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## **Panel: Commodity Telemarketing Not In Industry's Future**

June 19, 2003 Story by Scott Hovanyetz

MIAMI — There's a future for outbound telemarketing, but it doesn't lie in the high-volume commodity cold calling of yesteryear, a panel of telemarketing experts said at the DMA Teleservices Conference 2003 here yesterday.

The panel, which spoke to a standing-room-only crowd of more than 50 attendees at the Doral Golf Resort & Spa, painted a gloomy picture of shrinking markets and declining revenues for outbound callers. However, they also outlined a strategy by which telemarketers can adapt to the changing industry and thrive in the future.

"The biggest problem we have right now is, things are changing so fast," said Jon Hamilton, consulting associate with JHA Telemanagement. "We need a road map."

Challenges facing the industry, such as increasing costs due to new regulations and no-call lists and competition from offshore call centers, are legion, the panel acknowledged.

"Margins are getting slimmer and costs are going up," said Sandy Pernick, president of S. Pernick & Associates. "Client expectations, however, are going up."

However, despite the gloomy predictions of many telemarketing service providers, many clients of the teleservices industry see ways to survive, said John Glantz, vice president of direct response marketing for Mutual of Omaha. The industry may be faced with declining call volumes, but that might not be a bad thing.

Glantz recalled that after being asked to participate on the panel in January, he counted the number of telemarketing calls his family received at their home. In a one-month period, the household received between three and eight calls a day Monday through Saturday.

"Too many calls are being made today," Glantz said. "Regardless of if its true or not, the customer perception is that they are being bombarded with calls."

In the future, telemarketers need to focus their efforts on quality telemarketing, not just high-volume telemarketing, the panel said. They also need to start looking for markets, such as business-to-business, customer retention, political and non-profit calling, that aren't as strictly regulated as business-to-consumer cold calling.

They also need to look to emerging populations, such as Hispanic consumers, who have not been the focus of marketers in the past. Most of all, they have to offer more than just a high rate of calls per hour.

**"You need to differentiate your solution," said Hayley Weinper, senior vice president of sales and marketing for Interactive Teleservices Corp. "If your just putting the proverbial butts in seats, then I'm sorry, there is no future for you."**