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Convergys thinks outside the box — and mails a box inside a box

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b2b CEOs, CFOs and other C-level executives are a tough market to reach — and an even tougher market to get to raise their hands as sales leads. But Convergys had the right idea, the right strategy and the right offer, along with the right execution.

Background: Convergys manages nearly two million transactions every day ranging from payroll to customer care for their more than 500 corporate clients.

The challenge: The decision process for outsourcing these kinds of services usually requires a long sales cycle, as the cost can run from several million to hundreds of millions of dollars and typically requires commitment to a multi-year contract. Executive decision makers are aware that outsourcing can be a good strategic option. In fact, they probably outsource at least one HR function already — payroll. The challenge for Convergys was to set an appointment with these executives in order to get them to consider (for the first

time) outsourcing human resource functions that have always been done in-house.

The target audience: Because HR outsourcing can represent a significant investment and operational change for a company, Convergys needed to talk to key decision makers (CEO, CFO, COO, CIO, VP HR, CLO [Chief Learning Officer for training]) at large multinational corporations with more than twenty thousand employees. The trick was how to get a face-to-face appointment with this hard-to-reach audience in order to make these C-level executives aware of the new outsourcing possibilities.

The strategy: Convergys wanted to create a direct mail program that would generate highly qualified sales leads and sales appointments. The direct mail message had to be appropriate for each audience segment. For example, a CFO is concerned about cost reduction, while a Vice President of Human Resources at a multinational company is also interested

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An out-of-the-box creative execution

Even though a dimensional, high-impact mailing can have substantial production costs, in the right circumstances, it can work if it's the right offer supporting the right strategy and strategic objective. Ultimately, the success of this mailing was due to Convergys' strategic and tactical thinking aligned with the needs of the marketplace and an out-of-the-box creative execution that delivered cost-effective results. ▲

The GPS premium tied in beautifully with the Convergys tag line, "Navigating the global workforce," which was the theme of the brochure.



A PERSONAL NOTE FROM

► THE PRESIDENT



SPYRO KOURTIS, *President*

THE HACKER GROUP

“Harboring a false sense of confidence about your own efforts will sink you faster than you thought possible.”

Dear Colleague,

I'd like to pass on a piece of valuable wisdom.

Don't treat your prospecting lists like inventory items. Just because you have a list that targets your audience, doesn't mean you have the list that's going to provide the performance you need. In fact, your seemingly successful lists may be giving you a false sense of security.

What if your competition is mining deeper and researching more creatively than you? **Harboring a false sense of confidence about your own efforts will sink you faster than you thought possible.**

Think of it this way: According to the 40-40-20 rule (that is: 40% of your success comes from offer, 40% from list and 20% from creative) you should be spending a lot of effort on list. I don't know many marketers who do that.

Let me give you an example: We tested three compiled lists (from the same source) for one large telecommunications client. We found a 60% difference in response between the best and worst performing list. What does that mean? Our client mined for gold within those lists and made a real profit! List was about 10% of the total program cost, so the client realized a 60% lift on less than a 10% investment. **Investing a little more time into their lists improved their results considerably.**

Taking the next step, testing survey and responder lists against compiled lists, can result in a 100% or more lift in response. No surprise there -- those lists have already been refined and qualified to a certain extent. But we can go one step further.

By finding segments of your file that will provide higher than average response rates (or higher than your norm), you can find lists to mail more frequently. Your list costs won't increase dramatically, but your response rates might!

It's like you're increasing your list universe without adding names!

While you're mining your lists, take some of your test cells and run with them in new directions. You may discover new audiences you never thought were there. Five years ago, who'd have thought that youth would be a major cell phone market? Now that's where the growth is. And don't be afraid to try out sample lists you're not so sure of. If they pay off, you can make larger list buys later.

Give these tips a try. They really work. It's all a matter of thinking about your lists as tools to be improved rather than pre-packaged products that you have no control over.

Here's to your success!

A handwritten signature in blue ink that reads "Spyro Kourtis". The signature is fluid and cursive, with a large initial 'S'.

Spyro Kourtis

[*Clip* Tips]

Clip these tips for
high performance direct!

Keep your reply device
working for you —
not against you

In an age of integrated direct mail programs and “27 easy ways to respond,” it’s more important than ever that your response mechanisms work hard. Before you send out a single package, make sure your reply device works for you — not against you — by checking for the following:

❑ **Can you find it?**

Does it have a title that makes it clear that **this is how you respond?** Examples: Order Form, Request Form, Reservation Request, etc.

