



Customer insight from Blue Sheep ignites Fire Protection Online's new direct marketing strategy

Established in 2007, founder and Director Jon Butt claims Fire Protection Online has achieved the same for fire extinguishers and fire safety equipment as Amazon has done for retail. Namely, greater choice, a better customer experience and extremely competitive pricing. As the UK's top online fire safety supplier, Fire Protection Online's customers include the BBC, Buckingham Palace, Google and McDonald's. Even so, Fire Protection Online's services are as relevant to SME business owners as multi-national corporations.

In 2017, Fire Protection Online approached Blue Sheep to provide a foundation of accurate customer insight for a new direct marketing strategy, to stimulate new purchases from its existing customers and acquire new customers.

This insight required Blue Sheep's innovative Money Map, a service that focuses on transactional and contact data to identify market share, and how to target sales and marketing at the right prospects.

THE SOLUTION



Money Map Customer Insight



UK Business Universe™

"I asked our expert who we should be using and he said 'Blue Sheep are the boys'. If he says use Blue Sheep, I took him at his word... We want the best."

Jon Butt, Director, Fire Protection Online

THE REQUIREMENTS

One of the key components of a Money Map is to reveal the profile of a business's perfect customer, and where to find more of them. However, as Fire Protection Online Director Jon Butt is well aware, there is no 'ideal' customer when it comes to fire safety – purchases are mostly made out of necessity, by companies big and small.

With this in mind, the Money Map customer insight was used to identify the company's repeat buyers, for use as the starting point for a long-term direct mail strategy.

DIRECT MARKETING BURNS BRIGHT

Many modern businesses stick solely to online marketing strategies, but the traditional methods still have impact. In fact, the death of direct mail has been greatly exaggerated.

In 2016, the **CMO Council** reported that direct marketing open rates are over twice that of email (56% vs. 22.87%), with far higher response rates (3.4% vs. 0.12%).

Separate research found that, in the UK, 500 million more mailings were opened and read in 2016, compared to three years ago.

"We're called Fire Protection Online, so I've always considered us as a purely e-commerce business. But it occurred to me that – even if we were number one on every search engine and nailed every e-commerce enquiry – anyone outside of that will not have heard of us. So, as other industrial supply businesses use catalogues or direct mails, I thought we ought to try it," says Jon.

This new approach saw the hiring of a direct mail consultant, whose unequivocal advice was to use Blue Sheep to ensure his customer data was in order.

Having been in the fire protection industry for 33 years, Jon was of course familiar with direct marketing. In the early days of the business, he tried direct mail campaigns, but did not have the insight to record their performance.

"We sent it out to our database and bought in a list, but we had no tracking whether it was working. That for me is a killer. Anything that cannot be tracked accurately is of no real interest to me. So, after a while we just dropped it. This time round I wanted to try it properly," says Jon.



HOW BLUE SHEEP HELPED

"In the past, all we did was put a catalogue in every package that we sent out and I bought a list of small businesses between 10-20 employees, with no real targeting. We put in a discount code but nobody uses them half the time. So, if they don't use them how can you track it?"

For this new, improved strategy, Money Map customer insight analysis was used to assess the Fire Protection Online database and separate customers into two groups:



'Treasure' Customers

Buyers who have bought multiple times with a disproportionately high average order value



'Other' Customers

Buyers who have bought multiple times with a far lower average order value



2.31%

Direct mail response rate after using Money Mapping to accurately target profitable customers

This list was then used as the basis of a direct marketing catalogue campaign. Seven weeks later, the sales data was analysed, demonstrating a 2.31% response rate – an impressive figure for 'grudge buy' products that do not benefit from any kind of seasonal boost.

"Rarely will people receive a catalogue and say 'oh wow, I'll buy a bunch of fire extinguishers'. More likely it will sit in a drawer to be used until they need it. It's not an instant thing, so to receive over a 2% response... We calculated that if we got a 1% response, at our average order value, it would cover the cost of the campaign. Which would be fine. So, to get 2.31% is nothing to be sniffed at," says Jon.

This campaign marks the start of a year-long direct marketing campaign, and represents a significant change of mind set for a business that would otherwise be spending its marketing budget on online advertising, yet Blue Sheep has helped Fire Protection Online get off to an impressive start.

