

ListenTrust™ Case Study

Well-Known Direct Response Marketer

The Client

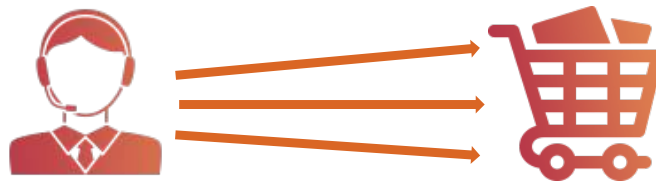
This well-known direct response company is the recognized pioneer of taking innovative ideas and turning them into branded products distributed worldwide. Dedication to high standards of quality manufacturing makes this company an internationally respected infomercial market leader. With unparalleled success in selling home appliances, fitness equipment, sports gear and health and beauty programs, the company is constantly being sought to form alliances with inventors and celebrities who wish to brand their products and their programs. This company has exceeded over a billion dollars in sales.

ListenTrust has been working with this client for nearly a decade, across all lines of business, initially focusing on Spanish-language inbound direct response, and then transitioning into customer service and English-language inbound direct response as well, while leveraging highly effective third-party offers to maximize revenue. The data reflected in this case study illustrates how ListenTrust consistently increased the client's profit margin and outperformed the competition.

Client Objectives

Our client receives high call volume across its diverse product and campaign portfolio, so they were looking for a company to provide exceptional customer service at an efficient cost-per-call ratio, as well as generate revenue through product upsells and customer retention.

The client was also looking to increase its revenue per lead and Average Order Value (AOV) on its inbound direct response business, and work with a strategic partner to provide guidance on using third-party offers to take advantage of a more flexible pricing structure.



ListenTrust Objectives

ListenTrust understands that customer service is most often perceived as an expense, but we believe customer service should either be revenue generating or cost neutral at minimum. Our objective was to help drive revenue by providing exceptional customer service and protecting the integrity of the client's brand.

ListenTrust set out to demonstrate to the client that combining an inbound sales solution with a revenue generating customer service solution, in both Spanish and English, was the best approach to help accomplish their goals and build their business.

Customer Service Approach

We focus on driving a great customer experience. Most call centers focus on (Average Handle Time) AHT.



In competing with two other call centers we saw our AHT per call was about one minute longer than the other two centers. So our Cost per Call (CPC) in Customer Service (CS) was around \$0.50 more per call than our competitors.



We personalize and disarm the caller and in that minute we establish rapport with the customer and look for opportunities to make them a “raving fan” of your brand.



We are able to **sell additional product** on 8% to 12% of the calls with this approach, which is about 4% to 6% higher than our competitors, and we are almost 300% more likely to save an order cancellation call with this approach.

So on 100 calls with 30 save opportunities, we will save around 9 of those orders while our competitors will save 3. While this doesn't show up as additional revenue on the P&L it is revenue the client would otherwise be removing from the P&L.

More importantly, we feel like creating a positive customer experience is where the real value is... As social media continues to drive customer decisions, not taking this approach will hurt front-end sales in a way that you might not be realize until it's too late.



With that in mind, without seeing actual data think about how you want to be treated when you call for customer service. Are you a number? An AHT? Or a human being who deserves the best service that someone can give?

The ListenTrust Solution: Customer Service

The foundation of providing exceptional customer service is to build a team of talented people and provide them with exceptional training. All our agents are required to pass a series of filters and tests before entering the program. They are then immersed in a comprehensive training curriculum with our executive and coaching team.

Agents were coached on tone of voice, greeting and rapport, listening vs. hearing, customer needs, handling objections, and the impact of good attitude, along with other specialized skills. Agents also received intensive product tutorials and training, and learned the unique terminology associated with the client and each product.