❑ **Can you track it?**

Are the respondents’ name, address, phone and email included? Is it coded to show you which offer, package and/or list prompted the response?

❑ **Can you read it?**

Is everything obvious? Is the Priority Code in a visible spot? Is there room for any fill-in information (credit card, phone number, email, etc.)?

❑ **Is it unbelievably simple?**

Give your response device to someone unconnected with your program and ask them to use it. Do they have to search for the next step? (Hint: Use big 1-2-3 numerals to guide them through the process.)

❑ **Are you consistent?**

Inconsistency can kill response, especially in complicated packages. For instance, if you call your Reply Form a “Reply Form,” don’t refer to it later as a “Reply Device.” It’s worth it to double-check for consistency.

❑ **Is it personalized?**

Response rate can double or even triple if you pre-populate the known information. ▲



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How BSQUARE used coordinated tactics for a killer response



b2b Most of us have heard of the Linux® operating system. It's considered by many to be a viable alternative to Microsoft® Windows®. If you sell licenses of Windows products, as BSQUARE does, you need to develop an effective method to blunt the new competition.

BSQUARE is a licensing partner to Microsoft for the Windows Embedded operating systems. They license the software that can be used to develop programs for "smart" devices from ATM kiosks to PDAs. The primary target for the Microsoft Embedded software is Original Equipment Manufacturers (OEMs).

Hitting the right people at the right time

BSQUARE's objective was to get through to the key decision makers in the operating system selection process at the exact time they were making operating system decisions. BSQUARE then needed to steer them toward the Windows Embedded operating systems instead of Embedded Linux.

To do that, BSQUARE used a series of highly effective tactics at every stage of their "Market Shift" program to push the decision maker to the right choice. All this had to be accomplished without showing too much bias for Microsoft Windows Embedded.

BSQUARE started out with a distinct advantage: They are not Microsoft. Strange as this sounds,

being a third party gave BSQUARE credibility in the developer market. A package sent directly from the giant Microsoft selling Microsoft products would more likely get thrown away by this skeptical audience. So, in the copy of this package, BSQUARE was able to refer to the Microsoft/Linux controversy as a "discussion" without it being an overt effort to promote Microsoft.

By mentioning the names of others at the recipient's company, BSQUARE called together a "Web of Influence."

They came up with a strategy that coordinated simultaneous messages sent to multiple decision makers and influencers within the same company. It started with BSQUARE pre-qualifying and calling prospects.

Here's how BSQUARE made the most of the extra intelligence they had gained.

Hit 'em with the right package

The package BSQUARE sent arrived in a 9" x 12" U.S. Postal Priority Mail pouch. The pouch format ensured that the package got opened just about every time. It stood out among all the other mail the prospect might be receiving. It was not promotional, so it was more likely to be opened. And finally, the size and Priority Mail envelope all connoted importance, increasing the likelihood that the package would get opened.

Inside the pouch, the recipient found a very personal-looking letter directly from Geoff Goetz, the Director of Embedded Solutions at BSQUARE. Geoff is a high-level official at BSQUARE who understands the hidden

consequences of software decisions. He's a guy you want to listen to.

A hardworking letter

Geoff appealed to technical and business decision makers by commiserating with them about the unintended consequences of decisions. He then invited the recipient and all the other key decision makers *by name* to join in a conversation about the relative merits of Microsoft Windows Embedded versus Embedded Linux.

By mentioning the names of others at the recipient's company, BSQUARE called together a "Web of Influence." Regardless of whether the members of the Web of Influence actually talk, this strategy still applies pressure to decision makers just by bringing up the subject with more than one. And, even better, if the recipient's superior is mentioned in the letter, then he'll want to have an answer about the BSQUARE letter *just in case* his boss calls.

Luckily for the decision maker, BSQUARE sent a complete package of information including a comparison between Microsoft Windows Embedded and Embedded Linux, a sheet of Frequently Asked Questions, a case study of a company that chose Windows Embedded and the offer of an Executive Resource Package to help make the correct (Microsoft) decision.

Make it easy to respond

To sweeten the pot even more, the recipient was offered a very useful

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A TALE OF FIVE POSTERS: How to inspire **great** creative work

b2c

Every year, on the last weekend in February, approximately 500,000 junior high and high school students go without food for 30 hours. Why? They're getting a taste of what it feels like for

millions of children who don't get enough to eat every day. This international event is World Vision's 30 Hour Famine.

