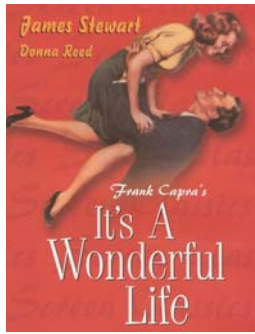




It's A Wonderful Life With A Phone!

© 2005 By Darlene D. Richard
PO Box 401 Milsons Point NSW 1565
www.CustomerResponseINTEGRITY.com

Originally published in
Marketing Magazine
December 2005



It's a Wonderful Life With A Phone!

By Darlene D. Richard

The Spirit of Christmas is upon us -- the New Year is about to dawn. When it comes to phone-based marketing, sales and services, there may be some interesting "packages" lurking under our tree.

I recently watched "the best loved Christmas film of all time", the 1946 classic, *It's a Wonderful Life*, starring James Stewart and Donna Reed. As I watched I thought about our telemarketing- the industry dedicated to meeting customers needs through the phone in a friendly, efficient and cost-effective way.

The film is about George Bailey -- who spends his whole life helping others at his own expense only to feel as though it has all been for nothing. As Christmas draws near, his despair only seems to grow as a miserly millionaire-bully - Mr. Potter - causes George increasing trouble at the bank where he works. On the verge of suicide, George's guardian angel is sent from Heaven to show him one simple lesson: What life would have been like for all those around him had he not been born.



© 2002 Magna

Could any of us imagine a world without the phone?

What might be our choices for communicating at a distance? Well, we could try fire and smoke or Chinese rhythmic drum code. We could carry mirrors around and as long as the sun was shining, we could flash people our messages. We could write and send letters (no faxes though because they rely on phone lines).

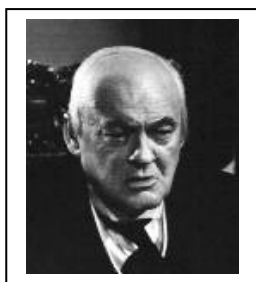
We could use Morse Code or HAM and CB radios (all you need is a handle (a name you use on the air, like "Big Foot" or "Big Mouth" or "Big Foot In Mouth"). Most of the equipment would of necessity be a bit bulky, but with no phones perhaps it's worth it.

Telephone technology was invented in the USA but not used much till around the late 1940s. The word telemarketing was coined in 1960. And then in 1961, it happened! A direct mail marketer, Murray Roman, conducted the first significant, outbound telemarketing campaign in history. His client was Lee Iacocca at Ford Motors.

From the two million calls made -- an average of 46,000 sales leads were generated daily during the height of the campaign. People were thrilled (customers and Ford Motors)! They had never before experienced a more convenient, cost-effective, easy and quick way to do business!

We've Come A Long Way

No, we couldn't imagine a world where business didn't ultimately depend on telephony. Yet there is so much misunderstanding about our contribution - you have to wonder if it's all been for nothing - if we might as well just jump off a bridge!



Of course, it's not technology, equipment or cables that cause problems; it's the "Mr. Potters" who've infiltrated our business. The single-minded, greedy, cold hearted, calculating people who want to "make a million dollars on the phone overnight". These unscrupulous people disdain honourable business practices to set up contact centres in remote garages or warehouses --even in other countries, armed with lists of names and phone numbers to dial. When or if, they caught simply move to another location.

I've Had Enough!

Telemarketing and customer service have lost the plot! I don't want to pick up the phone one more time to listen to someone traipse through a script for five minutes, before I can get a word of rejection in edgewise!

I don't want to receive another call where the telemarketer was so worried about results they asked me to just say yes now and I could my order in the next two days or they wouldn't meet the evening quota and get fired!

And I don't want to receive one more call from a pushy person with a thick, unintelligible Indian accent who won't take no for an answer -- and even if you hang up calls you right back to keep insisting - no matter what country they're calling from.

The Big Move – Customer Service?

I just moved after six years in my previous residence, so had to change phone services. I dialled the phone it rang twice and I was greeted by a professional-sounding, smooth-talking, promise-her-anything-kind-of-guy, named Tim.

He spoke quickly and expertly about the phone lines, the fax lines, the cable broadband and my cable TV - all on one, easy-to-manage package. I wrote furiously trying to remember all the promises.

And then it was over - like an unsatisfying sexual encounter -- I was left sweating, feeling confused and frustrated. But moving held too many other pressures for me and I needed to believe Tim cared about me and my business.

