

"Money for Nothing"

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The Secret Life of a Sweepstakes Junky

When last I came before you I offered a work related topic concerning a little known child abuse phenomena known as Munchausen by Proxy Syndrome. In choosing to speak on this subject I violated my cardinal rule of discussing work related subjects outside of the work place. While this subject was of particular interest to me it also proved to be a somewhat morbid and depressing subject and I will probably stay away from such gloomy work related topics in the future.

When I started thinking about an appropriate subject to bring before this esteemed group of deep and convoluted thinkers it occurred to me that my daughter had written a college paper last year for a class on popular culture that featured some of the more neurotic and compulsive behavior patterns of her doting father. At this point I rationalized that it was patently unfair for my daughter to singularly capitalize on my own demented antics. After all they are my behaviors, so why should I not get some use of my own personal, now well recorded, feet of clay.

To be candid, I suffer from a more than slight addition to sweepstakes contests. Now, for the uninitiated among you, by definition, a sweepstakes is an advertising or promotional device by which items of value or prizes are awarded by chance to participating consumers with no purchase or entry fee required and with all participants having an equal chance of winning.

Sweepstakes are all together different ^{from} ~~than~~ skill contests.

In a skill contest the winner is determined by skill, not just dumb luck. Also, an entry fee or purchase of a product may be required. There are many legitimate skill contests and these competitions may require the consumer to write a jingle, solve a puzzle, or answer questions correctly. Other contests might require that you write essays or poems, submit recipes, photographs or drawings of some sort.

Now, when I share with you that I lead a secret life as a sweepstakes junky I do not mean that I casually enter a few of these contests over a protracted period of time. No, more to the point, I enter a lot of these brainless contests within very short periods of time. During some months I may enter as many as sixty to eighty sweepstakes.

My tax accountant has suggested that I add a disclaimer in my paper at this juncture that would say that I have never won a major prize from any of the sweepstakes that I have ever entered. So, I have never won a new car, a million dollars, a trip to Europe, a luxury cruise or even a new house. I have, however, won a great many prizes of questionable value, and these would include baseball caps and T-shirts, lots of baseball caps and T-shirts. I have also been fortunate enough to win a pair of giant inflatable plastic lips, wrist watches, wall paper, roller blades, cookbooks, a pin ball machine, athletic bags, key chains, lapel pins, a bicycle, sports tickets, concert tickets, a Keebler Elf costume, sunglasses, Count Chocula studio chairs, cameras, ice chests, compact discs, stuffed animals, a pink remote controlled Barbie car, a television,

a video game system, soccer balls, NASCAR racing jackets, coffee mugs, highball glasses, a Bart Simpson Bronze medallion, playing cards, clocks and many other kinky prizes which will not be discussed in this paper.

Many of you are familiar with some of the more well publicized sweepstakes offerings that arrive in your mail about this time each year. The two most well known contests are Publishers Clearing House and American Family Publishers (with Dick Clark and Ed McMahan's likeness on the envelope). These types of magazine promotions have experienced phenomenal success at selling their product through the use of the U.S. Mail service. The sales strategy for these unsolicited mail sweepstakes vary very little. They all emphasize that through some lucky quirk of fate you have been chosen as a possible winner of millions of dollars. They attempt to convince you that you were one of the very few selected for this offer by repeating your name in big block letters throughout the mailer. Finally, they remind you on more than one occasion that some one else will win your prize if you chose not to involve yourself in their enterprise. This well crafted sales pitch convinces the average consumer to take a chance and mail in his or her sweepstakes entry. Once this simple decision is made, the purchase of a magazine to assure that their entry does not end up in the wastebasket, is almost an afterthought. Through this convoluted process millions of magazine subscriptions are sold each year. Now I would not want you to get the idea that these types of sales promotions are somehow dishonest, as they do really give out large

cash prizes and they do not require a magazine purchase to win. The serious sweepstaker, however, usually stays away from these magazine promotions as they are too heavily publicized and have astronomical odds of winning.

The serious sweepstaker gravitates toward contests where they may have a better than average chance of winning. Sweepstakes that are only open for a short period of time and have complex rules that tend to discourage potential entrants are usually more attractive. Also, sweepstakes that are restricted by age or geographic area and are not heavily advertised tend to attract interest. Second chance sweepstakes drawings that are connected to a product promotion "Instant Winner" game are usually worth entering as a large portion of the instant winner prizes are never claimed and relatively few people bother to enter the second chance drawing.