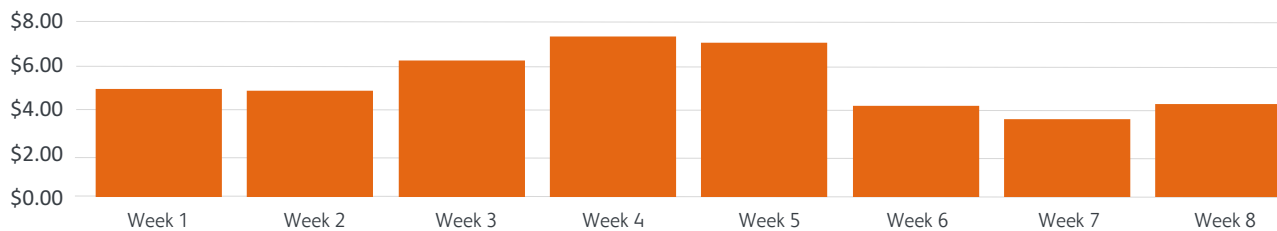
The Results: Customer Service

The below graphs represent one of our clients with over 30K customer service calls per week. ListenTrust answered anywhere from 7,800 to 15,000 calls each week. The graphs represent the REVENUE PER CALL, The total save revenue divided by gross calls answered and finally the last graph shows the combined Revenue per Call – the total Cost per Call based on client billing and their profit generated on calls answered by ListenTrust.

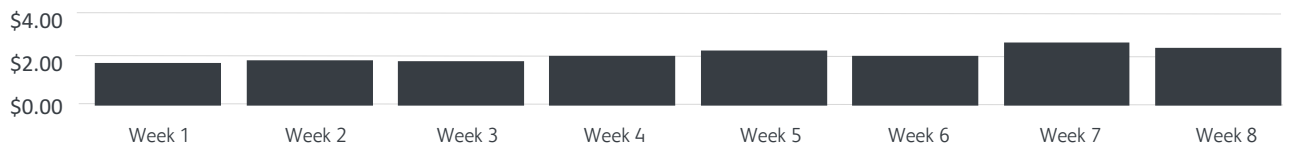
Calls Answered



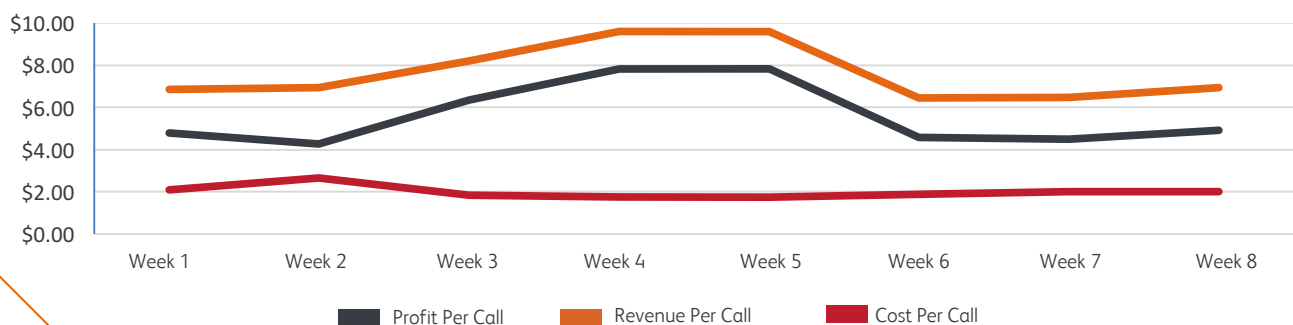
Average Revenue Per Call



Save The Sale: Revenue Per Handled Call



Cost Per Call/Revenue Per Call



The ListenTrust Solution: Direct Response

For inbound direct response training, ListenTrust leveraged the seasoned management and training talent who made it possible for the client to conquer the Spanish Direct Response Sales market years ahead of other marketers in the direct response space. The training, coupled with our expertise in managing people, was put into practice with English-speaking agents, who were new to the client's business. In a matter of weeks, by applying the ListenTrust training and managing practices, ListenTrust's agents were outperforming our client's other vendors in a consistent trend.

IVR vs ListenTrust Live Agent

Typical campaigns in an IVR have lower sales conversions than Live Agents, have high opt-out to Live Agents and a variety of Customer Service issues. A widget with an average ticket of \$40.00 and a 20% close rate typically costs around \$0.60 a call in the IVR (or \$3.00 an order) and brings in \$10.00 revenue per call.