After three visits by the installers everything fell over at least once. Then my cable broadband just stopped working one morning. I did everything I knew to fix it and then called the help desk. I was greeted by a technical and jargon-filled, seven-layer IVR with no "opt out" to reach a human being.

After three attempts, I managed to reach a mechanical female voice that took secret satisfaction in talking down to me. She had me reluctantly pulling cables, turning things off and on, going into black screens, reinstalling software, to no avail. I'd have to have a technician come out. The first appointment was in three weeks and they'd charge me if I messed anything up! This was not going well!



I slammed the phone down and started fiddling around myself until surprise - I fixed it! I called the help desk back, hoping to get mechanical woman, so I could gloat, but a guy answered the phone. I prepared him "gently" for the fact that I was a customer on the verge of a nervous break down and determined to take anyone I could with me. He laughed!

My anger vaporised. He said he knew how I must feel and congratulated me on fixing the problem myself. He apologised for the unsatisfying experience and convinced me to make a formal complaint. Couldn't imagine it would matter but had a long conversation with a supervisor, about the help desk auto-matronatrix and over-eager Tim.

In the end to get my phone lines all working, it took 23 calls to 14 different people, four technician house-calls, over 19 days all completed nine days after my move! I still don't know what the pricing is and hope I didn't sign up for a couple years!

A Current Affair

Right before all this transpired (lucky for the brontosaurus telephone company!) I was interviewed for a segment of "A Current Affair" about how a national "Do Not Call Registry" might affect the industry and callers.

In preparation I investigated the state of the industry in Australia. Even with all the bad press, over the last three years, the growth in phone transactions has increased 25 percent and the number of workstations in contact centres has grown eight per cent (not including the huge number re-located off shore).

USA - National Do Not Call Registry

In the United States, annual telemarketing revenue exceeds \$1 trillion with an average growth rate of 20%. Eight million people are employed in the industry. They installed a National Do Not Call Registry October 2003.

1991	27 thousand people were on the "Do Not Call" list
Today	60 million names were put on the Do Not Call list, including mobile numbers (Many of these are from an unlikely & unexpected source: companies who believe by filing their entire databases on the list their customers are protected from anyone else ever calling them!)

In the USA each year, about 15% of phone numbers change, 27 million people move their phone provider from a land line to cell phone -- together with the Do Not Call registrants, there are now about 100 million phone numbers you can't call -about half the population!

Not surprising, many people are now trying to get back onto the lists because, like George Bailey, they've had their own epiphany: In today's economy, it's not such a wonderful life when you can't enjoy direct marketing benefits!

Early estimates anticipate negative effects on business from the poorly-managed and administered, National Do Not Call Registry to reach as much as 25%-50% with a loss of up to half the telemarketing jobs. Certainly not a good result.

It Must Be Working!

What would it be like without telemarketing and customer service? Oh, yes, of course, no one would interrupt you at dinner time. But, have you EVER been interrupted to hear an offer that did appeal? I have, and believe me I'm a hard sell. I've made donations to worthy charities; have completed surveys for issues I felt passionate about - all at dinner time. So I know telemarketing still works. In fact, in Australia, annual estimates are:

- 30 million calls are made
- through 4,000 contact centres.
- The industry has boomed to an estimated \$86 billion (combining the costs of running internal contact centres with turnover of outsourced contact centre operations).
- And it's growing at 25%.

To put it in perspective:

	Phone-based Sales	Retail Sales (Retail Trader's Association figures)
Growth since 1977	75%	4%
Amount of Sales	\$86 B	\$138 B

Over 220 thousand people were employed in the contact centre industry by 1998 (an increase of 144% since 1977!) And the Internet has extrapolated -- not diminished -- the growth of phone activities. As many as 20-25% online transactions continue to result in contact through another channel (most frequently the phone).

Australian Direct Marketing Association Have Their Own List

Over 20 years ago, the Australian Direct Marketing Association (ADMA) set up the first "Do Not Call" registry here. It remains a significant benefit for members, members of the Australian Teleservices Association and reputable companies that subscribe to the service. When someone calls ADMA to be put on their Do Not Call list, the request only reaches ADMA member organisations and those organisations that subscribe to the service!

Direct marketing professionals never want to contact someone who doesn't want to be contacted - why would they?! The idea of direct marketing is to contact people who have identified themselves as

interested in what's offered. That way the customers are delighted, businesses don't waste calls or time, results are better, stress on staff is minimised, organisations and customers can save money. It's the classic win/win scenario direct marketing was built on!

ADMA works tirelessly with legislators, politicians, other professional associations, trade unions and educators to help successfully represent, monitor and build the industry.

