

REACHING CUSTOMERS WITH CERTAINTY



By intelligently analysing and cleaning customer data, Freemans Grattan Holdings (FGH) has transformed its marketing communications. Now, the company benefits from fewer mail returns, reduced costs associated with contacting customers and the ability to reconnect with goneaway customers. The resulting additional income is predicted to six figures.

🔗 The company

Freemans Grattan Holdings (FGH) is part of the vast Otto Group, a leading international trading and services corporation made up of 123 major companies. Long standing mail-order houses Freemans and Grattan joined the Group in 2000 and now operate under the FGH umbrella alongside a number of other home shopping brands. Between them, FGH's brands reach a wide cross-section of around 1.5 million active customers.

"Home shopping is more competitive than ever, with online only and high-street/online hybrid brands fighting traditional mail-order companies for a share of the market," says Andy Bryan, Head of Customer Management at FGH. "To compete, it's vital that we achieve maximum return for every pound of our marketing investment — so we need to be sure that our communications are actually reaching our customers."

🔗 Going further to fine tune results

FGH was experiencing an ongoing and significant number of communications being returned undelivered, and required a new data partner to improve the quality of the extensive databases. A stringent tender process followed, involving potential suppliers working with a sample of the company's data. "We'd been receiving a high percentage of returns from each mailshot, so it was clear that improvements were necessary," adds Andy.

🔗 THE OPPORTUNITY

FGH needed to maximise its return on investment (ROI) from marketing communications by ensuring its customer data was as accurate as possible.

🔗 OUR RESPONSE

Regular cleaning of customer data will continue to generate ongoing savings and cost-effective marketing campaigns.

🔗 THE IMPACT

By understanding and creating a process based around customer buying, targeted data cleaning is saving FGH up to £85,000 per mailshot.

🔗 WHAT'S NEXT

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Acxiom's approach went beyond simply cleaning the data sample, as William King, Sales Executive at Acxiom, explains: "It was crucial to also apply logic and intelligent analysis to FGH's data. Without this, the cost to the company would run into hundreds of thousands of pounds in lost sales."

A solution was developed that scrutinises data well beyond straightforward suppression, incorporating ordering patterns and customer behaviour to establish a model for maximised, cost-effective results. "Acxiom worked proactively with us, using its comprehensive pool of data to present us with a rapid and thorough analysis of how our data could be significantly refined. Since then we haven't looked back," says Andy.

Precise management, significant results

Using details of order frequencies, most recent orders and periodical customer suppression figures, it was established that data would only be cleaned for customers with a last order date of between six months and four years. "Managing the data in this precise way creates an efficient process that is the difference between creating or losing six-figure revenues each year," William comments.

With the fine details finalised — and despite a very tight deadline — Acxiom cleaned the first batch of FGH data in time for the client's Christmas mailing.

Now, every quarter, 1.7 million records are sent over to Acxiom for cleaning. Compression files are run against them. Hygiene work, to remove records of deceased customers and those that have gone away, is carried out and the files are supplied back to FGH together with a full processing report. "The turnaround time is just a couple of days — it's very fast, and very slick," comments Andy.

Counting the benefits of accurate data

Acxiom has delivered some immediate and impressive results for FGH. Promptly identifying and removing records of deceased and gone away customers saves the company £0.18 per record — and with such a large database, this equates to a significant amount of money. "We're seeing a suppression rate per mailing of 2% to 5%. With a database of 1.7 million, this creates savings each campaign between £34,000 and £85,000," Andy comments.

The cost savings are clearly demonstrated by new FGH acquisition Bon Prix. From the first file of 300,000 Bon Prix customer names sent to Acxiom, more than 40,000 records were suppressed. Andy explains: "The cost of mailing these incorrect records over the previous six months had added up to more than £50,000, but the cost to suppress them was just £8,000."

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Head of Customer Management,
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Accurate mailing data brings about other benefits, too. Instances of fraud relating to identity theft are cut, and customers who have moved away from their address can often be contacted again through Acxiom's access to new details. Finally, avoiding instances of contacting deceased customers and gone aways assists FGH in preserving its brand image as a responsible home shopping company.

Maximising budgets through efficiency

Andy is very satisfied that Acxiom is enabling FGH to achieve its goal of maximising ROI on the marketing budget. He comments, "The Acxiom solution works extremely well for our company — allowing us to make the most of our marketing at a time when it's more crucial than ever." "On top of the tangible cost savings we've already made, it's clear that by working with Acxiom we'll be able to sustain a highly cost-effective customer communications operation into the future," Andy concludes.

WANT TO KNOW MORE?

To find out how Acxiom can accelerate your business, visit **acxiom.co.uk** or call us at **020 7526 5265**

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