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The Illinois Institute for Rural Affairs (IIRA) works to improve the quality of life for rural residents by partnering with public and private agencies on local development and enhancement efforts.



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Illinoisans Reports to the Do-Not-Call Registry Since the Indoor Mask Mandate: August 30, 2021 – September 13, 2021

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Adee Athiyaman¹

Abstract

This paper addresses the question whether the introduction of the indoor mask mandate in Illinois stimulate or increase telemarketing activities in the state; data from the Federal Trade Commission were used to gain insights. Data analysis reveals that:

1. Do-Not-Call registrations increased on the day the indoor mask mandate went into effect on August 30, 2021;
2. Most of the telemarketing cold calls on August 30 were targeted at Chicago residents, and
3. Imposters posing as government, business, or family and friends were cold calling Chicago and Central Illinois residents.

It is suggested that communities educate the industry's target populations such as the elderly in handling telemarketing communications.

Introduction

Approximately 20 years ago, on June 27, 2003, the Federal Trade Commission (FTC) made its national Do-Not-Call Registry available to the US public². In announcing the creation of the registry, President Bush said:

We are announcing new measures by the Federal Government that will help Americans protect their private time or family time by blocking unwelcome phone calls from telemarketers³.

¹ Athiyaman is Professor at the Illinois Institute for Rural Affairs.

² FTC (2003). You Make the Call: The FTC's New Telemarketing Sales Rule. See: <https://www.ftc.gov/enforcement/rules/rulemaking-regulatory-reform-proceedings/telemarketing-sales-rule>.

³ Remarks on the Creation of the National Do-Not-Call Registry. *Administration of George W. Bush*, June 27, 2003, 702-703.

As at 2020, the registry had 241.5mil entries. The registrations were high during the early years of the registry: registrations attained an annual compound growth rate (ACGR) of 20% during the 2004-2009 time period, and since then the registrations have stabilized at around 3% ACGR, on average¹.

It is true that the telemarketing tactic of cold calling is unpopular among the general public, but if consumer response is minimal or none for telephone solicitations, firms would not spend money on such calls². Business decisions for telemarketing are based on an analysis of the location of the target audience (for example, home) and the time when the target audience is likely to make a purchase decision (for example, during the morning hours when a full-time homemaker is likely to go food shopping).

Recently, the spread of new Covid-19 variants such as the Delta has resulted in the state of Illinois mandating indoor masks³. This could influence people visiting retail centers; for example, those who are opposed to donning a face mask indoors may stay at home and do their grocery shopping online. Furthermore, the recent uptick in Covid-19 infections in the nation have resulted in one-fourth of the population refusing to work in an office or onsite in person⁴; they prefer to work from

home. These work-from-home consumers would be the prime targets for telemarketers⁵.

Research into consumer responses to telemarketing highlights that 60% of the consumers terminate calls as soon as they realize that it is a sales pitch⁶. Of these, seven percent take both positive and negative actions such as buying the product marketed or adding their telephone number to the do-not-call registry⁷.

Did the introduction of the indoor mask mandate in Illinois stimulate or increase telemarketing activities in the state? If “yes”, is it the rural or the metro region that witnessed the most increases in telemarketing? What product classes were tele-marketed during the day the indoor mask mandate came into effect on August 30, 2021? This paper addresses these and other related questions

¹ ACGR for 2010-2015: 4%; for 2015-2020: 2%.

² The size of the US telemarketing industry in 2020 was \$25.4bil; the industry grew at an annualized rate of 0.5% during 2016-2021; see

<https://www.ibisworld.com/industry-statistics/market-size/telemarketing-call-centers-united-states/>.

³ Athiyaman, A. (2021). Twitter reactions to Governor Pritzker's indoor mask mandate. *Research Brief*, 3(13), 1-12. Available online:

http://www.iira.org/wp-content/uploads/2021/09/mask_mandate.pdf.

⁴ BCG Consumer Sentiment Survey, fielded during August 6-8, 2021; representative within -3% points of the US Census. Available online: <https://www.bcg.com/en-us/publications/collections/consumer-sentiment-series>.

⁵ Research suggests that an average household receives around nineteen calls annually; see Ross, M. (2012). *Why are you calling me?* Albany Law School: Working Paper.

⁶ Rossiter, J. R. et al (2019). *Advertising Communications & Promotions Management*. Boston, MA: McGraw Hill.

⁷ Same reference as footnote 8.

