



**TELEMARKETING
TIPS TO PUSH
YOUR BUSINESS
FORWARD**



Telemarketing, the practice of marketing goods or services by telephone, is widely used by businesses as a cost-effective means to increase revenue. Among a variety of other possible activities, telemarketing personnel are used by companies to contact the company's prospects, leads and others to make and promote sales.

Business-to-business marketers rely heavily on outbound telemarketing, also known as telesales, to gather information for marketing campaigns, qualify and verify leads, close sales and engage in other sales and marketing activities.

If you choose to outsource your company's outbound telemarketing needs, the success of your telemarketing campaigns depends to a large degree on the competence and professionalism of the call center you use.

This InsideUp Buyer Guide is designed to help you select outbound telemarketing services that are best suited to the needs of your business.

Types of Outbound Telemarketing Services

Outbound telemarketing involves two categories based on the type of customer a company is targeting: **business** or **consumer**.

Business-to-business agents need to be adept at speaking with a company's gatekeepers: the administrative assistants or receptionists who filter sales calls to the company's decision-makers. Agents should acquire an in-depth knowledge of the services you offer and have the ability to effectively communicate the benefits of your business services.

Consumer telemarketing requires the ability to engage prospects in a friendly manner and dispel doubts and objections while building the prospect's perceived need for your company's product.

Within these categories, outbound telemarketing encompasses many other related services, such as:

Appointment setting - An agent will confirm that a prospect is interested and use an online scheduling program. The call center can also send out reminder emails or voice messages as the appointment date nears.

Lead generation and qualification - Outbound telemarketing services can gather and verify data on prospects who demonstrate interest in your services.



Up-selling and cross-selling - Agents can suggest value-added services based on a customer's interests and previous purchases.

Lead nurturing - Telemarketing companies will continue to contact prospects who do not purchase on the initial sales call, offering additional information and discount offers to retain the prospect's interest throughout the sales cycle.

Customer retention programs - Your outbound telemarketing provider can maintain contact and help you build a relationship with your existing customers through a program of periodic follow-up calls.

Other services - Many outbound telemarketing call centers offer other services, which can prove very effective in building your business. These include:

- Multilingual Campaigns
- Integrated Web Interaction
- Enhanced Branding Strategies
- Customer Data Collection
- Customer Surveys
- Lead Management (CRM)
- Database Cleansing
- Customer Analysis
- 24-hour Customer Support
- Database Updating
- Seminar Registration

Advantages

Telemarketing has the invaluable advantage of **personal human contact**, which cannot be said of many other direct marketing methods. According to Robert J. McHatton in Total Telemarketing, "Used correctly by professionals, the telephone is the most cost-efficient, flexible and statistically accountable medium available. At the same time, the telephone is still very intimate and personal. It is individual-to-individual."



Outbound telemarketing is an important tool when it comes to **customer care**. Telemarketing agents can contact your customers to make sure they are getting the most out of your products or services, asking if they have any questions or concerns. Agents can keep your customers abreast of your latest deals based on their interests and provide useful information relevant to their concerns.

When an agent is on the line with a customer, they have the ideal opportunity for **cross-selling/up-selling** offers targeted to that individual. Skilled outbound agents are adept at finding the precise moment to successfully transform a customer service call into an opportunity for a sale.

After the initial sale, your outbound telemarketing services provider can continue to engage the customer with communications such as **customer satisfaction surveys**, which are an excellent means of gathering information regarding your customers' needs and areas of interest, allowing you to create more targeted future messages.

Telemarketing has the advantage of providing **immediate feedback**, giving you the opportunity to analyze the services and make changes as needed. Telemarketing scripts are very flexible and can be readily changed as your marketing strategy evolves. Outbound telemarketing can be **easily customized** to appeal to your segmented and targeted audiences.

Outbound telemarketing achieves **fast results**. A sales letter may remain on your customer's desk for days before they take action. Skilled sales agents, on the other hand, can help customers to reach a buying decision on the initial call.

Although the cost of a telemarketing campaign is greater than that of a direct mail campaign, response rates from outbound telemarketing are twice as high as direct mail response rates, making telemarketing the more **cost-effective** choice.

Outbound telemarketing also allows businesses to **avoid travel expenses** associated with in-person sales. Closing a sale through telemarketing typically costs less than one-fifth of what it would cost to send a salesperson to make a sale in person.

Telemarketing can be used as **part of a comprehensive marketing strategy** that integrates advertising and personal sales visits. For example, mail a sales flier with introductory information, then follow-up with a telemarketing call to gauge the prospect's level of interest; if interest is high, set up an appointment for a salesperson to visit.

Outsourcing your outbound telemarketing services can be much more **cost-effective** than managing an in-house outbound telemarketing department. It also eliminates the



time and expense required to interview, hire and train outbound customer service agents.

Outsourcing also allows you to offer **24-hour customer service** availability, which might not otherwise be economically feasible. Using outsourced customer service and sales agents lets you focus your efforts on other aspects of marketing your business.

