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Nik Margolis

is Client Services Director at Inbox Media, a specialist digital direct marketing agency. Nik has over ten years' experience in various direct marketing disciplines, including stints at Brann and Proximity, London, and has worked with a diverse range of clients including Barclaycard, Volkswagen, Royal Mail, Vodafone and BMW.

Telemail — New efficiencies in lead generation

Nik Margolis

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Abstract

This paper outlines the benefits of Telemail. Telemail is the integration of e-mail marketing and telemarketing. Early adoption of the technique has been within the context of lead generation and qualification. Here, the aim of Telemail is to provide client companies with a more efficient and effective method of lead generation. This paper outlines how such efficiencies are achieved, and also assesses the impact the Telemail approach may have on a brand.

Keywords: telemarketing, lead generation, e-mail, brand, Telemail

Context

At the heart of any lead generation campaign is one critical issue — the cost of generating a highly qualified lead. While a lead may vary in terms of its qualification requirements, the basic question as to how much it actually costs to generate will be a fundamental component of the campaign measurement metrics.

Various factors may influence what cost is acceptable and what is not, including the conversion rate of lead to sale and the value of the sale itself. But any technique or strategy which brings down the cost of generating such a lead will obviously be beneficial.

There are specialist call centres that work within the business-to-business marketplace. This is a high-value area where a lead can often be converted to generate six-figure revenues for client companies. But, regardless of the value of the eventual sale, the 'cost per lead' is always a fundamental element of campaign planning and performance measurement. Often this may be the only factor when deciding between telemarketing providers.

The very nature of outbound telemarketing to high-level decision makers means it has never been part of the more commodity based/volume telemarketing activity, typical of that in business-to-consumer. And as more telemarketing targets senior decision makers, they have begun to ringfence themselves, arguably with good reason. This is why, in this arena, a telemarketer may work for an entire day and only hold one or two 'meaningful conversations' with decision makers.

This 'ringfence effect' has also had a major impact upon direct mail. As more and more business-to-business direct mail is delivered to a secretary or PA 'en route' to the decision maker, an increasing proportion of it finds its way into the bin, as evidenced by the decline in B2B response rates in recent years.

Telemarketing, therefore, has to work exceptionally hard to reach these

Nik Margolis
Inbox Media
Contact House
High Street
Wanborough
Swindon SN4 0AE
UK
Tel: +44 (0)1793 348880
Fax: +44 (0)1793 448899
E-mail: nmargolis@inbox.co.uk

decision makers. The author's company has experienced the increasing difficulty of reaching this audience.

'When we started out in the mid-80s, telemarketing was still relatively novel. As long as the message was sound and delivered in a professional manner, reaching the ultimate decision maker was an achievable task. However, with the development of voice-mail and more aggressive "gatekeeping", getting through to the higher-level decision makers, the financial or IT director for example, is becoming increasingly difficult.

While a determined, persuasive approach goes a long way to overcome some of the obstacles, often this is not enough to secure a successful conversation.'¹

Inevitably, such market conditions have meant that while telemarketing remains one of the most highly sought-after channels in respect of targeting this audience, in relative terms the efficiency of this medium has decreased. To put this into context, this is best demonstrated through the old telemarketing term, 'DMC rate'. The DMC rate (decision-maker contact rate) effectively illustrates the number of *meaningful* conversations a telemarketer will have in any given hour. The definition of 'meaningful conversation' also varies, but for the purposes of this example one can use the following definition: 'a conversation with a decision maker (not a PA or an assistant) where the purpose of the call is outlined and a positive or negative outcome recorded'.

Table 1 illustrates the impact of the decline in DMC rates in respect of high-level business-to-business telemarketing.

It is worth noting that the only variable is the DMC rate — ie while conversion rates (the number of sales leads generated as a percentage of contacts) may be affected by offer, or script, the actual contact rate alone may account for a huge variance in respect of cost per lead.

Early in the year 2000, the author's company was asked to assess the feasibility of using rich-media e-mail as a support to outbound business-to-business telemarketing. The aim of this project was to improve the efficiency of the telemarketing tool.