An IVR typically forces sales (which create CS problems) and as many upsells as the technology can push... this gives customers **limited choices and creates frustration**. For example, if the customer was forced into a Buy-One Get-One (BOGO) order but only wants one of the BOGO items, or to just get the upsell items, many times they are forced to take the upsells for both products or no upsells at all. This can impact revenue generated and create customer service issues as well.



When a ListenTrust Live Agent handles these calls instead of the IVR, we typically are able to **improve the close rate by a large margin**. The average ticket usually shows a slight improvement, but the biggest savings here is in CS where customer frustration occurs. With Live Agent, we give the customer what they want, without forcing them to buy what they don't want. So a Live Agent would convert the same widget call at around 40% compared to about 20% with the IRV with the same average ticket. We may charge \$8.00 an order but we would be **generating \$20.00 revenue per call**. This increases the margin from \$7.00 per call to \$13.00 per call.



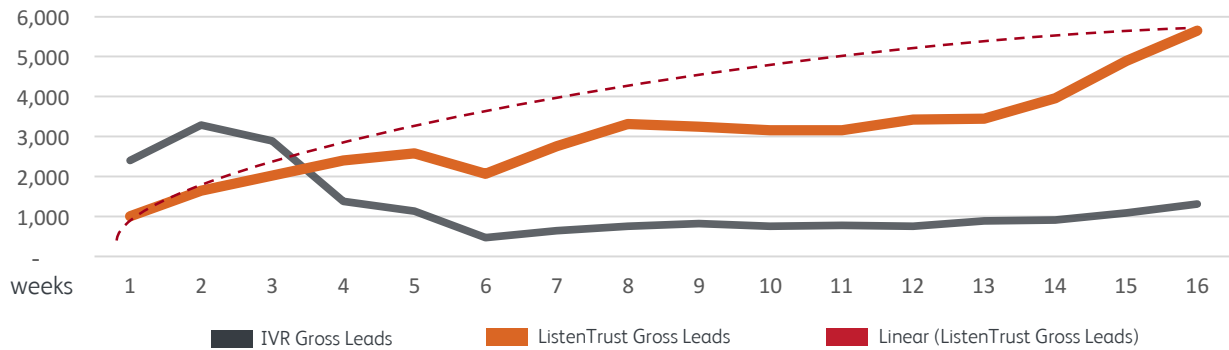
For every 1,000 calls per week, this is an increase in profitability of \$7,000 per week, or \$364,000 annually in additional profit from your media dollars. At 10,000 calls per week this is \$3.64M in additional PROFIT...

The Results: English Inbound Direct Response

Home Tech Product

Call volume increased by 10%-20% each week, from 1,000 calls per week to 5,000 calls per week in a span of 3 months, adding to the positive trend in conversion and revenue per lead.