Disadvantages

The outbound telemarketing industry has been affected by negative press coverage due to abuse of the system by disreputable marketers. As a result, governmental regulations such as the Do-Not-Call legislation have been activated to protect consumers. This does not need to have a negative impact on your telemarketing campaigns, however, if your service provider remains in compliance with relevant laws.

Excessive telemarketing calls can be annoying to consumers and businesses, but if you chose a provider whose agents demonstrate a high degree of professionalism, courtesy and discretion, the majority of calls to your prospects should prove successful. Your provider can take advance measures to qualify leads, ensuring that agents contact only those who have expressed an interest in your products or services.

Outbound Telemarketing Pricing

When comparing providers, look for a company that has low minimums, a flexible pilot program and customized pricing policies. Most providers prefer to bill at an hourly rate, but some call centers will perform an initial hourly test to determine a reasonable pay-for-performance rate. Tests can range from 50 to 500 hours.

Most US-based outbound telemarketing providers will bill between \$17 and \$26 per hour, depending on call volume.

Near-shore outbound call centers, including Canada, the Caribbean and Central America will charge between \$16 and \$20 per hour.

Offshore call centers will bill from \$8 to \$18 per hour. Most offshore centers are located in India, but the Philippines is also becoming a major supplier. Other offshore call center locations include Israel, Europe, Pakistan, South America and South Africa.

If you will be billed an hourly rate, make sure you agree on exactly what constitutes one hour of billable time. Does it include down time or break time, or does the company bill exclusively for time the agent spends actively calling.



Choosing an Outbound Telemarketing Provider

The telemarketing service provider you choose will be representing your company to your clients, so it is vital that you carefully select a company you can rely on. Take the time to compare various providers and choose one who will work with you to create a successful outbound telemarketing strategy.

Choose a company who will have a **project manager** available to consult with you through every step of your outbound telemarketing program. The project manager will help you to assess results and make any necessary adjustments.

Make certain your provider is in **complete compliance** with all state and local “Do Not Call” regulations. Both the outbound call center and the client is required to register with the FTC. You will need to provide the call center with your SANS number, which you will receive when you from register with the FTC. Compliance with these regulations is extremely important; violations can carry steep fines and penalties. Your provider should check all names against “Do Not Call” lists.

Be sure the call center agents are well trained and will present a **professional image** of your company to your prospective clients. The company should be able to assign the appropriate agent to reach your target customers. Selling business services to a senior executive, for example, will require a higher level of skill and knowledge and should be handled by a more seasoned agent with a high closing ratio.

Ask to sit in on the call center’s training sessions with employees. A reputable outbound telemarketing company should be welcome your involvement in the process of choosing the right sales agents for your company’s needs.

The company should be able to provide accurate lists, an important key to effective outbound telemarketing. A good telemarketing company will be **willing to test lists** so you can identify the most productive ones for your campaign.

Ask your prospective telemarketing provider about the type of software they use. Many companies use predictive dialing software, which enables agents to work more productively during high-volume campaigns. Note, however, that predictive dialing is not an effective tool for B2B marketing when contacting executives and decision-makers.

One of the most useful software tools is **preview dialing**, which allows agents to note details about each call, such as the best time of day to call, or the name of the person you need to contact. The agent will be able to preview these notes before the next attempted call.



Excellent outbound telemarketing involves more than just sales. Agents should be skilled at asking questions, nurturing leads, developing relationships and creating opportunities.

One of the best ways to find an outbound telemarketing service that meets the needs of your business is by simultaneously comparing and receiving quotes from various providers. Take advantage of the vendor matching service provided by **InsideUp** by filling out a simple form that describes your company's needs.

Glossary

(Courtesy of CallCenterTeam.com)

Abandonment Rate (AR)

The percentage of callers who hang up before their call is answered by a live agent or before they make a selection in an IVR unit. The Abandonment Rate can be calculated by dividing the number of calls abandoned (NCA) by the number of calls offered (NCO).

Agent

A call center staff member handling outgoing or incoming calls. There are a variety of names that a call center agent may be known as such as CSR, operator, or communicator, to name just a few

Answering Service

Call center service focused on taking calls on behalf of a person or business during break periods or after hours.

Attrition Rate (ATTR)

The rate canceled sales agents make which get cancelled. The Attrition Rate is calculated by dividing the number of cancels by the number of sales.

Average Delay to Abandon (ADA)

The amount of time the average caller who abandoned the call waited before abandoning.

Average Handle Time (AHT)

Total time required to handle a single call, on average. In an inbound call center, includes AWT, ATT, and the amount of Outbound Time spent on the incoming call. An accurate calculation is: $(TTT + TWT + TOT) / NCH = AHT$



Average Work Time (AWT)

Average time spent working on call related issues. While wrapping up the call and letting the customer go, the agent is still unavailable for calls while finishing up with the prior contact. It is calculated by dividing TWT by NCH

Calls / Contacts Per Hour (CPH)

An easy way to measure productivity in the call center. It is calculated by dividing the NCH by phone time usage of an agents shift.

Cancellation (CANC)

Canceling of a sale which is used when calculating the attrition rate.

