg is great for what they do. It's different from what we do. We break stories," said Harvey Levin, executive producer of TMZ. "You shouldn't be reliant on another place for getting all your traffic It's just better business."

Levin said his reporters try to ferret out court documents, produce original video clips and obtain exclusive information.

Major breaks have included the anti-Semitic tirade by actor Mel Gibson during a drunk-driving arrest and racist epithets Michael Richards hurled at hecklers at a West Hollywood comedy club. TMZ also broke the news

of Jackson's death more than a half-hour before traditional news organizations.

In the fight for attention and Internet advertising dollars, Pitaro makes no excuses.

"If you consider our competitors who have siblings that are TV broadcasters, they get tons of promotion on air," Pitaro said. "We're differentiating ourselves by striking the right tone and aggregating the best content on the Web."

Although the page view count at omg, Wonderwall and other entertainment sites is staggering, revenue is likely to be fairly small (Yahoo doesn't break out figures for omg).

Companies pay roughly \$10 or more for every 1,000 people who look at a Web page with their advertisement displayed. With 321 million pages viewed in May, that's an estimated \$3.2 million in ad revenue - more than enough to cover five salaries, but peanuts for Yahoo, which averaged about \$600 million in monthly revenue last year.

Online entertainment news is also getting more crowded with well-financed players. Along with Wonderwall, February saw the launch of DailyFill from News Corp., though there are no plans so far to link it to the company's traffic behemoth, MySpace.

Pitaro said the company intends to keep a tight rein on costs, while focusing blogs or videos on topics that [Yahoo](#) knows its users are interested in, based on the most popular search terms, which are usually about celebrities.

He said he's not scared of the new competition, either, even from sites that have mimicked omg's photo-centric navigation page.

"We love the idea that others are investing in the space, because together we'll all be generating buzz and interest in this arena," he said. "But hopefully we'll all grow."

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