Most young people have a big streak of idealism. World Vision, a Christian relief and development organization dedicated to ending poverty, gives them an opportunity to help change the world.

To promote the 30 Hour Famine, World Vision uses direct marketing to recruit youth leaders — mostly from churches — to set up and run a Famine with their group. The group members raise money by asking friends and family to support them while they fast for 30 hours.

The youth market is an elusive target — especially for direct marketers. Kids are all about trends and fads. What's hip today is lame next year. And you can't fake the slang. They pick up on adults trying too hard in a heartbeat.

“The poster copy revealed that every minute, all over the world, 20 children die from hunger-related causes. Twelve kids died in the time it took to read the poster.”

Of course, not all kids are cool. But almost all of them aspire to be. World Vision needed to make the 30 Hour Famine look hip, even if the average participant was . . . well, average.

The centerpiece of the promotion was a poster to hang in a church youth room or school club room for several weeks. It had to be interesting and attractive, even after the fifth (or tenth) time it was viewed. It briefly explained why the group was planning to do the 30 Hour Famine, when and where the event would be held, and whom to contact for more information.

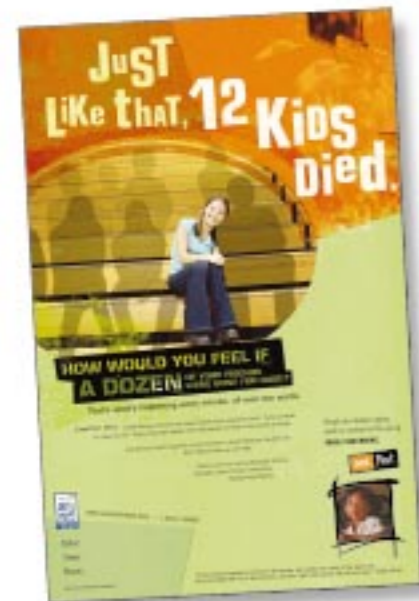
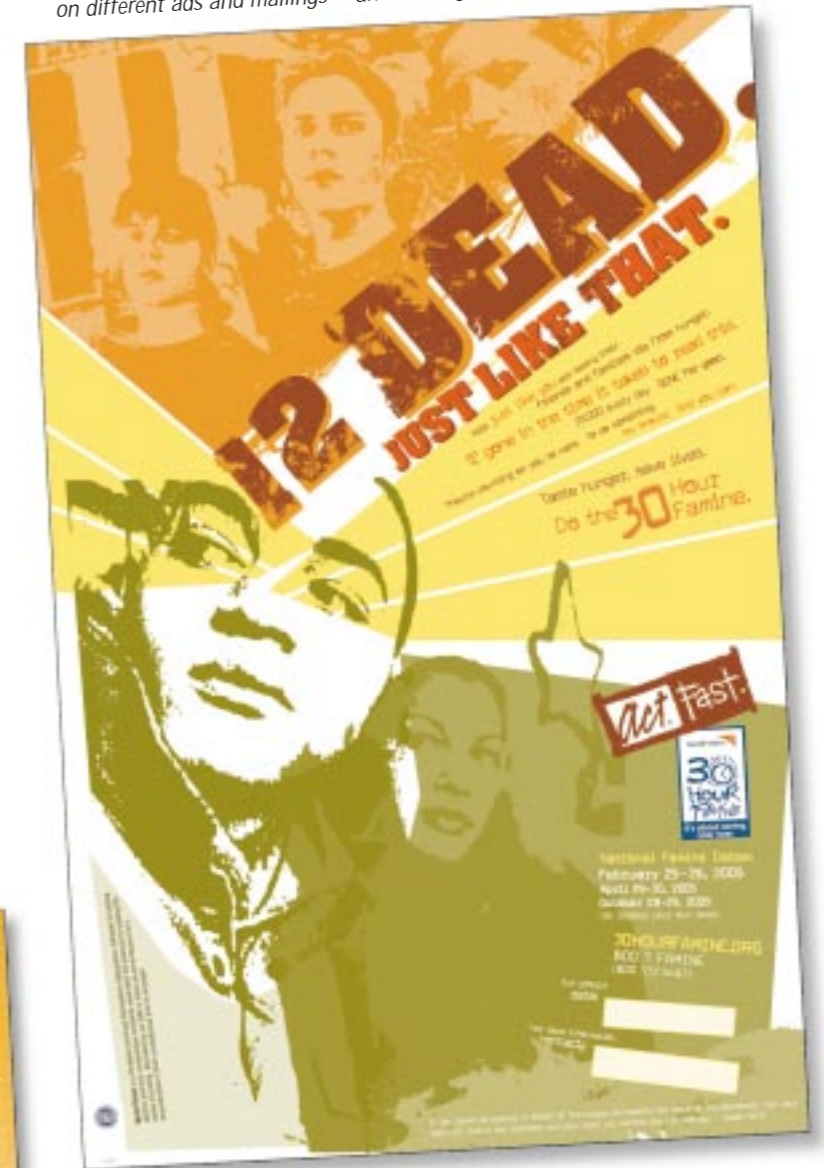
The concept World Vision approved had a mysterious, thought-provoking headline: “12 dead . . . just like that.” The poster copy revealed that every minute, all over the world, 20 children die from hunger-related causes. Twelve kids died in the time it took to read the poster.

