

From the Lab

That is the question. The Federal Trade Commission's (FTC) national "Do-Not-Call" list, despite its controversy, is already having an effect on our industry. Marketers show mixed emotions — some think it will kill the business, while others think it's a great tool for weeding out those people who won't talk to us anyway.

Regardless, the likelihood is that our pool of "telemarketable" direct buyers is going to dry up considerably, which is all the more

reason to focus on increasing the value of the remaining customers. This month, TEST takes a look at considerations for outbound telemarketing to maximize every customer, as well as every kind soul who has opted to leave his or her name off the national list.

Key Characteristics of a Successful Outbound Campaign

1. THE FILE

How old is the file? If the original purchase is fresh in the mind, and the contact rate is excellent, the more legitimate buyers you can contact, and the more you can sell. Here's a key for expectant response according to the age of the file:

File age (in days)	Expected response level
0-30	Very responsive
30-90	Responsive
90-180	Moderate
180-365	Limited
1 year +	Very limited

How much was spent on the original purchase by those on the list? The higher the price point on the customers' original purchase, the better chances at outbound success on the list.

Is the product similar to the ones purchased by those on the list? Obviously, you want to market to a customer who shows an interest in your offer category. If there is no relationship to the original purchase, it's difficult to make an outbound call work.

2. THE OFFER

Is it a great value? The key is creating an amazing value unavailable anywhere else. Part of this is making it an even better deal than what the customer originally got, which is why the higher price point on the original purchase is important. You need to be able to offer a great value, while still turning a profit when it's going to cost you a minimum of \$25-30 per order in telemarketing.

Is it related to the original product purchased? It may seem counterintuitive, but some of the best outbound campaigns are simply calling back and selling more of the same, or selling an enhancement of the original product. Why would consumers who bought a pasta maker want another pasta maker? If they were sold on the original idea, and they can later get it at half-price, they'll get another one as a back-up, for gifting or other reasons. The fact is, they were sold on it once, and if they liked it, you can find a way to sell them on it again.

3. THE SCRIPT

Harkening back to product affinity. Being able to refer to the original purchase or product is key. This allows you to create a relationship with the person on the phone, and gives you a greater chance of keeping them on the phone.

Overcoming objections. Creativity in an outbound script means overcoming objections before they even have a chance to come up. For instance, if the original purchase was a diet drink that tasted horrible, the outbound script should acknowledge it and offer an answer to the problem. With outbound scripting, there is nothing like candor to create trust.

Likely results for outbound calling to DRTV customers

Conversion percentage	Results
Less than 8%	Not likely to be profitable
8%-10%	Average and workable
11%-20%	A "home run" campaign



Founded by Adam MacDonald, TEST Marketing Group gives direct response marketers an edge by combining in-depth knowledge and "big picture" DR experience to provide uniquely creative and practical input in developing a successful DR campaign. TEST also provides help selecting the right inbound and outbound telemarketing, fulfillment, media and manufacturing vendors for their clients' specific needs. For the latest trends in creative direct response marketing, call (714) 979-5555 and ask for Adam MacDonald, CEO, at ext. 202 or E-mail adam@testmg.com.