Some of you may be asking yourself about how, "How did George, being such a smart clever lad, ever become involved in such a non sensible fool hardy endeavor?" My answer is straight forward and simple. Being of a slovenly and slothful disposition, sweepstakes represent an attractive alternative to my becoming excessively involved in the American work ethic in order to obtain wealth and a life of leisure.

There is a common misconception among the general public that only those entrants who have purchased the sponsors' product are actually considered for major sweepstakes prizes. Certainly, the sponsors who spend thousands of dollars promoting their products, then many more thousands of dollars awarding prizes, would like the

public to buy their products. It is their hope that advertising, including the advertising of a particular sweepstakes, will influence consumers to choose their product or service. However, when a company organization decides to conduct a sweepstakes in our country, it does so with full knowledge that under the various laws that govern sweepstakes advertising, contestants must not be required to make a purchase or spend money to enter.

Major sponsors often hire third-party judging agencies to administer sweepstakes in an honest unbiased fashion. The advertising agencies that specialize in putting on these contests are responsible for developing rules, assuring that the sweeps conform to all state and federal laws, and filing security bonds in certain states. These judging agencies must also receive all the entries, draw and notify winners and even deliver the prizes.

The corporations that employ these judging agencies to conduct sweepstakes to promote their products do so to profit from the positive exposure of their products that result, and they choose sweepstakes as their advertising strategy for only one reason and that reason is that they work, and they work in a big way.

Sweepstakes traditionally have been used to promote packaged goods, but more recently have been used by service industries, advertisers and hard goods manufacturers. Industry watchers attribute the popularity of sweepstakes among consumers to a single element: the chance to fulfill a fantasy. Sales promotion experts say the greatest value of sweepstakes is their ability to create excitement and spur consumer involvement around a promotion.

Sweepstakes are successful in allowing marketers in achieving a number of major goals, which include: increasing ad readership and coupon redemption; accessing certain demographic groups and driving traffic into retail stores.

You know I told you earlier that I enter all those dozens of sweepstakes each month? Well, that wasn't exactly altogether true. I really do enter a lot of sweepstakes but I try to avoid using my own name. I have chosen instead to use my wife's name, Sarah. In this way I can avoid any personally embarrassing fall out, ^{nasty} mostly legal entanglements and troublesome junk mail and publicity which might prove worrisome. No, the real reason I started using my wife's name to enter contests was mostly for superstitious reasons. Sarah seems to be luckier than I am and more importantly, she doesn't really care if she wins or not. So it is my belief that fate will be kinder to her than she will be to me.

Because of the success that product promoters have had with sweepstakes advertising, hundreds of unscrupulous charlatans have come on the scene who dishonestly present themselves as legitimate sweepstakes, and consumers should be wary of unsolicited announcement of good fortune coming to them via phone or mail. If you receive a prize-winning notification that asks for a payment of any kind in order to receive your prize the sweepstakes is not on the up and up. If you believe that you may have won something you should use common sense and ask yourself "What is the contest sponsor trying to sell me?" If you have difficulty determining what the actual product or service is that the contest is promoting, you

should be cautious as no sponsor gives valuable prizes away without having a profit motive.

If you receive a notice in the mail telling you that you have won a prize, you might want to check the postage on the envelope. If your correspondence was sent bulk rate or even first-class presort, you will probably need to temper your enthusiasm. The U.S. Postal Inspection Service warns citizens to be wary of post-card type or official looking notices that say you have "Definitely Already Won", and that your prize will be one of four or five valuable items or a free vacation. These types of notices usually require you to call an 800 number to redeem your prize. When you make this phone call you are told by a high-pressure salesperson that you must buy something else, such as high priced vitamins. Other telemarketing scams require you to purchase a water purifier, join a costly vacation club, pay for numerous extras for a free vacation package or pay for shipping and handling in order to collect your free prize.

Some of these boiler room operations have the unsuspecting consumer call a 900 number to claim a free gift. Other rip-off artists may switch you from an 800 number to a touch-tone activated pay call. These calls may cost over \$5.00 per minute and take several minutes to complete. Quite often your free gift will turn out to be worth less than the phone call.