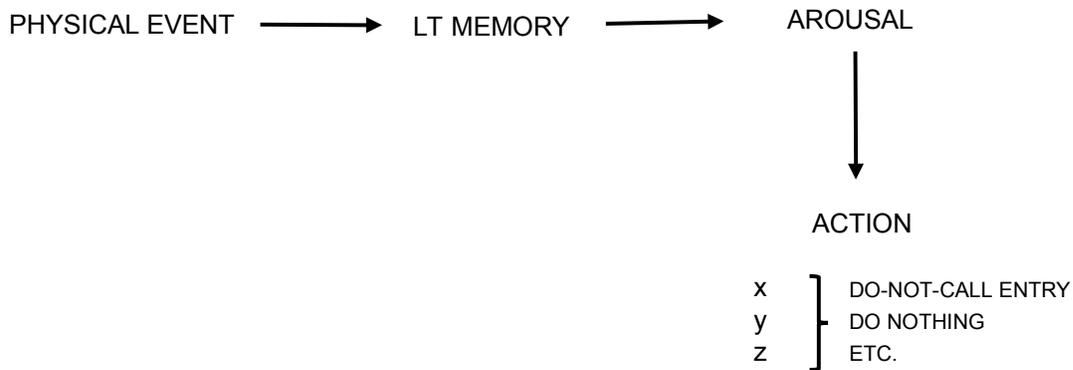
Conceptual Model

Figure 1 was the conceptual framework that was used to interpret the do-not-call registry data. Some physical event in the consumer's environment (for example, a telemarketing call) would cause motives relevant to telemarketing to be stimulated from the consumer's long-term memory; motives are manifested through arousal – consumer's readiness to respond. The intensity of the arousal determines whether the consumer will react to the telemarketing call, for example, by purchasing the marketed product or registering his telephone number with the do-not-call registry; as mentioned earlier, three out of five consumers do not listen to telemarketers and seven percent of these consumers list their telephone number with the do-not-call registry. These 7% would have a negative image⁸ of telemarketing and thus high arousal levels to act⁹.

⁸ Image of a concept is a set of beliefs about the concept.

⁹ There is empirical evidence that majority of adults in the nation have received fraudulent offers from telemarketers; see, for example, Meacham, A. (2004). To call or not to call? An analysis of current charitable telemarketing regulations, *COMMLAW CONSPECTUS*, 61,62.

Figure 1. Conceptual Model



Methodology

Data on the number of Do-Not-Call Registry listings for Illinois were sourced from the FTC's data archives¹⁰. To statistically test the influence of the indoor mask mandate on listings to the Do-Not-Call Registry, a matched-pair *t* test was implemented; listings for the 15-day period, August 15, 2021 – August 29, 2021, were compared with listings data for the 15-day period August 30, 2021 – September 13, 2021. The null hypothesis, $H_0: \mu_{(DEVIATION)} = 0$, was tested against the alternative, $H_1: \mu \neq 0$. In addition, the Do-Not-Call Registry listings for Illinois and Ohio¹¹ were compared, for the entire August 15, 2021 – September 13, 2021, time period.

The differences in listings for the metro and the nonmetro regions and the type of product class that prompted the listings were analyzed using crosstabulations and Chi-square tests, where applicable.

