



## The Client

Phoenix Natural Gas had been supplying natural gas to the Greater Belfast area for ten years, achieving in that time a customer base of 100,000 households of a possible 220,000 and also supply circa 95% of industrial customers. Having created strong corporate and consumer awareness, brand attributes were eroded by a series of price increases in wholesale gas which the company was unable to absorb and so were eventually passed onto customers. Having taken a radical strategy of promising to pass on any price decreases to their customers, Phoenix had begun repositioning the brand, based around three key hero messages of 'versatility', 'carbon reduction' and 'value for money'. With a TV campaign supported by additional 'above the line' activity, Phoenix commissioned **nxo** to deliver an effective direct marketing strategy to support the repositioning, and act as the trigger to deliver sales leads.

## The Brief

Phoenix asked **nxo** to prepare a proposal to test the effectiveness of direct marketing, particularly in conjunction with the new TV advertising treatments, and then, following a full assessment, help formulate a direct marketing strategy for proposal after the initial campaign.

## The Campaign

The overall campaign focus was to test the hypothesis that direct marketing would 'pay back' for Phoenix. The campaign had three distinct stages, all managed by **nxo**.

**Stage 1:** We assessed activity to date in order to agree clear objectives and metrics for the DM campaign. We segmented all existing data into separate target groups and developed three distinct creative executions to test different marketing messages.

**Stage 2:** We liaised with the ATL agency and managed the DM campaigns' overall delivery, project managing the creative and production process and putting measures in place to collate the all important metrics.

**Stage 3:** During the campaign we gathered and assessed all results and presented key learnings immediately after the campaign.

## The Result

- The campaign period generated a high level of response in comparison with previous campaigns where direct marketing had not been utilised.
- Response to the mailing was 4.5 times greater than in the 'non-mailed' control group.
- The combined effect of TV, radio and mailing generated an uplift of 46.8% against the modelled expected average response during non-campaign periods and a 31.5% higher response than the upper expectation.
- Above-the line activity enhanced mailing response and responses generally. An estimate of the overall uplift generated by the above-the-line campaign was 32%.
- The test provided conclusive proof that direct marketing delivers incremental leads for Phoenix.

**nxo** continues to work with Phoenix Natural Gas on further marketing tests and contact strategy.