Behind many of these telemarketing schemes lurk megacompanies which feed hundreds of small boiler room operations around the country, acting as wholesalers and service bureaus to the

telemarketing prize promotion business. These mega companies mail thousands of post cards and letters on behalf of a large number of telemarketers from coast to coast which inform misguided recipients that they have been selected to receive Orlando/Caribbean vacation packages. All that these small telemarketers need to set up shop are telephones and salespeople, and the large company will take care of the rest. In most cases the small telemarketers are even provided sample scripts and sales strategy materials.

The following are a few excerpts from sales scripts used to sell vacation packages. These scripts illustrate how telemarketers overcome the ill fated consumers resistance.

In the event that the targeted consumer tells the salesperson that they are somewhat skeptical of "their too good to be true" offer, the telemarketers is to say, "Believe me Ms. Jones (our pigeon will be called Ms. Jones), I know how you feel. I'm a consumer too and I have a mail box in front of my house. I know how much junk mail you receive! Always check the post mark on those cards that you get in your box. Look at the postmark on the card we sent to you; that pre sorted first class mail stamp means our company went through a thorough investigation before we were allowed to mail our cards."

If Ms. Jones asks the salesperson to send them some literature about their amazing offer, the salesperson is scripted to say, "Ms. Jones I wish there was some way I could send you a few brochures, but unfortunately the cost of printing and mailing those brochures would have to be added to the price of the vacation package and

we're trying to keep that cost to a bare minimum."

If Ms. Jones remains skeptical about the offer and says that she needs to think about the offer and asks if she can call back later, she is told, "It is company policy that we can only present our offer once to each household..... If you realize the value of this vacation bonanza, and I'm sure you do, then take advantage now while we still have a package to send you. Let's get you started!" Ms. Jones might tell our telemarketer that she wants to talk to her husband before making a financial commitment. The correct response to this situation is, "I'm sure this promotion makes more sense to you now that I've explained it than it did before you called right? Your husband does not have the information you have, so how could he possibly make an intelligent choice? I'm sure your husband trusts your judgement, that's why you married each other, we have hundreds of happy customers and we haven't had the first divorce yet."

Now if Ms. Jones laments that she can't afford the vacation offer the salesperson responds, "I know that situation all too well, Ms. Jones, so let me ask you this. Could you afford \$15.00 or \$20.00 a month? That's how the credit card center will bill you on your statement, small monthly payments that are easily affordable and won't put you in a financial bind."

Assuming that our poor Ms. Jones is still on the phone but is hesitant in giving out her credit card number, the film flam man very forthrightly tells her, "By using your credit card you have the full protection of the Federal Government and the state of Florida. Any time you use your credit card to purchase a product from another

state you have a full 60 days protection under the congressional consumer protection act. If you don't receive your product or it's not the way it was presented to you then you have the recourse of calling the bank that issued you your credit card. They will recredit your account and bill the company for the processing fee."

Now if Ms. Jones doesn't know that there is no such thing as the congressional consumer protection act and has finally succumbed to all of this double talking razzle dazzle she is at last ready for the coup de grace. Our cordial salesperson tells her goodbye and says, "Now my manager is standing by and will verify everything that I have just told you and will give you a little more information."

If there are any of our Athenaeum Society members who might be interested in a challenging and rewarding career as a telemarketer please see me after the meeting for more information.

You may be asking yourself why would anyone be so gullible and stupid as to become involved in such a blatantly obvious consumer scam. My answer is rather brief and pointed. "Greed". Our society is caught up in the something for nothing American dream of instant wealth and the many Ms. Jones' amongst us are easy pickings for these modern day shell games.

If you weren't already, I am sure that most of you are now suffering from a fairly pronounced case of sweepstakes paranoia. I must tell you, however, that most sweepstakes promotions offerings are conscientiously managed by honest marketing agencies, and through the use of a little common sense one can avoid those insidious fakers who would tempt you with their pig in a poke.

So just remember that on Super Bowl Sunday when the Publishers Clearinghouse Sweepstakes Prize Patrol van pulls up in your driveway and the nice man gets out and strolls up to your door with that giant 10 million dollar check, and you rush out to meet him and excitedly exclaim, "Gee, I don't even remember entering." and he good naturedly responds, "Well, that would probably help explain why you are not our winner... and could you please direct me to a Mr. George Byars' house". Please try to remember that I live at 307 James Lyn Drive.

George H Byars
1-4-96