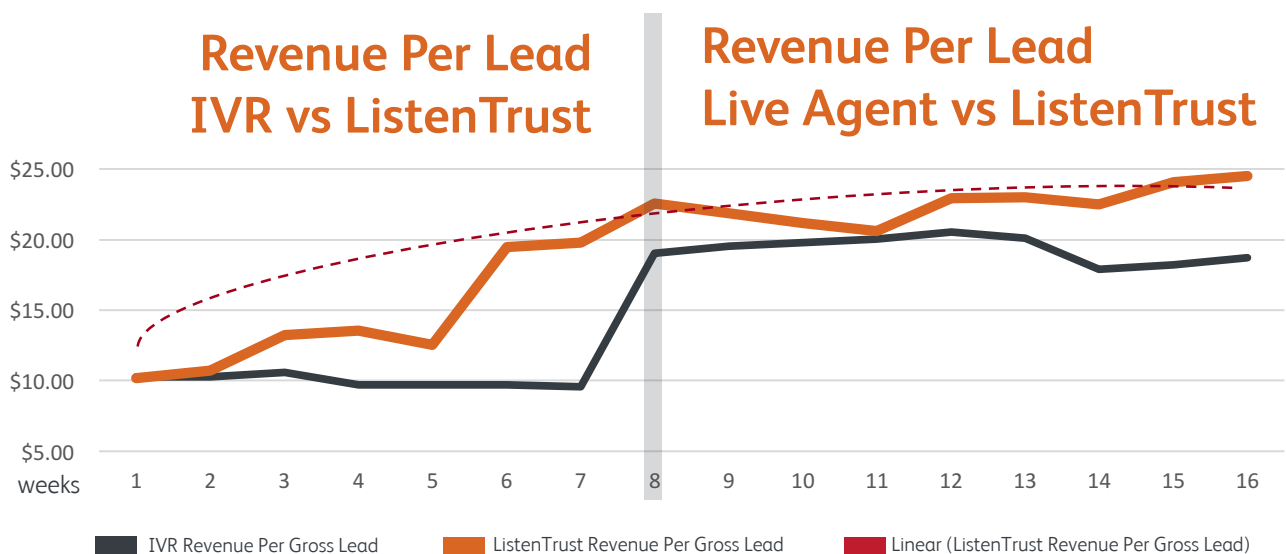
Call Volume IVR vs ListenTrust



ListenTrust’s ability to scale quickly, while sustaining performance at optimal and profitable levels for the client, helped drive the success of this campaign. After 8 weeks of ListenTrust increasing performance against the IVR, the client’s call center attempted to bring this to their live agents instead of their IVR. Their live agents also performed under ListenTrust and as a result the client awarded 100% of the call volume allocation to ListenTrust following a 16 week comparative test.

