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Telerecording:
**Protecting the Quality of Publishers’
Databases and the Advertisers’ Investment**

BPA's Telerecording Initiative: Protecting the Quality of Publishers' Databases and the Advertisers' Investment

Summary

BPA Worldwide requires media owners to record any outbound telephone solicitations to receive free magazines.

The driving force behind this requirement to receive free magazines has always been to ensure and enhance the integrity of requests that are obtained via telemarketing efforts. Currently, telerecording is, uncontestedly, the best method to ensure the quality of the telecommunications source request and data gathering.

Media owners agree that telephone solicitation is vital to maintaining and growing their subscriber base. "Telemarketing continues to be a primary source for re-verification and new name efforts," reports Brenda Roode, Audience Marketing Manager at Penton Media. "Telemarketing actually fills the gap for some other direct request re-verification sources that do not meet projections."

Marketplace Realities

Upon examination of the b-to-b publishing marketplace, one can understand why the integrity of telecommunication sources is so vital to the industry.

- B-to-B publications are more reliant than ever on telemarketing for acquiring and renewing qualified individuals. Indeed, telemarketing has eclipsed written sources, to become the number-one source of b-to-b publication personal direct request, non-paid subscriptions. According to an American Business Media Circulation Committee analysis of circulation statement data, telemarketing as a source accounted for 30.7% of individuals across audited publications, versus written sources' 19.7%. In real numbers, telemarketing

sources made up 20.9 million subscribers against written's 13.4 million

- Advertisers and media buyers are more focused than ever on accountability and demonstrating return on investment for their advertising dollars.
- Historically, the advertising community had not been receptive to media owner proposals of allowing telemarketed subscriptions to be incorporated with “written direct request” for purposes of reporting on the circulation statement. However, with the advent of the telerecording rule, key advertiser and media buyer executives on BPA’s Board and advisory committees agreed that universal outbound recording represented an important step in providing the quality control assurance they required as a prerequisite to approving a revised reporting format in which written, telemarketing and, potentially, Internet/email are consolidated. As a result, effective with the June 2009 reporting period, the BPA Board approved the consolidation of request sources to simply “Direct Request” from the previous “Written”, “Telecommunication” and “Electronic” requestor source breakouts.
- Alarming increases in identity theft and concern about potential misuse of personal information are creating growing resistance to requests for such information, including the collection of “Personal Identifiers,” or “PIs,” in the absence of recording, to provide auditors with a method of verifying requests. (Under BPA rules already in effect, the PI question need not be asked if a call is recorded.)

Taken together, the media owner, advertiser and agency executives on the BPA Board concurred that these facts pointed to the need for action that would safeguard and enhance the viability and status of the telemarketing source for the years ahead, and that outbound recording represents the most effective and efficient means to this end.

The growing importance of telemarketing as a source is precisely the reason that media owners and media buyers on BPA’s Board ultimately voted to take the necessary steps to ensure that the value of the circulation generated by telemarketing is beyond question, as far as advertisers and media buyers are concerned. Recognizing advertisers’ greatly heightened emphasis on accountability, these executives — as well as the leading telemarketers who comprise BPA’s Teleservices Advisory Committee — determined that it was in the best interests of the industry to be able to demonstrate beyond any doubt that telemarketing is a source that deserves to stand head-to-head with written and Internet sources.

Operational Advantages

Looking at the full picture, the advantages that are recognized via recording — including the ability to maximize the yield and efficiency of calls, as well as reduce some auditing cost factors — will over time counterbalance, and outweigh, any short-term additional costs.

Specifically, outbound recording enables the following operational advantages:

- **Gathering of multiple personal requests** — either directly from multiple recipients or from recipients’ assistants — for the same publication in a single call.
- **Gathering of multiple title requests** — Media owners have also discovered that multi-title telemarketing can lead to significant reductions in costs.

“I have been using a multi-sub telemarketing campaign this year,” Roode explains. “The effort has netted measurable savings across the titles and I’ve been very pleased with the volume of orders.”

- **Foregoing the necessity to ask existing and prospective subscribers the “Personal Identifier” question.** Importantly, many leading telemarketers who record calls report that, today, *asking the PI question is more likely to depress response* (i.e., cause business professionals to end a call, or “drop off”) than disclosing that the call is being recorded. These telemarketers point out that, whereas personal questions are viewed with increasing suspicion, people are increasingly accustomed to being informed that a call is being recorded for customer service or other reasons.

Media owners also understand that removing the PI question can aid in the recording process. “Not having to ask [the PI question] now is avoiding the bad will we used to generate when asking it,” notes Christina LaMarca, Circulation Director at *Institutional Investor*. “Subscribers never understood the concept of a PI question because it always makes them feel as though their identity is being compromised, so recording is going to help.”