In the last few months, interest in a National "Do Not Call" registry has increased -- driven by news media reports (such as the "A Current Affair" segment I participated in), by politicians, other industry associations, even ADMA members (who should know better).

The result: huge numbers of people are calling ADMA to demand they be put on the Do Not Call list.

The calls are usually not the best. Some are surprisingly negative, abusive, even threatening. Some callers refuse to leave their contact details, believing ADMA already has everyone's details and a secret way to know who's calling.

The truth is ONLY ADMA members adhere to their code, standards and guidelines and ONLY ADMA members have access to the "Do Not Call" list. Calling ADMA doesn't -- and never has had anything to do with the National Do Not Call Registry, which doesn't actually exist yet.

No One Can Stop Unsolicited Calls but YOU!

Please read that headline again. Registering your details with the ADMA "Do Not Call Registry", or the eventual, National Do Not Call Registry - will not stop unwelcome calls. Neither will the newly-cropping-up, private "do not call" mercenary groups trying to mislead the public with the promise that if you just pay them a little money they'll guarantee to do what no organisation has the power to do (yet or maybe ever), without destroying the free enterprise system!

You can put your name on any do not call registry in existence, but as long as you have a phone number that's published somewhere you'll receive calls. Even silent numbers have been breached through the unscrupulous sequential dialling machines.

Individuals may be contacted unless they specifically tell each company they do business with not to contact them in the future by any media and for any reason. Additionally, a customer can further define their wish: not to receive mail or phone calls or e-mails or SMS

messages or all media. They can even prohibit all marketing messages, but not, for instance, new product or pricing updates. Each company is then responsible to abide by this.

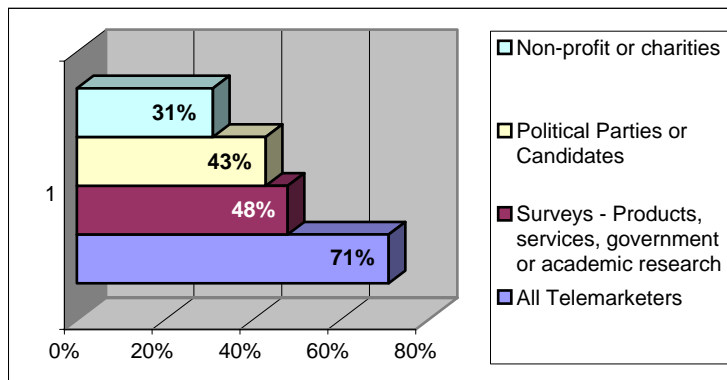
Realistically, if you don't want someone to call you or contact you through direct marketing channels, you'll have to hire someone to pick-up and sort your mail and/or screen your calls. Or you could move to the moon (no area code or post code there - yet!)

Keep in mind ALL "Do Not Contact" schemes don't and can't regulate or prevent calls from:

- Unscrupulous, under-the-radar operators
- Research surveyors
- Politicians
- Non-profit organisations.

Almost all the unsolicited, unwanted calls I receive are from surveyors, charities and non-profits! Where can I register for no calls from these groups or from politicians and why aren't they included?

Calls Annoy Households - % of Americans bothered by calls from:

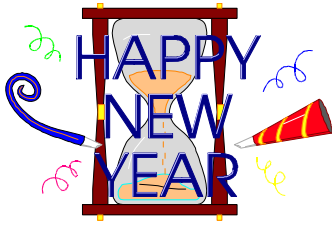


Source Harris Poll of 1,011 adults conducted 12-17 August 2003

We Need To Work Together

NO ONE CAN STOP UNSCRUPLOUS CALLS until the public helps. People need to be more aware of the facts and know to capture the identity and contact details of "questionable" organisations that contact them.

New Years Resolutions



I hope your holidays are inspiring and rejuvenating and that the New Year promises all the best for you and your organisation. And consider these four New Years resolutions

1. For 2006, let's resolve to take action together to return control to the customer - to empower them with the truth and give them practical ways to help us all be more successful in business.
2. Let's take a more active role in forming and supporting the most effective and beneficial National Do Not Call Registry possible.
3. Let's work together to identify and stamp out the "Mr. Potters" who are trying to destroy our industry with their self-indulgence and disregard for the people they are abusing and alienating.
4. Let's remember the customer and return to the original philosophy of direct marketing: provide the most convenient, immediate, intimate, consistent, cost effective and friendly way of doing business for the customer.

Or we could just go jump off a bridge!

C:\Documents and Settings\DSE\My Documents\Writing\MarketingMag\ItsAWonderfulLife 4Dec 2005\ItsAWonderfulLife V-2.doc