

# Nuance mailer a clear call to action

## Overwhelming response to highly targeted, customized direct piece worth the investment

BY CAROL KROL

**N**UANCE COMMUNICATIONS is a Burlington, Mass.-based speech recognition technology company that sells interactive voice response (IVR) systems, a technology that enables computers to be used to handle telephone calls and interact with callers. The biggest challenge for the marketing department is getting people to act, said Lynne M. Esparo, director of corporate marketing at Nuance.

"Most companies have some sort of voice system," she said. "They have a system in place; it's just not a good system."

Potential customers tend to be wary of the major overhaul required to install a new system and the investment involved, particularly when they can't see immediate results from that investment.

Esparo said that prospects have to see the value and the payoff of changing from a touchtone system to a speech IVR system, but figuring out how to demonstrate those benefits can be a huge challenge.

"Demonstrating a better customer experience is hard to do if you are not showing it," she said. "We wanted to demonstrate to them how a poorly done speech system affects their business."

### MESSAGE COMES ALIVE

Nuance decided it needed to highlight in a tangible way to its prospects the differences between their current system and Nuance's product. The company needed to make that demonstration come alive.



**LOUD AND CLEAR** Nuance's mailer included a cassette recording of the potential customer's touchtone phone system as well as an iPod with a recording of the same call with a Nuance speech-activated system.

Nuance decided on a traditional media format to demonstrate its high-tech product: direct mail. It sent a highly personalized, three-dimensional direct mail package contained in a box to a small number of *Fortune* 500 companies it wished to sign as customers. The campaign was created in collaboration with its ad agency, Kingfish Media, Salem, Mass.

Printed on the box is a simple question, "Are you listening?"

The box folds open to reveal an old-fashioned Panasonic cassette recorder on the left-hand side. The copy reads, "Your customers are pressing buttons, but you can't hear what they need." The recipient is instructed to press "play" and what plays is a recording of the recipient company's touchtone phone system. The sound quality of the recording is not very good, and the system is

limited in terms of automated help.

On the right side of the box is an iPod with instructions to press play and copy that reads, "Let them speak naturally to you. Your relationship depends on it."

Loaded on the iPod is a recording of that same call with a speech-activated system, and, Esparo said, "The difference is clear."

The idea was to directly show prospects the potential to increase customer care while decreasing costs. The more a company can service clients through the IVR system, Esparo said, the more it can decrease customer service costs.

The package's call to action asked for a phone call from the recipient in order to set up a meeting with a salesperson, who would be able to tell the potential customer more about the product and how the Nu-

ance IVR system could improve its customer support.

The package went to a select group of people with titles such as VP-customer care, director of customer care, VP-call centers and director of call centers.

"We need to get the attention of the people involved with the IVR systems and the call centers," Esparo said. "They are in charge of the overall customer experience. They have a lot of plumbing to worry about."

Because of the obvious high cost of the package—more than \$200 per direct mail piece—Nuance took great care to make sure it targeted the right executives.

Esparo said the highly customized package was "a powerful side-by-side comparison, and it says we are really targeting you because we think we can help your company. We have a very specific message and we think your company can gain from this." She added, "It's so high-level and impactful because it is so customized to that recipient."

### DIRECT PREFERRED OVER E-MAIL

Esparo said she is partial to direct mail, particularly compared with the e-mail channel.

"We are finding more and more that direct mail may be old and stodgy, but it's powerful and effective," she said. "E-mail is really losing its viability. People's mailboxes are so full—and we're finding more and more that direct mail, going back to the basics, catches peoples' attention."

The campaign has been an enormous success so far, with a high response rate. Seventy-five to 80% of packages sent resulted in sales meetings.

Esparo said the fact that Nuance spent significant dollars on the mail package and took the time to record their specific voice system resonated with them.

It also helped establish Nuance's brand. "I think it helped brand us as an innovative creative company, and you want to be looked at that way in the technology industry," she said. □

## indirect

### B-to-b list prices hold steady

B-to-b list prices have remained steady compared with last year, according to Worldata's Summer 2008 List Price Index. "The most significant findings are we are noticing that b-to-c lists are decreasing quite a bit from last year, while the CPM for b-to-b lists has remained consistent," said Ray Tesi, senior VP of Worldata, in a statement. Pricing for b-to-b cost-per-lead programs also remained steady, averaging \$4.90 per lead. Permission-based b-to-b e-mail was the highest-priced category, with a straight average price of \$299/M in July, an increase of \$1/M compared with last year.

### Harte-Hanks reports reduced revenue

Direct marketing company Harte-Hanks reported second-quarter diluted earnings per share of \$0.29 on revenue of \$274.8 million, compared with \$0.31 on \$290.1 million in revenue in the year-earlier period. Net income for the quarter declined 20.4% to \$18.2 million. "While our second-quarter 2008 results as a company lagged behind our prior year's performance, we did see some positive signs in our performance," Harte-Hanks CEO Dean Blythe said in a statement. "Direct marketing continued to grow revenue in the mid-single digits in an increasingly difficult environment and delivered positive leverage and improved margin at the bottom line on a year-over-year basis."

### Belardi/Ostroy acquires Fasano

List manager Belardi/Ostroy has acquired Los Angeles-based list broker Fasano and Associates. The merged entity will be led by CEO Andy Ostroy and Donna Belardi, president of Belardi/Ostroy, and will operate under the Belardi/Ostroy name. Fasano and Associates founder Pat Fasano will be managing director, based in Los Angeles. Financial terms of the deal were not disclosed.

### DMA names exec VP-government affairs

The Direct Marketing Association has named Linda A. Woolley exec VP-government affairs. Woolley will be responsible for managing the advocacy, legislative and political efforts of the association. Woolley, an attorney, was previously the principal of LegisLaw, a public affairs and government relations consulting firm that she founded.

## DIRECT DATA

### LIST CHANGES/ADDITIONS

List	New provider	Former provider	Number of names	Description	Cost
Elsevier Healthcare Professionals	MeritDirect	PCS Lists	1.25 million	Database of health care industry professionals including doctors, nurses, dentists and veterinarians who have purchased books, professional references, journal subscriptions, CD-ROMs, educational textbooks and videos from Elsevier Health Sciences, a division of Reed Elsevier.	\$125/M
Uno Alla Volta and Cooking Enthusiast	Belardi/Ostroy	Millard Group	235,636	Uno Alla Volta and Cooking Enthusiast catalog and e-commerce buyers	\$125/M
Oil and Gas Executives and Managers	Venture Direct Worldwide	New to the market	122,960 postal; 53,421 e-mail	Database of oil and gas executives and managers	\$195/M postal; \$395/M e-mail