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Biz of Acq

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New (Resurrected) Feature - 
Biz of Acq

Column Editor: Jack G. Montgomery, Jr. (Law Library, U. of Cincinnati)

Those Annoying Sales Calls, an Insider’s View of Telemarketing

Way back when, we tried a Biz of Acq column. Well, here it is again. Welcome to Jack Montgomery, Head of Acquisitions at the Law Library at the University of Cincinnati, our newest column editor. Bravo!

I have been writing the “Question and Answer” column for the CRIV Sheet (Committee on Relations with Information Vendors) in the newsletter of the American Association of Law Libraries for the past two years. In that time I have been surprised at the number of questions and comments concerning the subject of telemarketing. Questions ranged from: “How do these people get my name?” to “How can I get my name removed from a list?” Occasionally, someone would ask: “Do publishers really believe that telemarketing is effective?” I realized from hearing these types of questions that perhaps it would be of value to talk about telemarketing and develop an understanding of this sales technique. Also, as a former telemarketer, in the seventies for a large publisher of trade journals, I could possibly add an insider’s viewpoint on the subject.

Telemarketing is a targeted sales approach based on the strength of the relationship the customer has with the vendor. This relationship can be organized into categories known as a prospect hierarchy. The five traditional categories are:

1. Current customers — purchasing now
2. Former customers — purchased in the past
3. Referrals — third party recommendations
4. Qualified prospects — potential customers identified by research or as a result of an information request
5. Cold prospects — have never done business with you. These prospects are generated from specialized lists.

There is an old saying in telemarketing that “you’re only as good as your list.” While most firms can generate lists from the first three prospect categories, it is expensive and time-consuming to try to generate lists of qualified and cold prospects.

These type of prospects are purchased from specialized companies

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called list brokers or list suppliers. List brokers buy and sell unannotated lists to the direct mail industry. List compilers, such as Dun and Bradstreet, sell telemarketers lists with profiles. In our end of the spectrum, trade magazines and organizational membership lists (AALL, ALA, SLA) are excellent sources of telemarketing lists.

In terms of sales approaches, there are two types employed by almost all telemarketers. The “total control” approach is based on the objective of maximum calls at the lowest cost. This approach is used with cold prospects and has developed into those annoying calls you receive in the evening. Companies have resorted to computer generated calls and a new method called predictive dialing. Predictive dialing uses a computer to select and dial the number for the prospective customer. At that point, a telemarketer picks up the call and the sales approach begins. If the telemarketer does not pick up the call, the caller is left with a period of silence before the computer abandons the call.

In marketing to libraries, the dialogue approach is employed to focus on two-way communication between the prospect and telemarketer. This is the approach employed when selling any complex product, such as a set of law books. While the total control approach uses a highly scripted format, the dialogue approach employs a skeletal script and relies on the expertise of the telemarketer to establish a relationship with the customer.

A good telemarketer scripts every phase of the call from introduction to the closing and reassurance phase. At the point where objections occur, the telemarketer develops a common objection file based on all perceived objections. This is why telemarketers always seem to have a response to your objections.

There are three basic responses that are effective in controlling the volume of telemarketing calls. First, simply do not purchase anything by telemarketing. If you are interested in a title, request a brochure and generate a firm order. Secondly, do not accept anything on approval. The approval shipment approach harkens back to a basic sales principle that says: “If you can get it into their hands, it’s three-quarters sold.” This marketing strategy knows that you are busy, often harried in your daily work. The whole process of repackaging and returning approval items within the time period specified can and does cause an item to be accepted. The vendor also hopes the customer will find the title useful and decide to accept it. Either way, it is a matter of numbers, which means that enough approval titles are kept as opposed to those returned to make the approval strategy a profitable venture.

One final step in dealing with frequent telemarketing calls is to request that your name be removed from a publisher’s telemarketing list. This request can, however, result in your name simply being moved to the cold prospect or optional call list, meaning that you could occasionally still receive calls.

Additionally, you should remember that a telemarketer may fail to mention discounts to which you are entitled whereas, a sales representative will offer them as a matter of course.

This brief overview only scratches the surface of this complex industry. Many librarians find that telemarketing particularly hinders their quick and easy method of acquiring new titles. Whether you view telemarketing as a convenience or a nuisance, it will remain an effective method of product promotion for many years to come.

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Ms. Clark’s second point about unwanted invoices is perplexing. First of all, a document may not be called an “invoice” unless it is in response to some type of direct solicitation from the customer. There are strict federal trade laws regulating this. The items may be labeled “notice” or the like but this vague identification should alert librarians to the level of urgency.

Reputable publishers, in my experience, are conscientious about having a formal renewal schedule. At Elsevier, we suppress several renewal notices for libraries subscribing through a subscription agent. A notice is sent to the ship-to address only after the subscription has expired for about ten weeks (mid-March in most cases) and if we have received no official advice to cancel the title. We send two follow-up notifications but at that point the subscription remains dormant and is purged from the fulfillment files after two years.

Libraries with direct subscriptions will receive several notices during the fall renewal season, but notices for unrenewed, uncancelled titles should not stretch much past spring.

Some publishers attach invoice-like notices to sample copies to facilitate ordering, but even within companies that use this technique there is controversy about the practice. It is a successful marketing technique that is probably more effective with individual subscribers than with institutions.

Misleading the customer is never to anyone’s benefit and reputable publishers should not — and in most cases do not — send bogus invoices to dupe libraries into subscribing to journals. There’s little to be gained in the long term. If a librarian feels that deceptive practices are being used, then they have every reason to cry “foul play” and a strong letter to senior management with accompanying documentation is a decisive step toward thwarting bad practices.

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Request for Information
This is a request for help from any readers of ATG who can supply information about the history of purchasing books (but not excluding periodicals), by academic libraries. I have been asked to write an article for a forthcoming encyclopedia on publishing. My subject is "the history of book marketing to academic/scholarly libraries". I would welcome bibliographies of books and periodicals [or articles] that in any way shed light on the history of the way academic libraries purchased materials, especially from an historical standpoint. Having been in this business for over half of the current century, I am particularly interested in the history of library book buying in the nineteenth and preceding centuries. I will welcome all information and will certainly acknowledge source of same in my article.

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