A STUDY ON EFFECTIVENESS OF TELEMARKETING FOR BOOSTING SALES WITH SPECIAL REFERENCE TO JAIPUR REGION

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ARTICLE INFO

Key Words: Telemarketing; Telecalling; sales; marketing;

ABSTRACT

Marketing is a much broader and deeper concept then sales. Sales in a short term concept whereas marketing is a long term concept which starts before production and ends after sales. The ultimate aim is customer satisfaction. In traditional times all sales used to happen face to face when buyers used to meet sellers in market place but in modern times the entire scenario has changed. Now market places and spread and there is offline and online shopping. The variety and options are endless for buyers. There is lack of time for all. To attract the prospective buyers towards company’s products and services “Tele Marketing” is used most popularly known as telecalling. It started in 1965 and initially it was one of the most popular method of marketing as leads were generated on phone and then sales executives used to visit the buyer so the chances of sales were more than usual but over a period of time the effectiveness of telemarketing is a question and this study will reveal the real data related to the effectiveness of telemarketing.

INTRODUCTION

Telemarketing or popularly known as telecalling is a method of direct marketing in which a salesperson solicits prospective customers to buy products or services, over the phone and takes an appointment for face to face meeting or sometimes sells over the phone if business is online. Telemarketing was first started by few housewives calling who were calling people and trying to find cookie buyers. That time, telemarketing was not used very much. By 1965, telemarketing started becoming more recognized and telemarketers started getting professional training. By 1970, telemarketing was recognized and praised and became very popular. Today it’s one of the most popular methods to boost sales as it helps sales executives in pitching sales earlier than face to face meeting and supports them in convincing the client. The first call Center globally was started by Dial America with two calling stations, one outbound and one inbound. Today, Dial America is one of the largest operating call centers in the entire globe making a 100 million calls a year and on average delivering 100,000 phone hours a week.

Telemarketing has varied advantages

1. Telemarketing provides an interactive and personal sales service
2. It builds better rapport with prospective buyers even much before meeting them
3. Telemarketing helps in explaining technical issues more clearly
4. It generates leads and appointments which helps to increase the chances of conversions
5. Virtually increase sales territory.
6. Reach more customers which is not possible in face to face sales.
7. It helps in reaching to new and existing clients.
8. Results can be achieved and measured.

Telemarketing also has lot of disadvantages as well

- Telemarketers call people anytime which irritate them.
- Customer data is always not authentic and many a times’ confidential numbers are leaked so it has a potential risk of breaking the law.
- The data is from different sources and is expensive .It’s sold by marketers on high prices.
- If telemarketers are not trained, telemarketing can tarnish the image of the organization.

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• Telemarketing team if trained properly can replace sales team this could lead to feeling of insecurity.
• Training of telecalling staff can be expensive and time consuming
• If telecalling function is outsourced to third party then the control on employees is lost as those are not real employees of organization.

Literature Review

Many researchers have conducted many researches to find out the real effectiveness of telemarketing. “A Study of Indian Consumers’ Perception on Telemarketing” (Geetika, Deepesh Tiwari, and Preeti Gupta International Journal of e-Education, e-Business, e-Management and e-Learning, Vol. 2, No. 2, April 2012) concluded that Telemarketing has emerged as an important tool of marketing, however, the companies should be very careful while calling using telemarketing. The companies should understand consumer behavior before taking into account telemarketing. They should update their database regularly and ensure that they call their prospective customers only. The companies should ensure that the telecaller is polite and knowledgeable enough.

According to Dharmani (2010), in his writing "Telemarketing Skills", it is known that the use of telephones as an interactive medium for promotion, calls potential customers by telephone for the purpose of selling something, and is applied primarily to calls made to people who have never previously contacted the seller, or for people who are not familiar with the company's products or services. Targeting long-distance consumers by using nilah is increasingly powerful for marketing strategies, in many companies, telemarketing is considered as one of the marketing strategies. Hyeon Hwang (2004) pointed out that recruiting quality telemarketers who are good in attitude and talent and training them enough to be able to handle any troubles are key factors for successful telemarketing and proposed how to hire and train telemarketers. Seong-lim Lee (2005) analyzed empirically factors influencing education and training telemarketers in the aspects of definition, environment and sociology of population and eventually suggested effectiveness of education and training. It derived the point that knowledge acquired from education was reflected in the goal of improvement in individual behavior and job performance.