Revenue Per Lead IVR vs ListenTrust

Revenue Per Lead Live Agent vs ListenTrust

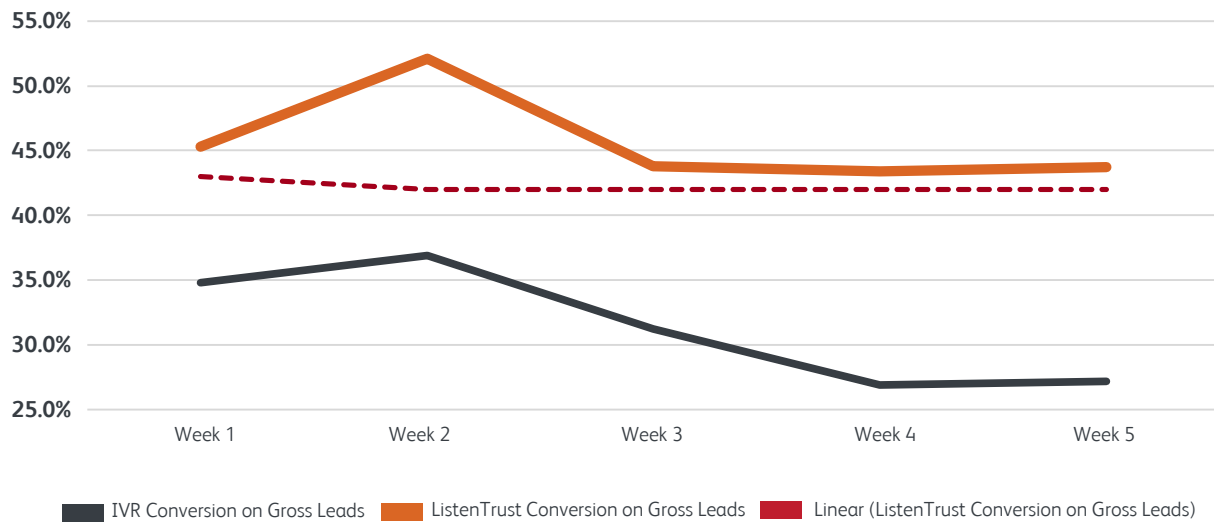


The Results: English Inbound Direct Response

Health & Beauty Product

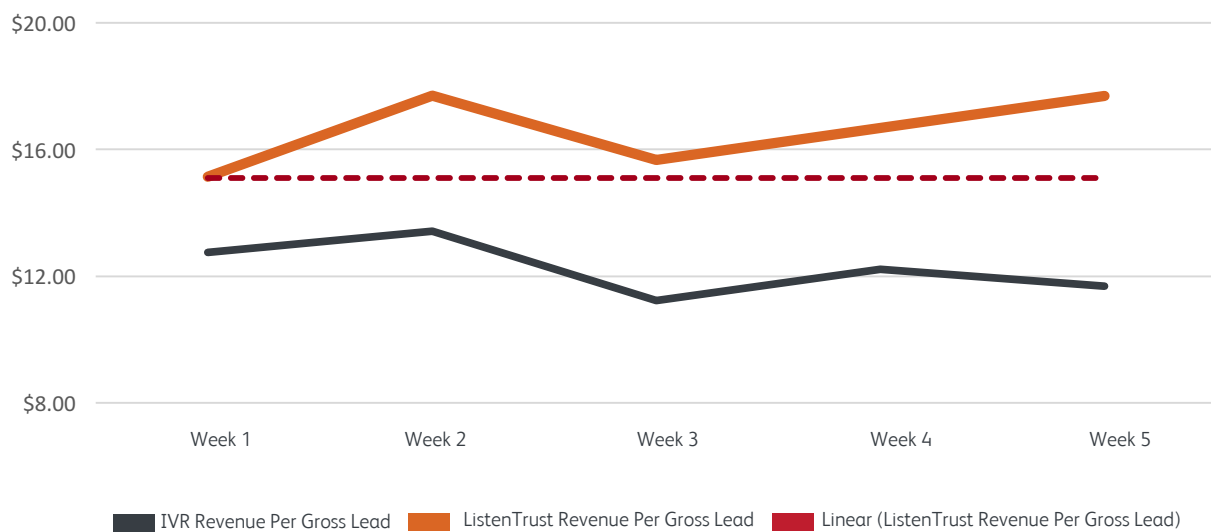
The second campaign focused on a new product launch. Within the first week, ListenTrust Live Agents outperformed the client's IVR by more than 11% in sales conversion.

Sales Conversions IVR vs ListenTrust



The revenue per lead was 30% higher with ListenTrust Live Agents than with the client's IVR system. Following a month of consistent growth, the client awarded ListenTrust 100% of the call allocation.

