

## Multi-Channel Direct Response Marketing

Interview conducted by: Lynn Fosse, Senior Editor, CEOCFO Magazine



**Alberto Bottene**  
Founder

**CEOCFO: Mr. Bottene, what is Estrela Direct?**

**Mr. Bottene:** Estrela Direct Inc was founded after I left a direct response marketing company called Guthy-Renker. Guthy-Renker is currently one of the largest direct response companies marketing renowned brands such as Proactive, Wen, Meaningful Beauty and other beauty products. I decided to leave Guthy-Renker and start Estrela Direct based on the knowledge gained during my 10+ plus years managing their international business. The concept of Estrela Direct is to leverage this expertise gained in the DRTV space. Estrela Direct is essentially a holding company that has 3 primary functions: Consulting, Distribution and Product Development. With consulting we work closely with some large Private Equity firms looking at deals in the DR space. Distribution- we secure international distribution rights for key brands in the DR industry and Product Development we create our own products and take them to market.

**CEOCFO: What do you understand about direct response marketing that perhaps others do not?**

**Mr. Bottene:** I believe we have a keen understanding of the multi-channel approach. Direct Response has evolved considerably over the last fifteen years. Initially, companies wanted to just have a presence on the web and secured their URL's by uploading their products and services on their respective site. Thereafter companies gradually realized that you could monetize the presence on the web and started adopting new technologies to acquire customers. Now companies are becoming experts at targeting to their customers by calibrating new revenue streams from various sources of traffic.

**CEOCFO: What is the difference geographically?**

**Mr. Bottene:** There is a huge difference in terms of internet penetration and people feeling comfortable using the internet. For example, in the US and some of the Western European markets, we are highly apt at transacting online, so we feel very comfortable entering our credit card information and buying products and services online. Conversely, if you go to the more of the emerging markets in Africa, India and some of the more underdeveloped markets, people are still hesitant to use credit card and transact. The internet in this part of the world becomes more of an informational base tool as opposed to a transactional tool.

**CEOCFO: Would you tell us a little more about the different segments of Estrela Direct?**

**Mr. Bottene:** Our company focuses on 3 primary functions- Consulting, Distribution and Product Development. With consulting, we work closely with companies that are looking for expertise in the direct response space. Regarding Distribution, because of our extensive rolodex of international DR distributors in our industry, we secure the distribution rights to many products in our industry for distribution. Product Development, we develop products in house and find distribution channels such as affiliate marketing, online, or through traditional DR such as TV, print, and/or radio.

**CEOCFO: How do you keep on top of the trends?**

**Mr. Bottene:** I believe you always have to be traveling and on the road meeting people in our industry. You have to speak with customers and distributors. I am a member of the Electronic Retail Association (ERA), which holds four meetings a year around the world. As a member and I participate in all of those conferences. In each of these conferences we have the ability to meet with 30-40 international distributors who all share their local experiences. These meetings shed insights into products that are working, consumer trends and new technologies being adopted.

**CEOCFO: What are some of the trends today that you find a little surprising?**

**Mr. Bottene:** I still think it is surprising that many consumers in emerging markets are hesitant to use credit cards online. It is primarily a fraud issue. However, in the US, we have so much protection with our credit cards that if we notice a

fraudulent charge, we immediately call our credit card company to contest the charge. Most of the time the contested charge is resolved. However, it seems like consumers in the emerging market do not have similar ability to contest charges as easy as we do. There is so much fraud in some of these markets that the banks need to find ways to reduce their losses.

**CEOCFO: Do you find that many of the people, particularly internationally, do not even have credit cards and might be likely to pay attention to the direct marketing as opposed to maybe the higher-end people who do have credit cards but look to shop differently?**

**Mr. Bottene:** I believe the issue is with credit card penetration. There are the traditional credit cards such as Visa, MasterCard and American Express in which we apply for and have access to credit. These credit cards are set up to transact in foreign currency allowing us to make purchases abroad. Many international consumers do not have access to credit cards that allow them to make purchases in foreign currency much less access to much credit. Banks have to reduce their financial risk and do not have agencies in place that measure a consumers credit worthiness such as a credit score that we use domestically. Because of this lack of credit, marketers have to market their product via cash in advance. This limited access to credit reduces the growth potential for online marketers. Higher end shoppers have access to credit and have the ability to use credit cards online.

**CEOCFO: What do you like to work on personally these days?**

**Mr. Bottene:** I still love the part of working with international distributors and consumers. It is fascinating to work with the different cultures which gives us a better appreciation on how we do business in the US. Sometimes we chuckle at how others transact in other parts of the world, however, we have to understand and appreciate differences in culture, language and customs. We cannot impose how we do business to others.