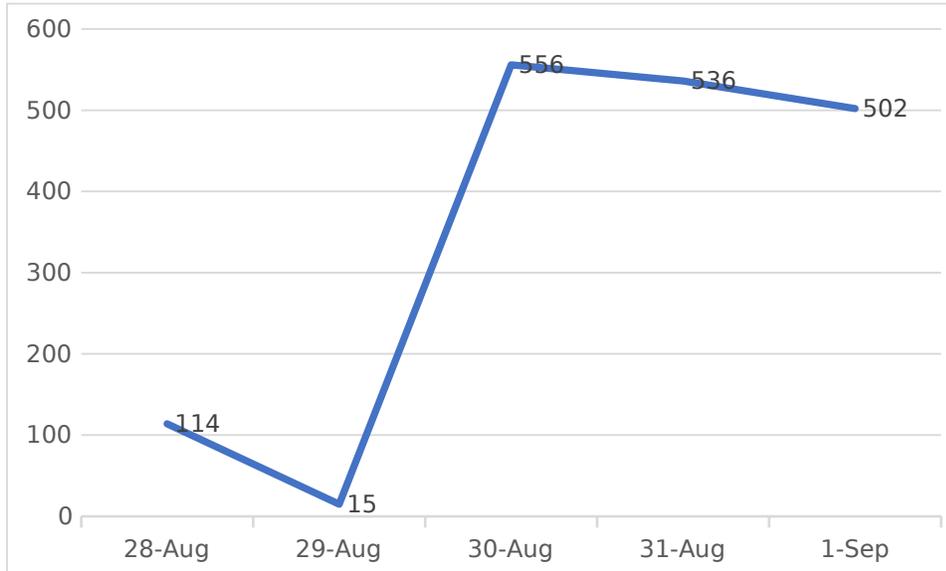
Results

The number of listings to the Do-Not-Call Registry (DNC) increased sharply on the day the indoor mask mandate came into effect, August 30, 2021 (Figure 2). Of the 556 listings on August 30, 2021, 70% were telephone numbers related to the Chicago region, the city and the suburbs. Residents of Central and Central-West Illinois, Northern Illinois, and Southern Illinois accounted for the remaining DNC registrations, 30%.

¹⁰ <https://www.ftc.gov/site-information/open-government/data-sets/do-not-call-data>.

¹¹ Illinois and Ohio were similar in case listings; see footnote 16.

Figure 2: Changes in DNC Registrations, Illinois: August 28, 2021 – September 1, 2021



Regarding product class, 43% were “imposters”¹²: calls pretending to be from government, business, or family and friends; 34% were about warranties and

protection plans. Reducing debts (credit card, mortgage, and student loans) were the topics for 17% of the cold calls (Table 1).

¹² The term used by FTC.

Table 1: DNC Listings by Area Code and Product Class: August 30, 2021

Area Code	Geography	Number of DNC Listings	Topic (Product Class) of the Cold Call – Mode
312, 630, 331, 708, 773, 847, 872	Chicago and Suburbs.	335	Imposters.
815, 779	Northern Illinois	56	Bimodal: Imposters and Warranties.
217, 309, 447	Central-Western Illinois, and part of Southern Illinois.	65	Imposters.
618	Southern Illinois	46	Medical & Prescriptions.

Table 2 compares the number of pre-mandate DNCs (August 15, 2021 to August 29, 2021) to the post-mandate numbers (August 30, 2021 to September 13, 2021). As shown in the table, the

data failed to reject the null hypothesis, $H_0: \mu_{(DEVIATION)} = 0$. Put simply, there is little or no evidence of increased telemarketing activity during the first two weeks of the indoor mask mandate.

Table 2: Matched-Pair *t* Test: DNCs Before and During the Indoor Mask Mandate

Pre-Indoor Mask Mandate, 2021		Post-Indoor Mask Mandate, 2021	
Date	Number of DNCs	Date	Number of DNCs
August 15	21	August 30	556
August 16	473	August 31	536
August 17	535	September 1	502
August 18	497	September 2	574
August 19	502	September 3	526
August 20	571	September 4	120
August 21	143	September 5	41
August 22	27	September 6	161
August 23	466	September 7	480
August 24	528	September 8	485
August 25	493	September 9	474
August 26	489	September 10	503
August 27	591	September 11	81
August 28	114	September 12	14
August 29	15	September 13	382

***t* statistic = 0.0299; p. value = 0.97**

Ohio is similar to Illinois in DNCs; Illinois had 8,686 DNCs per 100,000 population and Ohio posted 8,580 DNCs per 100,000 people¹³. Furthermore, Ohio has little or no Covid-19 restrictions; Governor DeWine ended most of the state's Covid-19 restrictions on June 2, 2021¹⁴. Thus, comparing the states' DNCs during Illinois' indoor mask mandate times (dates) should indicate the relationship, if any, between indoor mask mandate and telemarketing.

