



Multi-Media/Multi-Touch Education Market Case Study

Introducing the “Telemarketing Booster Index”

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Background

- Annually, the Direct Marketing Association publishes a formal response rate report as an industry benchmark.
- That report content is then used in discussions by members at the local level across the US and Europe.
- Local DMA meetings on the response rate topic included:
 - DMA Northern Ca. events held in February, 2007
 - DMA Southern Ca. event held in March, 2007
- Several B2B case studies were presented by Direct Marketing Partners in conjunction with this report as a relevant example of using metrics to improve marketing campaign results.
- The Telemarketing Booster Index was introduced and presented by DMP

About the Telemarketing Booster Index for Multi-Media/Multi-Touch Direct Marketing

- Most B2B direct marketers have heard about the potential gains in marketing results from combinations of multi-media and multi-touches. However, most marketers will also confide that they do not know the metrics of those potential improvements and how to come about finding the optimal combination. This exploration process can be time consuming and costly for most firms.
- Direct Marketing Partners (DMP) has developed an easy to understand process and measurement of the value created by running multi-media/multi-touch direct marketing campaigns. The index is a custom measurement of the gain, or loss in results which are the result of running integrated direct marketing campaigns vs. traditional silo campaigns. Direct marketing partners applies this process to our client's campaigns.
- Once a marketer has this index in place, the goal should be to first make sure it is a positive gain and then to attempt to raise the index score.
- Marketers should also continue to measure their ROI for the multi-media/multi-touch campaigns as well. This will ensure the models are economical as well.

Purpose of the Multi-media / Multi-touch Case Study

- Examines three New Business campaigns run in second half of 2006
 - Benchmarks three prospect pipeline building campaigns for IT network security solutions
- Direct marketing media tested in all three cases:
 - Email alone
 - Email + Telemarketing overlay
- Measures the Telemarketing booster index

Overview of the Study

- Goal
 - To find the best performing direct marketing media approach and touch sequence
- Objective
 - Test and compare the results from an email only marketing approach, to the results of an integrated email + outbound telemarketing touch approach
- Data
 - Analyze data from three U.S. campaigns in 2006
- Marketplace
 - Schools (K-12 Edu)
 - Business enterprises

About the Campaigns

for new business sales pipeline building

- Objective
 - To develop qualified sales leads for the direct and indirect sales channels in order to help accelerate the selling process.
- Key drivers that significantly increased sales closure rates
 - Once prospect needs had been acknowledged and they completed their preliminary research by attending a live or on-line demo, sales closures increased dramatically
- Subsequently, a “qualified lead”, was defined as
 - A validated prospect
 - Has reviewed the value proposition, IT security needs or business pains are acknowledged and captured into the database
 - interest in the solution and registered for a live or group on-line demo.
- Only pre-qualified sales leads meeting this spec go to sales network.

Case 1. Web Filter Buyout Offer to Education Market

- Campaign: New business acquisition
- E-mail broadcast
- E-mail broadcast + outbound telemarketing
- Offer: to buy out current Web filter contract and add another product free
- Target: EDU titles in schools in states serviced by EDU specific resellers

