



## Telemarketing: Is it still effective?

Having been in the IT marketing services and, specifically, in the telemarketing business since 1998 we've seen the telemarketing industry undergo a massive evolution, some may say revolution. Recently, as we approach 2016, we've been asking ourselves a lot of serious questions, one of which is "What can we expect from 'traditional' telemarketing as part of the wider marketing mix as we move into 2016"?

The field of traditional telemarketing has changed dramatically since the late 1990s when we first came, fresh-faced, onto the scene. Telemarketing was an exciting and buoyant industry showing incredible ROI for marketers. Life was good with call to contact ratios at around about the 19% mark, voicemail was not widely used and in general IT executives were more willing to answer the phone and actually talk.

Back in the day IT industry product launches were, relatively speaking, more innovative and ground-breaking. Advertising was a newer 'animal'; marketers used state-of-the-art concepts, which hadn't been seen before and were pioneering and stimulating to a virgin audience. It was, to put it simply, easier to get people's attention and qualify a sales opportunity. The market wasn't saturated. IT Technology was inventive and original, driving itself forward with functionality the market had never previously seen and telemarketers could hitch a ride on this bandwagon, riding the coat-tails of new technologies to deliver returns to clients.

It was a golden era, a heyday in telemarketing, an era in which we believed in our skills, ourselves and our ability to get

In touch with the right decision-maker and unearth a sales lead. Because it worked.

As we move into 2016 ... what now for telemarketing?

Is it obsolete? Is it a dead duck? It's clear that it's no longer the de facto method of prospecting but does it still have a place in the marketing mix of tomorrow's world?

Nowadays vendors have to work harder and smarter to deliver compelling reasons to buy. It's harder to get the attention of your existing customers, let alone new prospects. Technology has evolved but today we are seeing variations on a theme; new versions and improved functionality rather than the ground-breaking easier sells of twenty years ago.

Not only this, but there are now multiple marketing and media channels and, crucially, prospects have more control of how and when they are communicated with. As prospects get better at gatekeeping it's getting harder to achieve success at outbound marketing. Whereas we saw a call to contact ratio of 19% in 1998, we are now getting only 10.5%.

**Call to contact ratios:**  
**1998 – 19%**  
**2015 – 10.5%**  
**2016 – ??**



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The core of our business is tougher, we have to work harder, diversify, embrace new technologies and work much, much smarter. Clever marketing services agencies are spending time cleaning their databases and ensuring maximum accuracy so that personalised campaigns stand the very best chance of success. Agencies must work hard to ensure the best results for clients, for example, flagging those contacts on a database that are on permanent voicemail so these can be ignored and telemarketers can concentrate on those contacts with the best chance of success.

There's also been a huge change in the way companies market themselves to and interact with their prospects, particularly with the rise of social media. The whole industry is in a state of flux, but what hasn't changed is the position of telemarketing as part of a successful marcomms mix. It's a big mistake to get overly negative and subscribe to the absolute belief that social and digital channels "are the way forward". Done well, telemarketing helps drive growth and can be a significant contributor to prospecting.

OK, we accept the telemarketing industry has been dogged with accusation of poor practice over the years and the telephone preference service exists as proof of this. The combination of such poor practice and impending Data Protection legislation, which will inevitably restrict data usage, makes us feel very cautious about the future of the industry.

The European Parliament has recently drafted the Data Protection Regulation (EUDPR), a raft of proposed changes to data protection rules which will have an impact on the direct marketing industry.

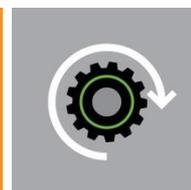
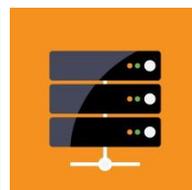
But, if you stick to the rules, which we always have done, then even the new DP legislation won't derail you too much and telemarketing will continue to be productive. The legislative message is clear; play nicely or you'll find yourself on the naughty step.

CPB has always erred on the polite side of telemarketing. We ensure we've done our research, we know who's on our database and why. We only contact people that are the right target market for our clients' campaigns and we take note when people want to be removed. As owners of the UK's most comprehensive IT industry contact database, it's imperative we behave well and are credible. CPB's reputation, and our continued membership of the Direct Marketing Association, depends on it.

Looking to the future we will embrace the new technologies to help us use our data in a smarter fashion to deliver consistent results for our clients and a better experience for their prospects. The constant refreshing and building of the information on our database means we can use personalised marketing, contacting people when, where and how they prefer. We'll be able to make contact even more relevant, which will result in better ROI for our clients.

We are the guardians of telemarketing and we need to ensure that further distrust is not created.

Whatever your opinion on telemarketing, you can't deny it is a successful element of the marketing mix, which includes direct mail, email as well as a whole range of digital and social solutions - and we haven't even touched on marketing automation yet.



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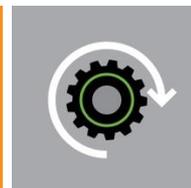
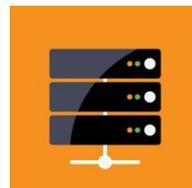


In conclusion, we agree that telemarketing is on the more traditional end of the marketing spectrum, but this doesn't make it any less valuable, depending on the format of your campaign. Done properly, picking up the telephone is still one of the most effective tools for lead generation and demand creation. You need to find your unique identifier and differentiator and getting on the phone to people can be the best way to discover exactly how your product or service can deliver on a prospect's requirements. It's not all about B2B or B2C and it's not all about content. At CPB we believe it's about H2H (human to human) and it's about conversation.

In conclusion, we believe that 2016 will be another year where traditional marketers continue to pull all of their marketing methods, components and techniques together, to try and form a complete integrated marketing solution. Outbound telemarketing will support social, social will support emarketing, emarketing will support nurturing and nurturing will support telemarketing ... You get the picture.

#### Our predictions for traditional prospecting services in 2016:

- It will continue to get tougher to identify sales opportunities through telemarketing and email
- Only those using credible data sources and intelligent filters will survive
- The market, and number of agencies will continue to contract
- Use of integrated services – traditional, digital and social – will further influence success in demand generation
- EUDPR could create a short term surge in business towards the end of the year



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## About the author

Established in 1998, CPB delivers outsourced marketing services for vendors, distributors and suppliers of IT products and services.

As independent telemarketing specialists we provide our clients with expertly delivered campaigns; saving them time and resources through accurate targeting and project fulfilment.

Data is the lifeblood of CPB, whether for targeting prospects or developing data-driven personalised campaigns we use all the big data at our disposal to meet our clients demand generation expectations.

Experts in helping clients to streamline internal processes and replace time and labour intensive tasks with sophisticated software solutions for sales lead management and marketing automation

As an innovative marketing services agency, CPB incorporates the full functionality and capacity of digital marketing services into its portfolio; delivering successful digital lead generation solutions for a range of marketing campaigns.

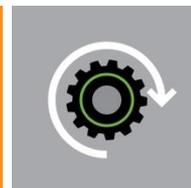
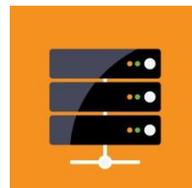
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