Penton’s Roode concurs, “Removing the [personal identifier] makes the call less invasive which in turn, provides a more favorable telemarketing experience for our subscribers. We worked diligently this year to clean up our qualification forms to save time/money, and removing the PI question helped the process.”

- **Decreased auditing confirmations, resulting in lower costs for this component of the circulation audit.** In most cases, recording enables BPA to significantly reduce the number of calls made to subscribers by BPA staff for the purpose of verifying a subscription’s requested status and the accuracy of the demographic data collected. The number of verification calls is directly reflected in an individual media owner’s cost per audit.

- **Significantly enhanced potential for gaining the advertising community's approval for reporting telemarketing, along with written and Internet/email, in a consolidated format.** Again, the enhanced quality control assurance made possible by universal outbound recording is a critical step in this direction, in the minds of many in the b-to-b advertising/media buying community.

Additional important facts about outbound recording and the steps being taken to ensure that the industry complies as seamlessly and cost-effectively as possible:

- **Recording software and equipment technology continues to become cheaper and faster.**

Competing in the Marketplace

BPA member media owners understand the need to safeguard their interests for the longer term—including their ability to compete effectively for advertising dollars in an increasingly challenging marketplace. This is why a number of the leading b-to-b media company members have for some time voluntarily required full recording capability as a prerequisite for using any telemarketing vendor.

In those cases where media owners choose to conduct their recordings internally, initial set up costs can be very minimal. With very little online research, BPA staff was able to locate and test in-house telemarketing recording devices that managed the process and cost as little as \$200 to launch.

An Exemption to the Rule

Prior to its onset, at least one market — the government market — experienced challenges with the new recording rules. Government employees proved to be extremely sensitive to the recording of telephone conversations, leading to a declining rate on controlled circulation telecommunication-sourced subscribers and financial hardship for those magazines serving the government market. In

short, publishers feared the loss of subscribers who, while otherwise qualified, refused to be recorded.

However, our advisory committees and boards agreed that one market should not be singled out. Instead, the rule should accommodate those individuals — regardless of market — who do not want to be recorded.

In response to this industry-wide feedback, BPA's Board voted to allow publishers to revert to the former methodology of offering a personal identification question for those qualified subscribers who refuse to be recorded. For refusals, the following conditions must be met:

- A question approximating the following must be asked and answered during the telephone interview: “Do you wish to receive (continue to receive) this publication? (Yes/No). A personal identifying question must be asked and answered. Some examples...” To permit future verification or your request, please give us your month and/or date of birth, mother's maiden name or high school graduated from.” Once a particular question is used and the answer stored, a different question must be used for future request questions.

One question that has been posed to BPA regarding this rule amendment is: “What if a publisher claims that half of their telemarketing file refused to be recorded?” In these cases, BPA will audit according to the PI standards in use up until this point. Over time, BPA will build trend data based upon the results, just as we currently have in place for our Confirmations Department. We will quickly determine what the normal refusal rate is overall and by market. For example, if three publications in a market have a 2% refusal rate and the fourth has a 59%, we will be able to draw some concrete conclusions.

Conclusion

BPA, a founding member of the International Federation of Audit Bureaus of Circulations (IFABC), has advised all members of the IFABC of BPA's rule change and of the need for recording as a recommended best business practice to ensure quality databases of individuals for free b-to-b publications and to provide assurance for advertising investments. It is BPA's position that all free b-to-b publications — wherever they are produced in the world — using teleservices to solicit requests to receive publications should be recorded.

If telerecording is not being used, here is what could be happening: ”

- Telemarketing representatives may not be as thorough when interviewing existing and potential subscribers;
- Every drop in call quality leads to a subsequent decrease in quality of the subscriber database.

If telemarketers do not qualify subscribers correctly, the resulting database will be: ”

- Off the mark for the advertisers you are trying to reach;
- Out of focus for the editor within the context they write;
- Out of touch with the true target audience who regard your publication as a “must read.”

This all adds up to lower engagement, lack of response and, ultimately, wasted advertising dollars. Don't let this happen to you

Media buyers and advertisers should demand best business practices from the media in which you buy. Insist media owners building audience through telemarketing is recorded. Demand BPA Worldwide to ensure your b-to-b media investment.

About BPA Worldwide

A not-for-profit organization since 1931 and headquartered in Shelton, CT, USA, BPA has the largest membership of any media-auditing organization in the world, spanning more than 30 countries. The organization conducts 2,600+ audits for media brands in print, online/digital and live events. Additionally, under the iCompli brand, BPA documents compliance to defined standards including data protection, provides assurance of sustainability reporting, and verifies technology, service and privacy claims. BPA is supported by 2,700 advertiser and agency members.

Visit www.bpaww.com for the latest audit reports, membership information and media/advertising industry news.

For more information, contact BPA Worldwide, 100 Beard Sawmill Road, 6th Floor, Shelton, CT USA 06484. Phone: +1.203.447.2800.