

# ALERT for Marketers

## Critical Checkpoints for Consumer Calling Campaigns

The DMA Teleservices Ethics Committee is asking all those doing business by phone to avoid specific practices that are inappropriate and could further damage perceptions of the telephone marketing industry. The Committee encourages all marketers and teleservices providers to review this list before launching any new calling campaign.

### 1) Handling Do Not Call Requests Promptly

If consumers ask to be put on your in-house do not call list, honoring their requests not only is the right thing to do — it is also required by law. It's important to do so promptly and courteously, and never try to "talk them out of it" or allow your representatives to hang up on consumers. Additionally, asking a consumer to sign up instead for the Federal Trade Commission's (FTC) National Do Not Call Registry or The DMA's Telephone Preference Service, or any other outside suppression system DOES NOT meet this requirement.

### 2) Proper Use of an Established Business Relationship

Consumers decide whether they choose to have a relationship with your business. If a consumer doesn't perceive a relationship with you, the established business relationship (EBR) simply doesn't exist.

#### *Calls from Affiliates/Partners/Subsidiaries*

Be sure to always take into consideration the consumers' perception of the call. Business partners, parents or subsidiaries that try to convince consumers they have an established business relationship will most likely only alienate those consumers and could damage their relationship with the original business.

#### *Initiating Calls for Others*

Your customers may be happy to receive calls from you, but by law, your EBR cannot be transferred to any other marketer. So don't use your EBR with your customers to place a call for a marketer that does not have its own EBR with those customers unless you first remove any customers whose phone numbers are on the National Do Not Call Registry. First, it would be illegal to call those numbers that are on the national no-calls list since your EBR cannot be transferred to the other marketer. Second, you do not want to put positive relationships with your customers at risk.



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### *Offering Gifts/Prizes in Exchange for an Agreement to Receive Calls*

The consumer's acceptance of a gift does not create an EBR. Marketers may not call gift recipients who are on the National Do Not Call Registry unless they have received those consumers' explicit permission in writing or via a digital signature.

### *Conspicuous Disclosures*

Consumers must understand your offer. Marketers routinely ask consumers to sign receipts, order forms or other documents. It is never appropriate to deceive consumers by inconspicuously including language that obligates them to receive your calls, particularly if they have put their names on the National Do Not Call Registry. Claiming that a consumer has given you permission to call them when they are unaware of ever granting that permission will get you nothing but a spike in consumer distress and complaints. Furthermore, by violating the spirit of the law, you could become legally vulnerable.

### **3) Use of Recorded Messages**

Sending recorded messages to **customers** sometimes makes sense, but sending recorded marketing messages to prospects is just plain illegal. Be sure to pay careful attention to the volume of recorded messages that you send to each customer and avoid leaving lengthy messages. Your customers may feel they are being treated impersonally or that you are not respectful of their time and bothersome. Customers ultimately might cease doing business with you.

### **4) Targeted Calling**

Calling fewer and better-targeted prospects should both cut down on expenses and also increase response rates. Marketers should not use randomly or sequentially generated numbers in sales or marketing solicitations. Before placing a call, you should have some reason to believe that the person you are calling may in fact be interested in the products or services that you are offering.

### **5) Importance of Hiring and Training Sales Representatives**

Telephone representatives who do not speak clearly or are not well understood by call recipients need retraining and closer supervision. If response rates are decreasing and requests to be placed on your in-house do-not-call list are increasing, this could be an indication of poorly trained sales representatives. A review of your hiring, training, and coaching practices is probably in order.

### **6) Clearly Written Scripts**

Are you using scripts or call guides that convey your offer clearly? A quick bump in sales today based on consumer confusion or misunderstanding is not worth the long-term cost of increased consumer dissatisfaction, complaints, and the loss of trust that follows.



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### **7) Selling/Up-Selling Sensitively**

Does your scripting and training make clear the point at which your sales representatives should discontinue up-selling? Or does it subject the call recipient to an experience that is detrimental to your long-term relationship with them? There may be circumstances in which you wish to make multiple offers to consumers. Or after a customer places an order with you, you might want to offer other merchandise based on the initial purchase. Either of these circumstances is fine as long as consumers stay receptive. Unfortunately, some companies insist that their representatives make additional offers to every single customer, and do not allow their sales staff any discretion, even when it is clear that the offer is not relevant or the consumer is not interested. Other companies require that representatives must continue to make offers until the consumer refuses a certain set number of offers. Avoid practices like these, which can cause consumer resentment and inhibit consumers' receptivity to offers from your company in the future.

### **8) Calling Frequency**

As of January 29, 2004, marketers are legally required to identify themselves by transmitting Caller ID information to consumers every time they call. The Committee believes that many consumers who have Caller ID may be concerned when they see that one marketer attempted to call them multiple times a day. The Committee recommends that marketers pay careful attention to consumer feedback on this issue and work hard to determine what consumers generally view as appropriate. Otherwise, the likely result is a drop in response rates and more do not call requests for your in-house and national suppression lists.

Of course, staffing and training customer service representatives to appropriately receive and handle inquiries that result from the transmitted Caller ID information is imperative, and will yield positive long-term results.

**This alert is brought to you by  
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