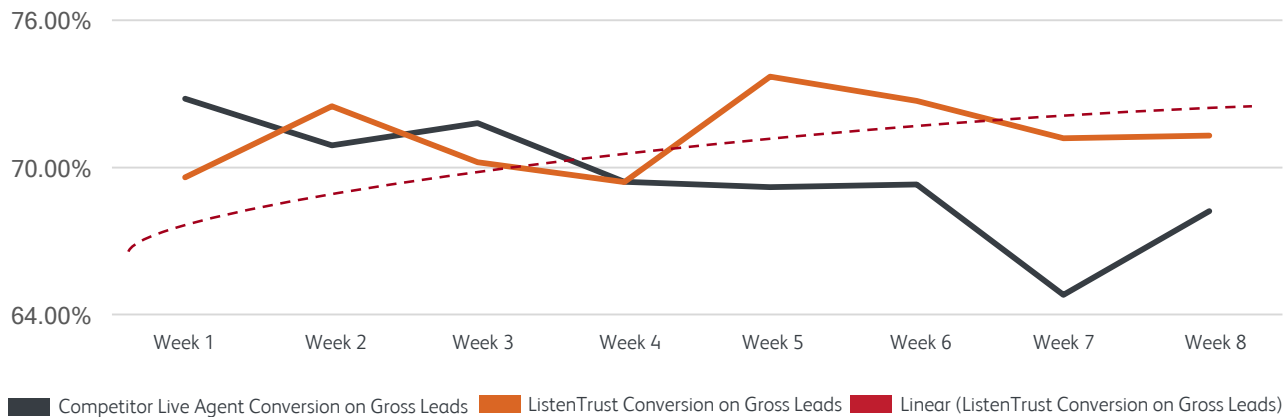
Revenue Per Lead IVR vs ListenTrust



The Results: English Inbound Direct Response Kitchenware Product

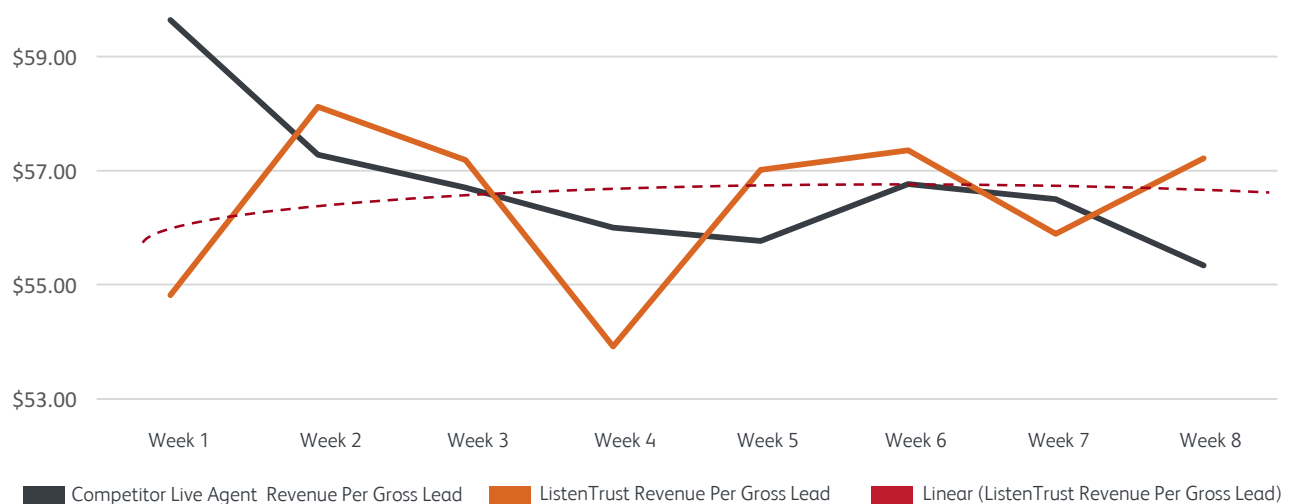
It took ListenTrust only four weeks to exceed the client's existing LIVE AGENT team in performance and remain there for the following weeks, with a 3% to 5% increasing trend week over week in close rate.

Competitor Live Agent Sales Conversion vs ListenTrust



It's important to note that average ticket fluctuated initially. Generally close rate will impact the Revenue per Lead at a greater level than Average Order Value (AOV), so our approach was to close at a higher rate initially and then to focus on AOV. After four weeks we exceeded the competition on both close rate (graph above) and revenue per order, which gave us the advantage on Revenue per Lead (graph below) as well. As a result, after eight weeks, the client decided to award 100% of the call allocation to ListenTrust.

