

THE CLINTON GROUP, INC.

Why the Telephone Matters

A Changing Media Landscape

The changes in the media environment over the past several years necessitate an evaluation of long used practices to communicate with and persuade people to take some action. Consider, for example, the decline in total viewers of the broadcast networks. In 1978 the broadcast networks had 90% of the prime-time audience. Today, the broadcast network audience has slumped to roughly half that size according to Nielsen Media Research. At the same time, the number of channels the average U.S. household receives has quadrupled in the last 10 years from 27 channels to 100 TV channels (Nielsen Media Research). To illustrate the impact of this change in reaching people a study by Forrester Research showed in the 1960's an advertiser could reach 80% of US women with a spot aired on the three broadcast networks. Today an ad would have to run on 100 TV channels to reach the same penetration. For the company trying to reach an audience through television the problem is exacerbated further by the growing popularity of ad-skipping devices, such as TiVo.

Similarly, the circulation numbers of U.S. newspapers have decreased, including a near 2% drop in the six month period ending March 31 – the biggest drop in a decade according to the Audit Bureau of Circulations. More and more readers go elsewhere for their news, especially the internet where the number of users has surged. A study by Frank Magid Associates (a client of our affiliated company, CCI) in September 2004 showed Americans as a whole spend more time online than in any other medium, including television. The proliferation of banner and pop-up ads attests to the growing numbers of users but the effectiveness of this advertising has not taken hold as evidenced by the small percentage of advertising budgets spent on internet advertising (The Wall Street Journal estimates 2-3%).

Correspondingly, the explosion in the volume of mail in the average household's mailbox has diluted to almost nothing the effectiveness of the stand-alone letter or brochure.

How an Old Medium Prospers in a New World

It is a different environment for communications. The value of the telephone as a medium has not been exempt

from these changes. However, studies by Yale University's *Institution for Social and Policy Studies (ISPS)* have found telephone communications, when employed in concert with other mediums, remain an extremely valuable instrument in persuasive communication campaigns – whether inbound or outbound. Our own extensive empirical data and campaign experiences, supported by the findings of Yale professors Donald Green and Alan Gerber of *ISPS*, point to the unique characteristics of telephone communications as the reason. Those distinctive attributes are:

The telephone is an interactive medium that facilitates dialogues and the building of relationships and trust. Unlike other mediums, the telephone allows for immediate feedback from and discussion with the audience. They have the opportunity to communicate back important opinions, questions, and concerns.

The telephone is an intrusive agent. Once a person answers the telephone they are a captive audience – we know they are engaged. This is even more the case when an individual chooses to call into a toll free number. A recent public outreach campaign funded by the National Wildlife Federation (NWF) targeted opponents of drilling in the

THE CLINTON GROUP, INC.

Artic Refuge. The program required an educational as well as a persuasive element to get people to act and act immediately. The **Artic Action Hotline** directly connected citizens to their U.S. Senators to deliver a message and the intrusion aspect of the telephone allowed the direct connect requests to develop quickly and successfully (see related case study attached).

The telephone is a persuasive tool. As a dialogue is established there is a personal nature to the telephone communication. Because there is a trust present in the conversation, it allows for engaging people in a salient manner. Studies shown by Yale *ISPS* (which focused on person to person communications over the telephone and door-to-door) and our own experience with the **New York State Democratic Assembly Campaign Committee** (NYSDACC) have shown that to-the-point communications delivered by a human voice are far more effective in persuasion than communications conducted through more passive means. This is due to the opportunity to convey sincerity and conviction that the telephone allows, whether the call is outbound, inbound or prompted by an automated option (see related case studies). In the NYSDACC situation,

the difficult challenge was to combine multiple communication options while remaining within the existing strategies of the individual campaigns themselves. By incorporating many messaging options we ensured a correct matching of messages to the appropriate calling program and phase. Capitalizing on the appeal in telephone messages, the telephone centric communications program was able to educate and persuade constituents to a degree that no other single communication vehicle could match. In one particular campaign we were able to use a Blended Persuasion call whereby a live agent begin the call, then played an automated message of the opponent contradicting himself, and finished the call with a live persuasion message (see related case study attached).

The telephone can quickly gather intelligence. Feedback through the telephone is instantaneous – questions are asked and answers reported in real time. Information gathered from telephone communication can be immediately deployed in adjusting messages, tactics and even resources. There need not be any delay because of a lapse in relaying the information between sources. For example, in a 2004 electoral campaign in Florida

called The **Voter Hotline**, an inbound telephone operation was set-up in conjunction with media, mail and email activities. Voters would call an “800” number seeking answers to questions and to report problems. Data from the calls received was analyzed daily to detect trends and patterns of activity. Alerts were subsequently sent to campaign headquarters identifying where resources needed to be mobilized, what areas could be pulled back, where geographic locations needed additional information on the campaign, where possible voter fraud might develop, etc. The telephone was central to the quantifiable, dynamic campaign plan (see related case study attached).

Creating an Integrated Process and Sustaining the Dialogue

In today’s changed media environment, communications campaigns need to conglomerate several different niches or segment to accumulate broad acceptance and support. Available demographic information needs to be used to identify the language, values and issues important to the targeted audience segments. Most importantly, there needs a blended mix of the appropriate telephone, direct mail, email and other interactive contacts to gain the constituent interest and attention. A

THE CLINTON GROUP, INC.

good example is the aforementioned campaign currently being managed by TCG on behalf of the **National Wildlife Federation** which includes an interactive automated solution of allowing supporters of wildlife to voice their opinion or to send a fax containing personalized messages to their legislator. NWF and TCG developed a relatively inexpensive combined broadcast email and inbound IVR application (interactive voice response) where interested parties could call a toll-free number and through automated prompts either talk directly to their legislator or record the content for a fax and have TCG forward it on their behalf. This solution has been in operation for over 3 months and will continue until further notice (see relative case study attached).

The Clinton Group methodology is to allow the issue and the target audience to shape the message and medium used, as well as the action requested. We use research and technology to create a dialog with constituents, discover how they feel about various issues, and seek their involvement and commitment.

- Our campaigns are designed to build upon and operate in coordination with other existing or planned communications. We understand that campaigns need to be more than just one-way

messaging to be successful, and that there needs to be a mix of communications, both in terms of quality and quantity, which complement and build upon one another. We try to utilize all communication activities and channels and weave them into an **integrated, coordinated campaign**. This integrated campaign approach brings the advantage of delivering repeated, persuasive contacts to the targeted constituencies with messages that resonate, and in an efficient and effective manner.

- We strive to match the message and messenger to have the greatest impact. It is a process that includes educating the recruited activists so their understanding of the issue will, in turn, be conveyed in their communications to the political target.

- Our campaign objectives are to promote a political agenda by:

Building name recognition
Identifying support
Recruiting & mobilizing activists

Each program is structured to include thorough testing and a rigorous

oversight process, including senior management hands-on analysis, to identify where real time adjustments are needed at any point in a program. Our procedures include an Internal Focus Group Process where agent/constituent conversation are monitored (often with our clients) to evaluate message receptivity, and to make adjust in approach and, occasionally, program strategy.

For details regarding The Clinton Group's services and capabilities, please request "TCG Statement of Capabilities".