It's a powerful concept. But posters are mainly a visual medium. An equally powerful image needed to accompany the headline. And that image needed to immediately communicate that the message was meant for a junior or senior high student.

Now that's a challenge creative marketers can sink their teeth into!

Take a look at the gallery of designs inspired by World Vision's mission. ▲

World Vision selected this poster to base the look and feel of their campaign. It allows them to use a variety of kids as the main characters on different ads and mailings — and it has great eye-catching appeal.



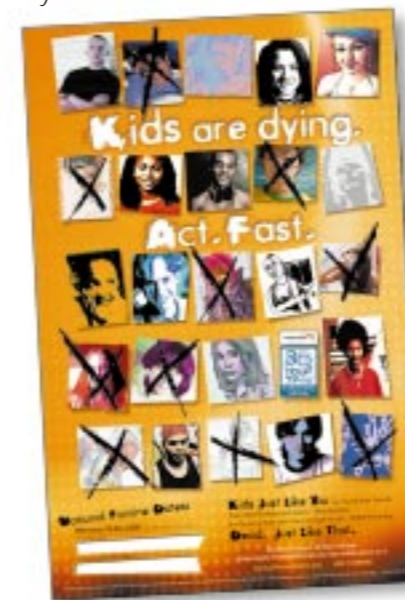
This poster combines the dark message with a squeaky-clean look to appeal to a broad teen market.



This poster really captures the hip-hop look. It makes the shocking message even more threatening.



This design has a movie-poster appeal with a lot of fascinating detail to keep interest over several weeks.



It's easy to look for yourself and your friends in this poster.

How to get teens to act. fast. One of the most compelling creative elements of this campaign for the 30 Hour Famine was the slogan. In just two words — seven letters — World Vision had a call to action and an urgency driver calling participants to fast, which is what the 30 Hour Famine is all about. By making two imperative sentences out of the two words, the headline impels the reader into quick action for world hunger. This is one of those creative insights that provides a visceral fit as well as a powerful intellectual motivator for every reader.

Keep your lead stream flowing smoothly

Whether your leads come in online or off, it's essential that the handoff from marketing to sales goes smoothly. If e-marketing passes leads to sales before they're ready, you'll erode the trust between e-marketing and sales. That means sales won't be as eager to work the leads you've generated. And you know what that means to your ROI.

Use these tips to make sure your lead handoffs are smooth and crisp:

- **Get sales involved.** Collaborate with a representative of your sales team to define exactly what a qualified lead is.
- **Filter your inquiries to find leads.** Segregate leads into qualification segments by using lead scoring models based on profiling questions. Only forward those "ready to talk" to sales for follow-up.
- **Hold onto the "Maybes."** Don't pass those prospects that aren't ready to talk to sales yet. Have marketing nurture them until their interest level or timing changes.
- **Hire an outsourcer to "Pan for Gold."** Don't waste your sales force's time by making them cold call every inquiry to find the quality leads. "Telequalify" responders through a third-party call center or "triage" them in-house.
- **Put arrows in their quivers.** Give your sales team talking points, case studies, success stories . . . anything that will help them close the deal. They'll appreciate the help.

That sense of collaboration between sales and e-marketing will really pay off! ▲

The offer rules *Putting the rules to work*

This is the second of a two-part article.