A definition of rich-media e-mail marketing

Rich-media e-mail marketing differs in many respects from the e-mail marketing still executed by many large brands in the UK and worldwide. Whereas the vast majority of e-mail marketing is traditional text or HTML, rich-media e-mails in the context of truly integrated e-mail and

Rich-media e-mail marketing

Table 1: Declining decision-maker contract rates

DMCs required	DMC rate	Hours required	Cost (@£30/hour)	Conversion rate (%)	CPL (cost per lead) (£)
1,000	5	200	6,000	12	50
1,000	3	333	9,990	12	83
1,000	1	1,000	30,000	12	250

telemarketing are both more engaging and more sophisticated in their tracking and measurement.

Personalisation

Experience has delivered results that support the premise that the principles of direct marketing apply perhaps more vehemently in this channel than in any other. As such, the relevance of content is paramount, and personalisation has a major bearing on results.

The campaigns and projects executed by the author's company, the experience of which forms the basis of this paper, will usually include moving images and sound, both of which can be personalised. This personalisation may include audio personalisation (for example, Churchill the dog — the eponymous insurance figure — may welcome the viewer with 'Hello Richard', where Richard is the name of the recipient), as well as elements of graphical personalisation.

Versionalised content

In much the same way, engagement is increased by versionalisation of the e-mail. This includes the ability to present content (usually HTML) based on information held on a database. To put this in context, such an example might include a mailing on behalf of a car manufacturer where the HTML content is based upon the model of interest to the recipient. So while one template is mailed out, upon the e-mail being opened the content is delivered by the *database*, so those with an interest in MPVs have their e-mail containing such information while the more sporty coupé prospects receive information about models relevant to them.

Measurement and tracking

E-mail tracking

Similarly, measurement and tracking needs to be both real time and at contact level. For the purposes of truly efficient integrated telemarketing and e-mail marketing, the following interaction with an e-mail must be tracked and recorded at contact level, in real time:

- when an e-mail is delivered
- when an e-mail is opened
- when *any* link within the e-mail is clicked.

Opt-in e-mail

E-mail marketing *must* be permission based to be effective, and *must* be relevant. Combine this with engaging presentation and sound, and as a stand-alone solution this technology can provide response rates which far exceed any other channel. When combined with telemarketing in the form of a 'Telemail' solution, however, the results start to rewrite the rulebook.

Telemail

Behind the successful integration of telemarketing and e-mail marketing lies the fundamental support for all direct marketing — a comprehensive and well-populated database. As mentioned above, 'old school' rules most

definitely apply, so the data need to be clean and accurate, as well as recent.

Technology allows e-mails to be delivered which effectively present themselves as a mini TV advert. This may include advanced elements of personalisation, such as recipient name, company details and location or transaction history. In the context of Telemail, however, it also presents significant advantage to the telemarketer, because of the real-time tracking of each recipient's interaction with the e-mail itself.

Rich-media e-mails deployed by the author's company usually contain a number of 'call-to-action' buttons, often as follows:

'call-to-action'

- request contact from company
- clickthrough to website
- forward e-mail to a colleague or friend
- remove me (unsubscribe).

Such call-to-action buttons are circled in Figure 1.

As each e-mail is delivered to the recipient, the database records any interaction with the e-mail, including the 'clicking' of a button as outlined above on the deployment database. This, and other information, may be presented in any format (including to a telemarketer) in real time.

The information available includes the following:

Figure 1: Example of rich-media e-mail (©Twentieth Century Fox/Inbox Media 2003)

- date/time sent
- date/time delivered
- date/time opened (recorded each time the e-mail is opened)
- date/time of any interaction, eg clicked through to website, requested contact from the company, forwarded the e-mail (including contact details of the 'new' recipient) or request to unsubscribe (recorded on database and automatically suppressed from future activity)
- bandwidth information of recipient's PC
- flash version of recipient's PC.

Naturally, such reporting presents the telemarketer with a significant advantage in respect of follow-up activity.

The Telemail approach

This reporting and tracking is useful in respect of any e-mail deployment, but adds substantial value when integrated into a combined e-mail and telemarketing lead generation project.

The Telemail approach operates on the core framework outlined in Figure 2, with subtle variations according to client and project need.

The advantages of the Telemail approach are numerous, and include the following.

Initial contact

One of the standard 'closures' given by a contact in respect of a telemarketing call involves citing the increasing pressures of time and workload. Often a contact will explain that they do not have time to take the call, sometimes asking for information to be sent instead. The Telemail approach allows a telemarketer to use and court this attitude in a positive way.