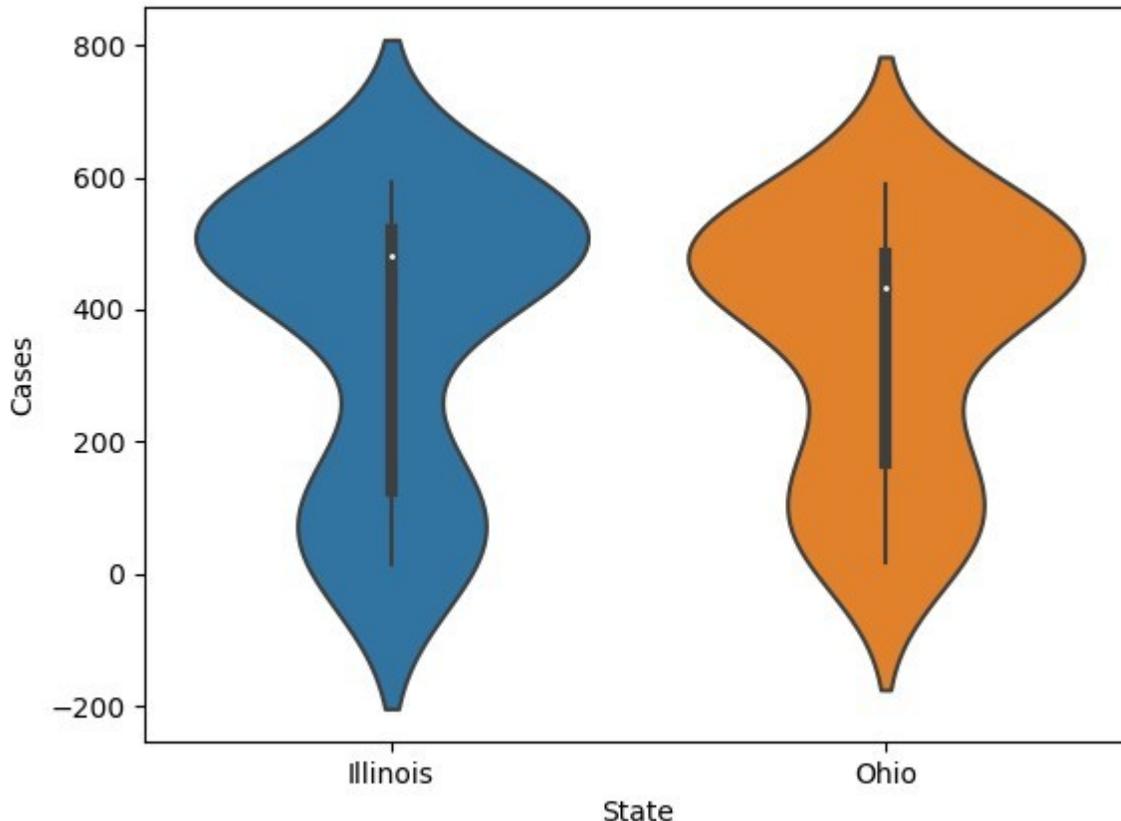
¹³<https://public.tableau.com/app/profile/federal.trade.commission/viz/DoNotCallComplaints/Maps>.

¹⁴ <https://wchstv.com/news/local/dewine-ohio-to-lift-most-covid-19-health-orders-june-2-vaccination-incentives-announced>.

Figure 3 is a violin plot of Illinois and Ohio DNCs. The shapes of the violins suggest little or no difference between the states' DNCs. A matched-pair t test confirmed the

prediction of null relationship between the variables: t statistic = 1.257; p . value = 0.218.

Figure 3: DNCs: Illinois and Ohio, August 15, 2021 to September 13, 2021



Summary and Conclusion

This paper explores whether Illinois' indoor mask mandate has resulted in increased telemarketing. Business decisions for telemarketing are based on an analysis of the location of the target audience (for example, home) and the time when the target audience is likely to make a

purchase decision (for example, during the morning hours when a full-time homemaker is likely to go food shopping).

The recent increases in Covid-19 infections among Illinoisans have resulted in the state mandating indoor masks. Furthermore, research suggests that one-fourth of the population is refusing to work in an office or

onsite in person. Put simply, people are spending more time at home and these consumers are the primary target audiences for telemarketers. But three out of five consumers do not listen to telemarketers and seven percent of these consumers list their telephone numbers with the do-not-call registry.

In summary, if the resurgence of Covid-19 and the indoor mask mandate have influenced people to stay at home and avoid visiting retail shops, then telemarketing should have increased. To empirically test this assertion, data from the FTC's Do-Not-Call Registry were analyzed. Results suggest that:

1. Do-Not-Call registrations increased on the day the indoor mask mandate went into effect on August 30, 2021, but changes in Do-Not-Call registrations over a 15-day time period during the indoor mask mandate showed that the changes were random in nature;

2. Most of the telemarketing cold calls on August 30 were targeted at Chicago residents;
3. Residents of Southern Illinois experienced cold calls from medical and prescription medicine marketers, and
4. Imposters posing as government, business, or family and friends were cold calling Chicago and Central Illinois residents.

While the positives of the telemarketing industry are numerous: for example, provide jobs to millions of people, satisfy the consumption needs of many millions of Americans, etc. it is evident that deceptive telemarketers operate both in the metro and the nonmetro regions. It is essential that communities learn about telemarketing impacts and be proactive in educating the industry's target populations such as the elderly in handling telemarketing communications; for example, not to provide personal information such as social security numbers over the phone. This research is a step in that direction.