

## From the Lab

This month, *Response Magazine* introduces a new section called "From the Lab." The section will provide statistical facts and figures on topics relevant to the direct response marketer. Each month, TEST Marketing Group of Santa Ana, Calif., will conduct a survey of DRTV customers, marketers and/or vendors. These surveys will provide insight into recent *Response* articles and topics. If you're curious about something to do with the DR business and don't know where to get current factual information, just ask and we'll find out. Send your suggested "From the Lab" topics to Thomas Haire at [thaire@advanstar.com](mailto:thaire@advanstar.com).

This month's survey follows up the article in the July issue of *Response* on the buying club phenomenon. TEST contacted some of the industry's most respected marketers and asked them how clubs relate to their business. Here's who we called and what they said (special thanks to all for their gracious participation):

**Bill Guthy, co-CEO, Guthy-Renker Corp.**

"We developed our own club, but no longer use it. The performance did not justify continuing it."

**Carl Daikeler, president, Product Partners**

"I absolutely would let my grandmother sign up for our club. It's our own and we provide excellent service to our customers."

**Darbe Nokes, co-owner, Smart Inventions**

"The additional revenue we generate from the buying clubs has allowed us to run our campaigns much more profitably."

**Joel Margulies, co-founder and partner, Transactional Marketing Partners**

"It's important to understand and evaluate the 'revenue enhancement' opportunities buying club companies provide marketers. In many cases, third-party 'revenue enhancement' opportunities can make or break a DR campaign."

### Club Usage Survey

	Joel Margulies co-founder/ partner, Transactional Marketing Partners	Darbe Nokes, executive vice president/co- owner, Smart Inventions	Rachael Brock, executive vice president/co- founder, One World Networks	Nancy Duitch, DRTV legend	Bill Guthy, co-CEO, Guthy-Renker Corp.	Marilynn Davis, vice president, American Telecast	Carl Daikeler, president, Product Partners	Average
<b>1. On what percentage of your current campaigns do you use Buying Club Up-sells?</b>								
%:	100%	100%	0%	0%	0%	0%	100%	43%
<b>2. On average, how many buying clubs do you offer on the campaigns where you use them?</b>								
#:	2	3	0	2	1	1	1	1.5
<b>3. On average, how many total upsells do you offer per campaign including clubs?</b>								
#:	4	5	4	4	4	3	4	3.8
<b>4. Are you using buying clubs more, less or the same amount in 2001 as in 2000?</b>								
more	x		x					29%
less							x	14%
same		x		x	x	x		57%
<b>5. Do you have more, less, or the same amount of customer service issues when you use clubs compared to when you did not use clubs?</b>								
more		x		x	x	x	x	71%
less								0%
same	x		x					29%
<b>6. Do you have any plans to start your own club?</b>								
yes			x					14%
no	x	x		x		x		57%
Already has					x		x	29%
<b>7. Do you get paid on a per-read or per-order basis?</b>								
per read					x			14%
per order		x		x			x	43%
both	x		x			x		43%
<b>8. Would you let your grandmother sign-up for a buying club?</b>								
yes	x	x					x	43%
no			x	x	x	x		57%

**ABOUT TEST MARKETING GROUP**

Founder and CEO Adam MacDonald conceived TEST Marketing Group as a direct response marketing laboratory. During his years in the industry, MacDonald noticed that many campaigns that might otherwise have been successful were stymied by unworkable offers, unresponsive creative or poor telemarketing scripts. At TEST, he has teamed up with Chris Walshe to create an environment in which the client is able to measure the

response to his or her infomercial and make immediate alterations to any component of the campaign. TEST's state-of-the-art call center, the "Test Lab," is designed to enable the client to make real-time adjustments to telemarketing scripts. TEST also reacts quickly to the need for creative changes with an in-house editing bay and knowledgeable production staff. TEST is able to refine and redirect the campaign until it lands on the most profitable offer, the best upsell configuration, the most

responsive creative and the most powerful scripting for the product. No other firm in the direct response industry fulfills the roles of marketing management, telemarketing, testing and production all under one roof.

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