RESEARCH METHODOLOGY

As the topic of research study is telemarketing and the nature of topic is purely theoretical and descriptive. The data collection method that has been adapted is through Surveys by preparing a online questionnaire. The data collected is “primary” on random basis. The data has been collected by broadcasting a Google form containing multiple choice questions all over the web through social networking medias like watz up and facebook, plus professional networks like LinkedIn. All the respondents need to fill their personal details and we have taken different sample size in all three categories.

The Technique

The questionnaire is attached in annexure. We collected a random sample of 55 people belonging to all age, profession etc. They answered the questions and on the basis of that we have gathered the facts and figures related to effectiveness of telemarketing.

The Data Analysis

The Gender Analysis: 40 % of respondents were males and 60 % were female so we will get a balanced view.

The Age Group Analysis of Respondents: Age group of respondents starts from 15 years to 70 years so we will get a very balanced view of telemarketing as all receive telemarketing calls.

Telemarketing calls are received by most of the respondents unless they have subscribed for DND. So maximum people said yes.
Maximum respondents said that they don’t take these calls seriously. That means the leads generated through telemarketing calls are not correct one in maximum cases.

Maximum people said that they sometimes get irritated while receiving telemarketing calls and very few said that they don’t get irritated.

Maximum respondents are not sure whether telemarketing is an important source of information for company’s products and services they are confused and very few said in support.

When we directly asked a close ended question that whether they support telecalling or not, 35% people support telemarketing but maximum don’t. This also shows negative impact of telemarketing.

Last question that we asked the respondents is directly related to our topic that whether they think telemarketing is effective. 21.6% said Yes, 37.3% said No, and 41% said Maybe.

Findings
As per our survey of 55 respondents it has been observed that respondents belonging to genders, all age groups, all professions believe that

1. All respondents receive telemarketing calls.
2. Maximum respondents accepted that sometimes they get irritated with these calls.
3. Respondents clearly said that most of the time these calls are not taken seriously.
4. Most of the people have subscribed for DND (do not disturb) to avoid such calls.
5. Most of the people are not sure about whether telemarketing is an effective tool for telemarketing.
6. Most respondents are confused whether telemarketing gives good information about the products and services.
7. Maximum people clearly said no that they don’t support telemarketing.
8. When we asked final question that whether people think that telemarketing is an effective tool for marketing very few clearly said yes and maximum are confused.

Suggestions
1. Marketers must take care of the privacy of respondents.
2. Telemarketing must be done by trained employees who know talking and dealing with prospective clients.
3. Telemarketing should be one of the tools of marketing and not the main tool of marketing and sales.
4. More emphasis should be given now on to social media marketing.
5. Telemarketing must be done only on stipulated time of the day not full day.
6. Apart from telemarketing other measures of marketing must be followed.

CONCLUSION

To conclude after conducting the research I would like to say that as suggested by respondents they never enjoy receiving telemarketing calls as nearly all companies are doing it and respondents feel in stress after receiving these calls again and again. In this digital age all the marketers have given so much importance to telemarketing and invest a lot. The booming of huge BPO (Business Processing Outsourcing) is an evidence of the same. As people are busy and they don’t have time for meetings so the best way to market with them is through telemarketing. Initially when it started it was successful and appreciated but now because of excessive use of telemarketing it’s becoming ineffective especially cold calling. It has become a very old method of marketing for lead generation and social media marketing has become much more prominent and cost effective measure.

As per my research I have concluded that telemarketing is not so effective measure of marketing.

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How to cite this article:

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