Frequently, the telemarketer will proactively raise this as part of their initial script when they first make contact. For example, the telemarketer may mention time pressures, and out of respect for the decision maker's workload and responsibility ask permission to e-mail some simple information through. Not surprisingly, most decision makers respond very well to this approach and agree to be e-mailed on the basis that the telemarketer will only contact them again if they show interest in the content of the e-mail.

The telemarketer is then able to verify the e-mail address of the recipient, and potentially any further data fields which may be brought into the personalisation of the e-mail. Once this information has been validated, the e-mail is deployed by the telemarketer, using functionality within their database.

Flagging

Upon delivery, any interaction may be flagged with the telemarketer. Each campaign has its own criteria for such flagging, for example:

- notify telemarketer when e-mail is opened for the first time
- notify telemarketer when e-mail opened three times
- notify telemarketer when recipient requests contact
- notify telemarketer when recipient clicks through on a specified link

Figure 2: The Telemail framework

— notify telemarketer when recipient forwards the e-mail to another contact.

It is then up to the telemarketer when to make further contact with the recipient, but in most cases this is when a recipient clicks through to a website to find further information or when a recipient proactively requests further contact.

Follow-up telemarketing

The telemarketer will always reference the e-mail when they are following up information sent in this way. Using the Telemail approach means the telemarketer can see exactly when each contact is reading the e-mail or viewing the appropriate website. Consequently they can be reasonably sure of getting through to the decision maker. Even if the call is directed to a gatekeeper, the telemarketer can explain that they are calling because the contact is, at that precise moment in time, looking at their website. This usually provides sufficient impetus to ensure the call is put through, and raises the DMC rate accordingly.

Telemail consequently ensures that the efficiency of telemarketing is increased because telemarketers are effectively only contacting warm prospects: prospects who have read an e-mail about the product or service in question, or who have clicked through to a website for further information. This obviously means they are much warmer to the sales message than people who may not be aware of the product or service at all.

Conversion

Conversion rates

Generally, making follow-up contact in this way not only enhances the contact (DMC) rate, but also the conversion rate. The ability to contact someone over the telephone while they are browsing your website is obviously a powerful tool and this is borne out by results of Telemail campaigns.

Similarly, the rich-media content of the e-mail provides ample opportunity to highlight the benefits of the product in much the same way a TV advert does. The ability to tailor the rich-media content to reflect the data held gives valuable extra relevance and impact.

Telemail is often extended outside the traditional bureau environment — for example, where the activity is targeted to a mix of customers and prospects. In such instances it may be that some data are ‘owned’ by a particular salesperson or team. For example, activity undertaken on behalf of Vodafone often sees engagement with a rich-media e-mail triggering further (follow-up) contact from client-side sales teams. This has proved to be a particularly enriching experience.

‘We launched a fleet tracking tool (Vodafone Locate You) using Telemail and were astounded by the results. We had worked with HSM in the past and knew their contact and conversion rates were good, but Telemail improved them further. However, it was really brought home to us because Inbox integrated the activity with their SMS gateway. This meant if a customer who had a Vodafone Account Manager showed interest in the Locate You product, their actual Account Manager instantly received both an e-mail and an SMS alert detailing the customer’s interest, along with their contact details.

For the sales team, these really were easy pickings. The speed of the follow up, and the fact that it came from the respondent’s actual Account Manager, meant that on the basis of good customer service they were virtually predisposed to signing new business with us.’²

Telemail — Benefit summary

The benefits of Telemail can be summarised in the following key areas.

Telemarketing efficiency

Telemarketing efficiency

Telemail increases the efficiency of traditional outbound telemarketing in a number of ways. The ability to make contact with a prospect when you know they are reading your e-mail presents efficiencies in respect of contact and conversion rate. The preliminary approach whereby the sole objective of the call is to obtain permission to deploy e-mails also represents improvements in contact rates.

Traditional telemarketing, whereby a contact must be spoken to directly and a 'full' script conveyed, may generate a contact rate of two or three contacts per hour at best. Changing this strategy to obtain permission to deploy an e-mail, where permission may be obtained at contact or switchboard/PA level, increases the number of contacts and associated e-mail deployments greatly, in some cases up to five or six an hour. This is not simply due to the fact that if a decision maker cannot be contacted directly, alternative permission may be sought; it also reflects the much shorter call length associated with such telemarketing objectives. Whereas a traditional telemarketing call to a decision maker may take in excess of ten minutes, these calls are often completed in a fraction of that time.