Case 1. Education Market Metrics – Email Alone

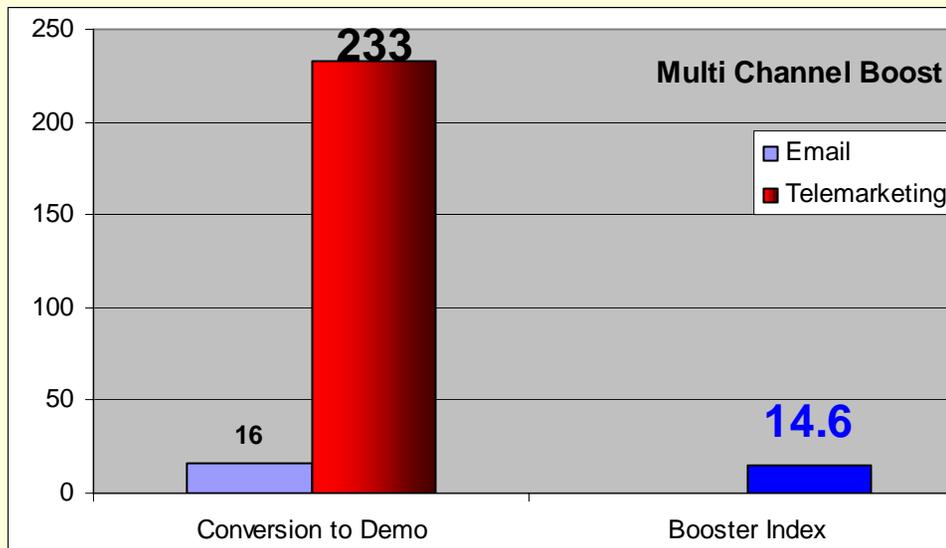
- EM Broadcast to 14,769
- EM Click Through @ 1% = 161
- Conversion to Demo @ 10% = 16
 - Qual. Lead = Interest & Registered for Demo
 - .1% conversion ratio of EM sent to qual. demo lead

EDU Metrics: EM + Telemarketing

- OBTM follow up calls to non-responders
 - @ 7,513
- Prospects Contacted & Graded
 - @ 33%= 2,511
 - Now cleaned & captured, most are now in the opt-in database
- Prospects Scripts Completed
 - @ 26%= 662
 - 1:1 relationships now established
- Conversion to Demo
 - @ 32% = 217
 - Qual. Lead = Interest & Registered for Demo
 - 2.9% conversion ratio of Calls to qual. demo lead

Case 1. EDU Results: Telemarketing Boost

- Conversion to Demo:
 - From 16 via em alone to 233 via combined em+tm
 - Booster Index of 14.56 X
 - 14 times the results of email stand alone campaign



Findings:

Multi Media/Multi Touch VS. Single Media

- In all three test cases, the multi-media em+tm touch campaigns out performed the single media email approach
 - The results were exponentially higher, we call this the “Booster Index”
 - 10x and 14x and 24x
- Revenue impact was positive
 - The three cases examined also resulted in direct marketing ROI* yields of: 3:1, 8:1 and 13:1.

*Ratio of sales generated from each \$1 invested in direct marketing campaigns.

Lessons & Keys to Success:

- Multi-media/multi-touch campaigns produce significantly more results and cost less
- Key elements of success:
 - Integrate messaging and offer content in email copy, graphics and telemarketing script for a unified message
 - Plan and execute the timing & each touch thoroughly
 - Send the email in smaller stages
 - Follow up with TM calls within 1-4 days for best results
 - Use graphics and creative as door opening dialog on the calls
 - Re-send email as part of the post call fulfillment kit
 - Hint, most do not recall your email, but will want the informational content if positioned as such

Harnessing the Booster Index

- In recent months, we have found that the most requested multi-media/multi-touch direct marketing campaigns have been to combine email with telemarketing.
 - Our observations parallel recent reports from the DMA (2006 Response Rate Report) and Marketing Sherpa where both cite similar trends.
- To deliver the benefits of this measurement index, we at Direct Marketing Partners (DMP) now offer the “Booster Index” metric to our clients as part of our regular reporting and analysis package.
- The following slides were developed by Direct Marketing Partners in conjunction with two partner firms. The Creative Direct Marketing Agency, Beasley Direct Marketing and the email tools provider, Exact Target.

We hope that you will find this study helpful in your research.

About

Direct Marketing Partners

Direct Marketing Partners, Sacramento, California, is a B2B strategic marketing consulting, direct marketing and tele-services provider with an embedded call center.

DMP provides go-to-market resources including campaign planning, management, execution of integrated B2B direct marketing & telemarketing call center programs with complete pipeline results tracking and campaign ROI analytics.

Who uses DMP resources:

Firms with complex B2B selling processes harness these resources to help accelerate their marketing-through-sales cycles with optimal sales lead flow and conversions to revenue.

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