**“Direct Response, as a whole is becoming an integral part of any type of marketing program that anyone is going to be doing within any company, and I believe Estrela Direct is always going to be at the forefront.” - Alberto Bottene**

**CEOCFO: Can anything be sold with direct response if you know how to do it?**

**Mr. Bottene:** Yes. More and more companies in the US and all over the world are using more mechanisms in direct response. The days of pure branding, coming up with a large budget and giving it to an advertising agency to go out and spend without some type of accountability of return on investment, is going away. I think more and more companies want to measure what they are spending, and that is really the analytics behind direct response.

**CEOCFO: What is ahead for Estrela?**

**Mr. Bottene:** We are looking to acquire or partner with companies in the direct response space.

**CEOCFO: Is there a general consolidation in the industry or is it more opportunistic?**

**Mr. Bottene:** I think it is more opportunistic, but it is getting more and more challenging because there is more competition and more marketers leveraging new technologies. The barrier for entry is getting lower and the younger generation is coming up, becoming more tech savvy and they understand how to play in these different channels. It is becoming much more competitive.

**CEOCFO: When you are speaking with a potential client, does experience count or is it less so today and more what can you do for me right now?**

**Mr. Bottene:** I think it is a little bit of both. As we become older, I think we also have to stay on top of the changes in technology. I attended an Affiliate Conference in Las Vegas for example, and you see the demographics of that conference skewed much younger. They are all in their 20's and 30's. As we become much more seasoned and older we also need to adapt to changing technologies and make sure that you are attuned to where the changes are coming.

**CEOCFO: What makes Estrela Direct noteworthy?**

**Mr. Bottene:** Not only pay attention to Estrela Direct, but also pay attention to the entire direct response industry. Direct Response, as a whole is becoming an integral part of any type of marketing program that anyone is going to be doing within any company, and I believe Estrela Direct is always going to be at the forefront. Estrela Direct should always be considered as a potential partner for any firm looking to master direct response marketing.

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**BIO:** Global Business Executive with over 24 years of international business experience launching, building, and managing new global markets, Alberto Bottene is recognized for his ability to smoothly navigate through complex international environments to move business forward with impressive results.

A versatile business leader with an entrepreneurial passion, Alberto was the driving force behind the exponential growth of several companies. By combining multi-channel marketing with savvy business skills and quality products, he was able to gain a strong foothold in emerging markets across Asia, Latin America, Africa and the Middle East. He is now drawing on his more than 14 years of direct response marketing success to catapult the growth of a new consumer-focused direct response marketing company, Estrela Direct Inc.

Fluent in English, Spanish and Portuguese, Alberto landed his first position at Intermatic, Inc, an energy control manufacturer, where he established the company's presence in 13 Latin American countries, and then was charged with delivering similar revenue results in 10 European countries.

After building the brand of Filenet Corporation in Latin America, Africa and the Middle East, Alberto embarked on marketing consumer products for hair care company Wella A.G. For over three years, he led the sales and marketing activities of three business units throughout Latin America to achieve double-digit growth.

Propelling Guthy-Renker LLC into a worldwide consumer product force was Alberto's next challenge. During his ten-year tenure, the company grew into the #1 global direct response television marketing company, delivering high-quality beauty, skincare, fitness, entertainment and wellness products to consumers in 60 countries. His efforts were key to the transformation of a company with limited international exposure into a worldwide force with 20-fold growth in international sales.

Alberto demonstrated his organizational leadership as well as his marketing acumen at Guthy-Renker LLC. He established international offices in China, India, Hong Kong, Canada and Russia, and led remote teams to execute marketing strategies. He also grew the global distributor network to more than 60 distributors. His international responsibilities spanned complying with health authorities, navigating tax codes, setting up business units, hiring and training local staff, and overseeing local service providers.

Alberto is now focusing his vision, leadership and execution skills to build direct response marketing firm Estrela Direct Inc. with worldwide sales of beauty, nutritional and fitness products. Armed with exceptional experience in international direct response marketing plus a strong network of industry and business contacts, Alberto plans to maximize the lifetime value of his customers.

In addition to a BA in Economics from the University of California, Alberto has earned an MBA in International Business from Thunderbird, the American Graduate School of International Management. He combines a profound understanding of consumer marketing with product development to tap strategic business opportunities.

*Leadership Style: I have a unique combination of marketing expertise, business savvy and operational focus, thriving in pressure situations where I quickly assess pitfalls, take calculated risks and drive execution using a "roll-up-your-sleeves" approach. I can wear many hats and build passionate, hard working and dedicated teams across cultures. At the heart of my success are three strengths: determination, courage and collaboration.*

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