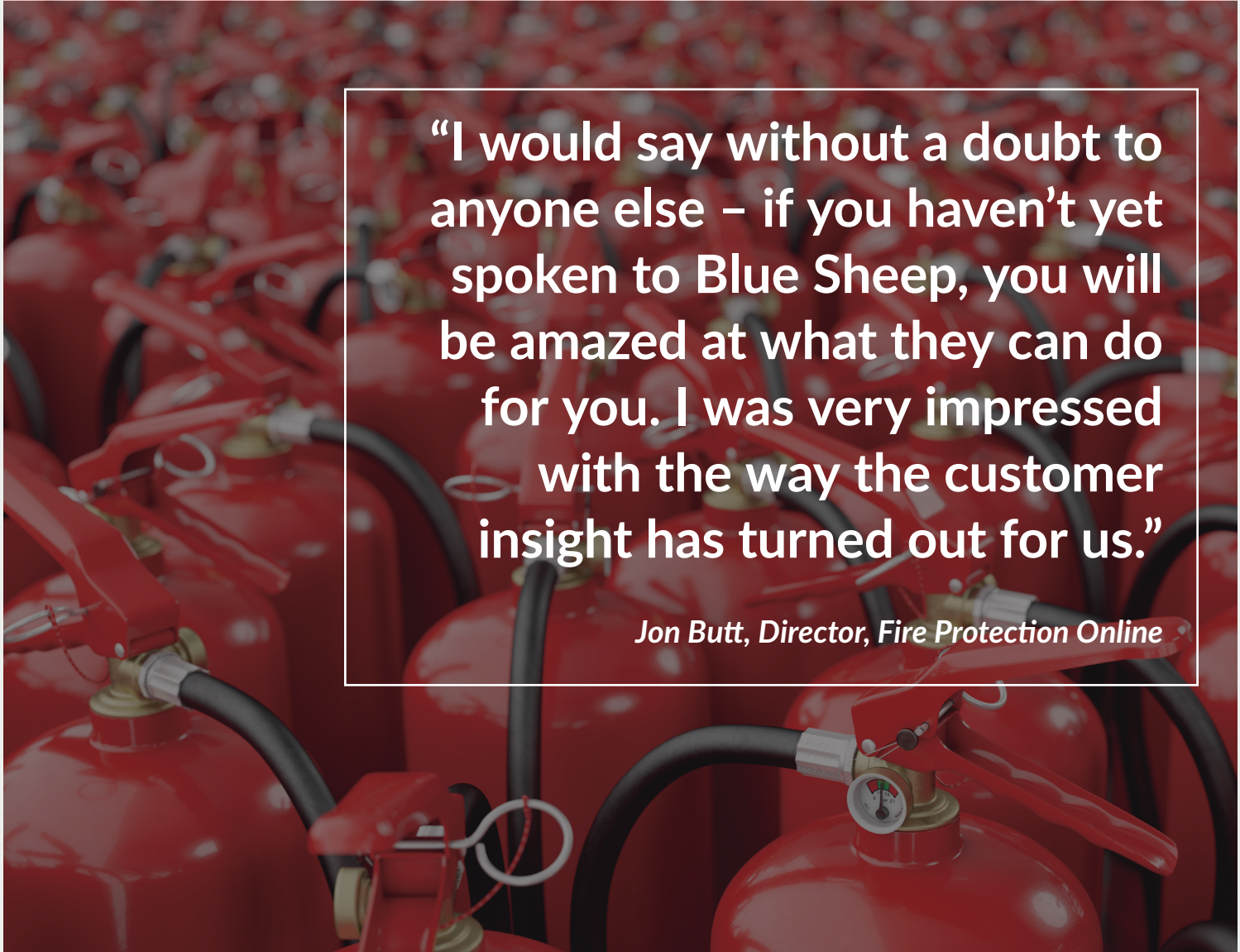
CONCLUSION

Along with the promising results from Money Mapping, Fire Protection Online was equally pleased with Blue Sheep's dedication to its clients and customer service.

"If someone came to me and said they wanted to do something similar, I would say that the people we worked with at Blue Sheep are great. Not only are they great but their service performs pretty much as I hoped.

"We're very loyal to those who take care of us. So, although we are at the smaller end of the scale that Blue Sheep work with, the company has dealt with us the same way I imagine it would someone much larger.

We feel looked after and very happy with the way Blue Sheep deal with us," adds Jon.



"I would say without a doubt to anyone else – if you haven't yet spoken to Blue Sheep, you will be amazed at what they can do for you. I was very impressed with the way the customer insight has turned out for us."

Jon Butt, Director, Fire Protection Online