Similarly, conversion rates are often higher where the e-mail has preceded the follow-up call, often twice as high as cold-list telemarketing. This is also a reflection of the rich-media content of the e-mail which plays like a personalised TV advert. The rich media serves to direct the recipient to the HTML content, which in turn attempts to generate clickthroughs to the appropriate website.

In numerical terms this is best evidenced in terms of how the approaches might utilise a given resource, say 1,000 telemarketing hours, to a database where e-mail addresses are held and permission has been given to telemarket (Tables 2–4).

Table 2: Traditional approach

Hours	DMC rate	DMCs	Cost (@ £30/hour)	Conversion rate (%)	Leads	Cost per lead (£)
1,000	2	2,000	30,000	10	100	300

Table 3: Telemail — Initial approach (permission to deploy e-mails)

Hours	DMC rate	DMCs	Ok to mail rate? (%)	E-mails deployed	Cost (@ £30/hour)
700	10	7,000	90	6,300	21,000

Table 4: Engagement

Open rate (%)	70 (4,410)
Requests for calls (% of opens)	2 (88)
Clickthroughs (% of opens)	25 (1,102)

Table 5: Follow-up telemarketing

Hours	DMC rate	DMCs	Cost (@£30/hour)	Conversion rate (%)	Leads	Cost per lead (£)
300	5	1,500	9,000	20	300	100

The Telemail approach thus presents the telemarketing resource with a warm pool of 4,410 contacts to follow up. These calls will usually be made real time by the telemarketing resource, as and when interaction takes place, to ensure a slightly higher contact rate. Ideally this follow-up telemarketing will prioritise the contacts as follows (Table 5):

- people who have requested a call
- people who have clicked through to the website
- people who opened the e-mail.

As noted above, a consequence of this approach is higher conversion rates. While this may vary between ‘call me’s and clickthroughs, for the purpose of a simple illustration we have assumed what is in practice a relatively small uplift.

Broadcast Telemail

The example above shows the efficiencies available through building a permission-based database and using that as a foundation for lead generation activity. Naturally, the availability of an existing permission-based e-mail database means the approach can be simplified with an initial ‘broadcast’ of the e-mail staggered to allow for real-time follow-up by a telemarketing team.

Brand perception

It should also be noted that whereas the initial perception of telemarketing calls is often negative, the approach whereby a telemarketer voluntarily offers to ‘speed things up’ by simply e-mailing information is very well received.

Furthermore, the delivery of an e-mailed ‘rich-media’ communication, with full sound and moving visuals, does much to enhance the perception of brand and eases future contact, particularly if this contact is timed to coincide with the viewing of the e-mail.

Database growth

An additional benefit to the Telemail approach concerns targeting of messages. All rich-media e-mails sent by the author’s company carry

Brand perception

database-driven forwarding options whereby a recipient can opt to re-personalise and forward an e-mail to a colleague to whom the content is better suited. Such a device is highly recommended for anyone engaging in e-mail marketing, whether in conjunction with telemarketing or not.

When such activity is carried out by the author's company, this information is recorded on the deployment database. Usually, upon forwarding an e-mail the original recipient is asked to enter not only contact details but also the job title of the new recipient.

Upon opening the forwarded e-mail the database recognises that the viewer is a new prospect. At any point when this contact attempts to interact with the e-mail (ie when they click on a call to action) they are presented with an opportunity to opt in to the communications programme and a simple yes/no button. Approximately 60–70 per cent of respondents opt in at this stage.

Not only is this a useful database growth device, it also means an e-mail may act as a magic bullet within an organisation. Recent activity for BUPA involved targeting HR managers with an e-mail about BUPA's onsite dentistry product. In approximately 20 per cent of instances where the e-mail was opened by the original recipient, it was forwarded to a finance director. All such forwarding activity is available to the telemarketer who deployed the original e-mail, thereby allowing them to follow up the opportunity with the more relevant contact.

Summary

The continuing fragmentation of media channels means that not only do brands have to find their own way to consumers, they have to find the right approach. More and more, this approach needs to be joined-up and multi-channel. Ten years ago, this was first evidenced with automotive brands sponsoring direct mail and telemarketing follow-up to provide uplift in response rates and driving dealer footfall.

As more and more marketers are discovering the power of e-mail marketing, the progression towards the integration of e-mail and telemarketing is natural. But only those marketers with an e-mail solution which can provide telemarketers with a complete picture of *real-time* prospect behaviour will reap the considerable benefits available from this approach.

References

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