In the last issue, we gave you 11 rules for winning offers. Now let's talk about putting those offers to work.

To most direct marketers, it's easy to think about testing different offer types. But we often miss the bigger picture — that is, how the offer relates to the sales method being used. This more integrated approach results in more intelligence for you and better response from your programs.

For example, test related vs. unrelated offers. Here's what that means:

Finding the right offer strategy for your company depends on two things:

- 1. Knowing and choosing which sales method you are supporting**
- 2. Determining the most efficient offer type**

Determining the sales method should be easy. Just ask sales — if they don't know, you're in big trouble. Knowing the right offer type means understanding how complex your sales cycle is. The

complexity of your sales cycle is often directly related to the complexity of your value proposition. Below is a grid to show you how this works (*Fig. 1*).

The quadrant in which your product or service fits will determine the kinds of offers that make the most sense for your program.

However (and here's the tricky part), your product or service can move around these quadrants. So, you'll want to review how well your offers and strategies match your products or services fairly often.

Consider (if you're old enough) the way word processing software was purchased in the mid 1980s. It was expensive, there were several competitive products and it was unknown which manufacturer provided the most and easiest-to-use features. So you purchased it by going into a software store to test drive the options, then wrote your check for \$400 or more.

Now, you simply purchase the latest copy of MS Word.

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Knowing the right offer type means understanding how complex your sales cycle is.

Value Propositions		
	Easy to Understand	Difficult to Understand
Simple Sales Cycle	A VCR	Self-Help Books
Complex Sales Cycle	Financial Advisor	Cutting-Edge Enterprise Software

Fig. 1

The offer rules – Putting the rules to work

(continued from page 6)

The product went from having a difficult-to-understand value proposition and requiring a complex sales cycle to having an easy-to-understand value proposition and a simple sales cycle (retail).

Here's a chart for you to use (Fig. 2) as a guide to make sure your offers are aligned with your sales process and the value proposition of your products.

Once you've figured out your sales method, how do you know for sure how your market perceives your product? How rich do you need to make your offer? How do you know if your prospect base is ready for a discount

offer, or if you need to keep trading tchotchkes for appointments?

What do you think? You test. Test continuously to find your control offer. Then, when you have a solid control offer, keep testing to ensure your control offer is still the most efficient way to generate quality leads and/or sales.

Without a working offer, you're doomed to mediocre or failing results. The only way to find a good offer is to test a lot of them across a wide range. Always keep your eyes open for the next big offer idea. ▲

Aligning Your Offers With Your Sales Process

Sales Process	Easy	Value Proposition	Difficult	
Sell-Through ✓ Easy one-step transaction ✓ Known value ✓ VCRs, office supplies, memberships	Save \$100 off your first month	When you buy today, you'll get free supplies and service for the first year — a \$XXX value!	When you buy today, you'll get free supplies and service for the first year — a \$XXX value!	Buy from Acme and your team will receive a Pizza Lunch from Pizza Hut
Appointment Setting ✓ Consultative sales ✓ Known value ✓ Insurance, financial products	Book an appointment before December 31 and receive a \$50 rebate on your first month's XXXX	Book an appointment before December 31 and get a prescription drug discount card	Book an appointment before December 31 and get a free subscription to <i>Healthy Living Magazine</i>	Book an appointment before December 31 and get a dozen free Titleist Golf Balls
Lead Generation ✓ Consultative sales ✓ Unknown value or customized pricing ✓ Enterprise software, banking services	Call today to find out how to save 30% on all licensing fees through 2008	Call today to find out how to get a free HR module	Fill out this brief survey and in return, we'll provide you with a free Gartner report	Fill out this brief survey and get a free copy of <i>Stephen Covey's Seven Habits of Highly Effective People</i>
	Discount Offers	Value-Add Offers	Related Offers	Unrelated Offers

Fig. 2

Insiders' STRATEGIES

If it's broken, fix it fast!

