

# Closing the Gap in Analysis Leads to Greater Profitability



By Lucio Maramba

Everyone knows that direct response advertising is a numbers game. But which numbers? In the early days of the industry, those numbers included cost-per-lead, the percentage of inquiries closed and average order value. As the industry evolved from a one-off sale into an increasing reliance on continuity programs and a breakage model, average lifetime value came into play.

Throw in traditional advertisers who have dabbled in DR, and you can add general advertising statistics such as cost-per-thousand and reach-and-frequency. Today, with E-commerce and brick-and-mortar retail often playing a vital role in product distribution and sell through, complex attribution models provide yet another often byzantine degree of statistics.

If this sounds overwhelming, it can be. And, unfortunately, the fallback for many marketers and agencies is to simply look at the most basic data: inbound calls, close rates and revenue generated. What with the intricacies and dynamic nature of DR media planning and buying, a deeper analysis of the data on the call center side can sometimes understandably get short shrift. Simply put, most organizations tend to gravitate to what they know, and the horse trading and negotiating of avails is a labor-intensive endeavor and arguably more of a right-brain endeavor that requires the ability to skillfully navigate relationships.

Yet, like a Polaroid picture slowly coming to life, rudimentary statistical analysis — amid what is a more traditional left-brain hemisphere function — may only be revealing part of the picture or a picture that appears to be one thing when it is something else entirely. So what is marketer or agency to do? Rely on “advanced services” to close the gap.

Advanced services in the call center space takes what is traditionally an internal or even non-existent function — the ability to analyze campaign data in a more holistic, multi-dimensional way — and outsources it to experts. For example, my expertise, having spent more than a decade-and-a-half in direct marketing, is focused on call routing and call center management, digital integration, multivariate analysis, campaign optimization, and other key performance-centered functions. I've seen campaigns increase conversion rates by as much as 75 percent and improve average order value by 10 percent.

Clearly these types of increases have a profound impact on campaign performance, but they are really just the

beginning of a host of benefits that both marketers and agencies can enjoy by outsourcing call center analytics to advanced services. These include the ability to:

- Enhance campaign performance without taxing internal resources at a variable cost versus a fixed one.
- Bring a fresh set of eyes to a campaign that will ensure the tools being implemented are being leveraged for maximum impact.
- Focus on what they do well. In the case of a media agency, that's planning and buying. For marketers, that might include product development, inventory and cash flow management, and distribution.
- Save a campaign from early demise. Rather than depending upon a change in offer or creative, a deep dive on call data can extend a waning program.

Naturally two significant questions arise. The first is: with more and more sales moving to the Web, does it make sense to intensively focus on the call center space? The answer is yes, for these reasons: first, telemarketing is truly your front line with your customers, and there are insights that can be gleaned from these human interactions that are simply not available otherwise; second, call tracking that includes call recording gives you the opportunity to listen to your consumer in addition to looking at numbers-driven analytics. Call recording allows you to glean both qualitative and quantitative data at a fraction of the cost of traditional focus group research. Marketers have the ability to ferret out objections and then address them with revised creative, scripting and/or offers that will optimize campaign performance.

The second key question is this: is depending upon advanced services to improve campaign performance worth the extra coin? Candidly, if the cost for doesn't provide an exponential return on investment, it should not be employed. However, if a marketer or agency wants to ensure they are getting the very best profitability from their campaign amid today's manifold analytics landscape, depending upon advanced services to help boost performance may be just the tonic. ■



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