Revenue Per Lead - Live Agent vs ListenTrust

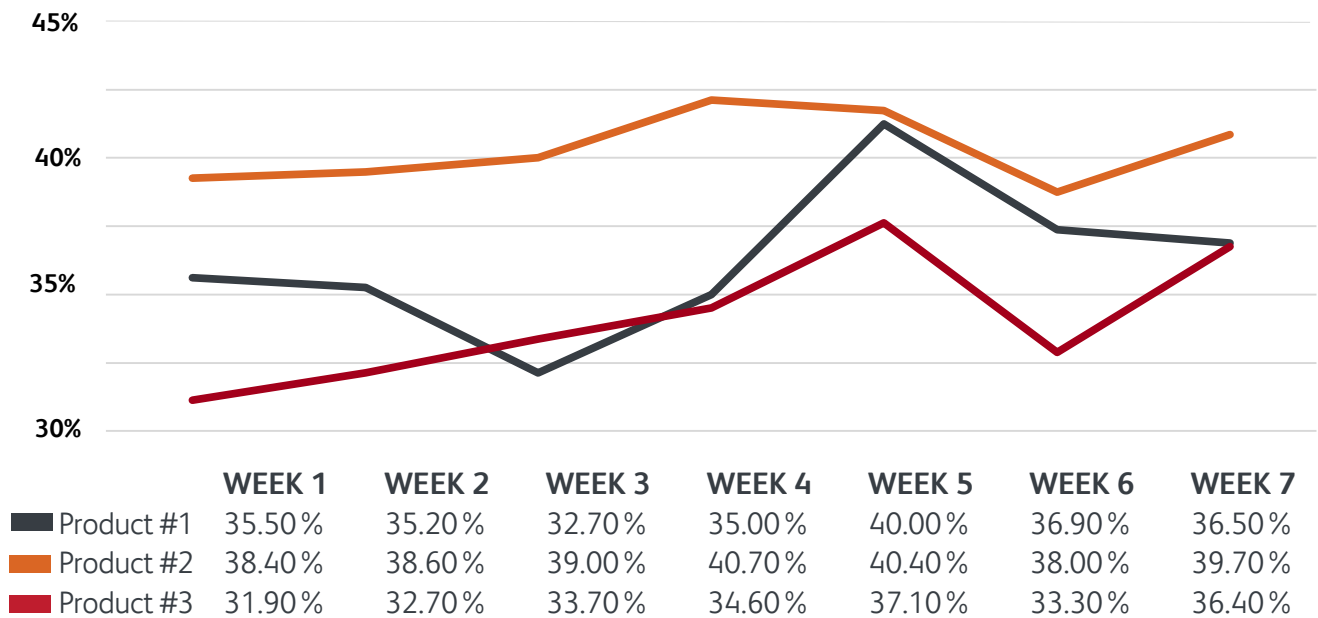


The Results: Spanish Inbound Direct Response

- ListenTrust has been managing Spanish DR for this client for nearly a decade, growing over 60 campaigns that performed well in the English DR market, reaching similar performance levels in Spanish as in English and outperforming the competition
- We average over 300,000 calls and generate over 120,000 orders for the client annually
- Over \$6M additional revenue generated for the client each year, specific to Spanish language media

Below are performance results in the U.S. Hispanic market, over a seven week span, for three products being sold in English as well with the same client. Performance is good and stable for existing Products #1 and #2 based on this seven week snapshot. Product #3 was a new campaign and the increase in conversion from launch to rollout is reflected in the seven week graph shown below.

SALES CONVERSION



Flexible Pricing with Third-Party Offers and clubs:

Helping our clients make more money without investing more

ListenTrust provides flexible pricing and high conversion rates, but we also help our clients make more money by utilizing third-party offers and club programs. This allows ListenTrust to provide a Cost-per-Order and Cost-per-Acquisition pricing structure, which in turn reduces the cost to the client while increasing their profit at the same time.

ListenTrust's third-party offers:

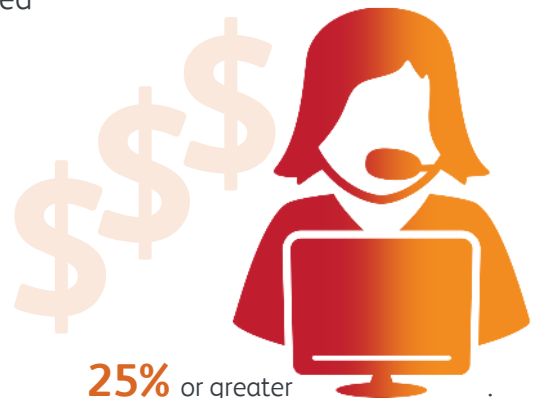
- Allow for a lower cost to client
- Are designed to enhance our clients' brands
- Are fully compliant, with 100% of order calls audited



8% Third-Party Offer Conversion with IVR



15% Third-Party Offer Conversion when a call is transferred to ListenTrust Live Agents from an IVR



25% or greater Third-Party Offer Conversion with ListenTrust Live Agents behind your sale

Conclusions

The client originally came to ListenTrust for inbound Spanish-language direct response services. Given the successes delivered over a period of many years, as well as ListenTrust's consistently higher results in A/B tests against other vendors, the client eventually awarded the majority of its business to ListenTrust. We now manage the client's Customer Service, English Inbound Direct Response, and Spanish Inbound Direct Response.

ListenTrust effectively saved the client money and increased profits by:

- Making Customer Service **revenue generating** versus a cost center for the business
- Utilizing our expertise in English and Spanish language Direct Response and training our Agents to be **subject matter experts** in the client's products and brands
- Utilizing third-party offers to provide a **flexible pricing structure** and **higher profit margins**