Every day you have a package in the mail that's not pulling as well as it should costs you money. Step in fast with one of these fixes to shore up your response:

1. **Put the offer up front.** Spotlight it in the Johnson Box, pop it in the lead paragraph and in the response device. Repeat it three to five times in the letter. Be obvious, be bold and be blatant.
2. **Change the lead.** Most people give you only one or two paragraphs before they make a decision. Test new lead paragraphs and offers aggressively.
3. **Get rid of discount offers for low-priced products.** Saving \$4 on a \$39.95 product is no big deal. You're better off with a value-added premium that costs you about \$4, but has a much higher retail value.
4. **Kill your dogs fast!** Don't fall in love with your own work. If the market tells you a package is a dog, kill it. Don't waste your time trying to resuscitate a proven loser.
5. **In lead generation, tell less to sell more.** Remember that your goal is to deliver the lead, not close the sale.
6. **Match your leads to sales capacity.** Sales reps work better in a drizzle than a thunderstorm. A hungry sales force has a higher closing rate. For higher sales, deliver 70% to 80% of what they say they can handle.
7. **No reverse body copy.** Reversed out copy (light on a dark background) is fine for headlines and subheads, but it's hard to read for longer text. Lose it! ▲

How BSQUARE used coordinated tactics for a killer response

(continued from page 3)

Optical Mini Mouse with retractable cord and a USB connection for easier computing on the road. (Read “The Offer Rules” in this issue for more on offer selection.)

The personal nature of the letter (Courier font, simple letterhead, no headlines) was also continued very effectively on the reply device. It resembled a fax form that, other than the picture of the Optical Mini Mouse offer,

mirrored a Microsoft Word fax template that Geoff Goetz could have produced on his own desktop printer.

Taken as a whole, the package seemed very simple. But it was really a very sophisticated marketing tool with lots of moving parts. Everything from the timing to the list selection to the targeting of multiple targets within each company to the copy and graphics worked flawlessly together. And it was a very effective tool at that.

With all the coordinated levels of strategy and tactics, this package gained a 14% overall response rate. The real success of this package becomes clear when you consider that three individuals were receiving the package inside each targeted company. That means **as many as 42% of targeted companies responded to the package.**

Do you think BSQUARE has continued this program? You bet they have. ▲

Convergys thinks outside the box

(continued from page 1)

in safely navigating all the different cultural and legal HR issues particular to each of the countries in which the company operates.

“...it’s hard to ignore an important-looking box taking up a lot of space on your desk.”

The goal: Starting with a small but highly targeted list, Convergys contacted 400 C-level names at large multinational corporations with the hope of setting 10 appointments to get one solid sales lead.

An offer with clout: To overcome the major challenge of getting a face-to-face meeting with decision makers at multinationals, Convergys needed an offer with enough value to make a larger commitment worthwhile. They chose to make the offer of a FREE handheld global positioning device (GPS) when the C-level executive made an appointment to talk with a Convergys sales representative in person about the benefits of outsourcing. But it was the way this offer was presented that made all the difference. (For more on making

the right offer, take a look at “The Offer Rules” on page 6.)

Presenting the offer: When you need to reach C-level executives, a high-impact dimensional mailing usually gets their attention. So Convergys sent a box in a box. More specifically, they printed their offer on a box and sent that box in a bulky Priority Mail box. After all, it’s hard to ignore an important-looking box taking up a lot of space on your desk.

When the executives opened the Priority Mail box, it was equally hard not to open the box inside that box — especially when it might contain a FREE handheld GPS. Convergys decided on the GPS premium that tied in beautifully with the Convergys tag line: “Navigating the global workforce.” To successfully tie it all together and make the offer relevant, the package used the Convergys color palette, branding components, design elements and copy that positioned Convergys (as well as the GPS) as the ideal way to navigate the global workforce.

As a side note, Convergys sent the package via FedEx to the top 20% of the target audience and by Priority Mail to the remaining 80%. The package offer/execution also had to manage the

recipients’ expectations so there was no feeling of disappointment or frustration when they opened the very real-looking GPS box and found out they had to set an appointment to get their FREE GPS.

Think outside the box, but don’t forget what goes inside the box: Once the executives had opened the box and Convergys had their attention, the first thing this audience saw was a hard-working letter that featured the GPS offer. The letter got right to the point in the first paragraph by pointing out that other companies have already realized savings of 20% to 60% by using the Convergys business process outsourcing service. The box also contained a Convergys brochure along with a mail-back (or phone-back) response form to set an appointment to receive the FREE GPS. As an incentive to send for the GPS offer, the box also included a Convergys-branded lanyard to attach to the GPS unit when it arrived.

Results: The program worked exactly as expected. To date, Convergys has a number of highly qualified referrals with a potential for millions of dollars in sales. In fact, Convergys is so pleased that they are currently executing a second, similar package for a different target audience. ▲