Conversion Rate (CONV)

The percent of contact calls made that become verified sales. You can achieve this rate by dividing the number of sales into the number of contacts.

Dialer

Outbound call centers use this computer telephone technology to dial numbers automatically. It knows to hang up if connecting with voicemail, busy lines, no answers, answering machines and telephone company messages of deadlines. The dialer strives to match phone agents with customers as soon as the customers answer their line.

Direct Response

This is the process of measuring results of direct media. Types of calls that fall under direct response include reservation bookings, lead capture, surveys, coupon redemption, catalog order entry, dealer locate, fundraising and donation lines, information and referral, mail order fulfillment, market research, merchant processing, and more.

Exception Code

Code for tracking the incidences of various exceptions. The exception code for being in training may be TRNG. Meetings may have the code AtMeeting or MEET. The following codes defined are only sample exception code in which many call centers have their own in-house code systems.



Full Time Equivalent (FTE)

The number of full time employees needed to perform a certain amount of work. If the project workload is more than the needed full time staff, part time employees can handle the remaining workload

Headcount

It is total number of people that are employed in the call center? Not only the FTEs, but all employed individuals.

Loading Factor

This is also known as "shrinkage." They are unavoidable exceptions or planned use of time in addition to the hours spent handling calls. In the long term planning, forecasting, and budgeting process, we may have to take into account all of the following factors: coaching, meetings, paid breaks, scheduling, sickness, training, vacation and more. These hours should be added to the base requirement before arriving at a loaded total requirement.

Loaded Staff Required

The number of agents needed to handle the workload once all loading factors are taken into account.

Manned Over Paid (M/P)

A useful ratio for any call center, "M over P" is the relationship between hours logged into the phone system to payroll hours. Can be based on your phone staff only or can include payroll hours for all staff involved in the operation of the call center.

Number of Calls Abandoned (NCA)

This is also known simply as Abandons. The number of callers who hang up before their call is answered by an agent or before they make a selection in IVR. This is calculated by subtracting NCH from NCO.

Number of Calls Handled (NCH)

This is also known as Contacts. It is the number of calls that actually are handled by an agent or by the IVR system. Different IVR systems will have different definitions of "handled". On the agent side, the call is counted if it is answered by an agent. Also it is always less than or equal to NCO. Calculation is done by subtracting NCA from NCO



Number of Outbound Calls (NOC)

In an inbound call center, a count of the number of calls an agent places to other departments, other agents, or the outside world. Outbound calls are generally made while working on issues related to an incoming call like calling a customer back to let them know an issue is resolved.

Occupancy Rate (OCC)

This is the percentage of their logged-in time that your staff is occupied by calls or post-call work. The total time they are unavailable for another call. The total amount of time they're not idle divided by the total time they are logged into the telephone.

Personal Broadcast

The client or a call center staff member records the desired message and an automatic dialer calls all of the phone numbers in a database supplied by the client and relays the message.

Phone Time

This is also known as the Total Sign-In Time. The total amount of time spent signed in to the phone system.

Pre-announce

A pre-announce is a recorded informational or instructional message that is played to people who call in on a client's account. The line is answered by the system and the message is played before routing the call to a live call center agent.

Queue

This is a line...a bunch of people waiting...a place for people to line up, like in a tollbooth with a maze of cars waiting to come through. ACDs handle queuing in inbound call centers, keeping incoming calls in order and dispatching them to the first available phone agent.

Sales

A count of all sales made in a revenue-generating call center. It can also be called conversions or closes. Other terms may be used in outbound call centers where surveys are performed, and a completed survey is similar to a completed sale



Sales Per Hour (SPH)

A simple measure of productivity in a sales-oriented call center. It can be calculated by dividing Sales by Phone Time. If an agent makes 30 sales in 5 hours, she has an SPH of 6.0.

Service Level

The percentage of calls answered within a certain time factor. There are three service levels to be concerned about which are Target, Forecast and Actual.

Time Accounting Code (TAC)

It is a tracking code used to categorize time spent on different activities in the call center. Synonymous with exception codes, without the negative reference. TACs can be classified as negative (representing time away from the phones) or neutral (simply tracking overtime hours).

Total Delay

This is the total amount of time delayed callers had to wait to be answered. Arrived at by multiplying the Average Speed of Answer by the Number of Delayed Callers and is Important in calculating the telecom costs associated with a poor service level.

Total Handle Time (THT)

The total time spent handling calls that is calculated by multiplying AHT by NCH.

Total Talk Time (TTT)

The total time spent talking to clients on incoming calls (in an inbound call center) or on outbound calls (in an outbound call center) which are calculated by multiplying ATT by NCH.

Total Work Time (TWT)

This is also known as Post-Call Processing (PCP) or Wrap Time. It is the total amount of time spent unavailable for new calls, working on issues related to past calls which is calculated by multiplying AWT by NCH.



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Workload

The amount of work to be done in a given time frame. In any environment, there are tasks to be completed and each task will take a certain amount of time. The total amount of time spent required to finish all the tasks is the total project workload. Workload is used to determine how many base staff are needed to serve the customers.