

Executive Summary:

▶ History:

Len The Plumber (LTP) started business in Baltimore 1996 and is the largest privately-owned residential plumbing repair and service company in the mid-Atlantic. Within the Baltimore market they were a well-known brand and always found direct mail one of the most consistent, reliable, and cost-effective ways to generate reliable leads.

▶ Problem:

When LTP began expanding into new markets and other states, they needed to build brand awareness and leads. They relied on their successful marketing history and applied the same process to the newer markets.

Response rate in the newer markets was not proving to be as cost effective. How come?

▶ Opportunity:

LTP engaged Victory-360 to develop an advanced marketing campaign with a goal of higher response rates and more leads that converted to sales.

▶ Process:

Victory-360 did an in-depth evaluation of LTP's customer file: A demographic analysis of customer base and a multi-year - year transaction history of sale/no sale transactions. Victory-360 created a demographically and psycho-graphically targeted message for a new direct mail campaign.

▶ Results:

Response rates doubled from previous campaigns with a 4X ROI.

Background:

▶ RESEARCH

LTP had maintained a transaction history of every customer site visit since their inception, including no sales. This vast archive of data was a gold mine for research. To model the data:

1. Victory-360 in partnership with Experian Data appended 500 demographic and psychographic fields to LTP data.
2. Using our own proprietary research tools, we identified 10 statistically significant characteristics that predicted the sale/no sale outcome of a home visit to a very high degree of likelihood.
3. Based on these results, Victory-360 created a predictive model that:
 - a. facilitated the evaluation of new and existing markets lead volume
 - b. assisted in improving conversion rates

The model provided LTP with two key strategic advantages.

1. When deciding what markets to expand the business into:
 - a. they could be sure where their best customers would be
 - b. avoid those that would be less productive.
2. They could target specific customers economically:
 - a. minimizing their spend
 - b. maximizing their return

CASE STUDY



CONTINUED...

DIRECT MAIL VEHICLE: Considering “Path to Purchase”:

When do customers call for plumbing? When there’s a plumbing issue, correct? A regular postcard could be easily discarded if there was not an active plumbing issue. Victory-360 pitched the idea of using magnet postcards. If a customer didn’t have a plumbing issue at the time of receipt, they would have the magnet on hand for quite a while to think of and use LTP for any issues in the future.

▶ PLANNING

Audience:

LTP wanted to grow consumers in its markets in:
Baltimore, Washington DC, Northern Virginia, and Pennsylvania-Delaware.

Objectives:

1. Drive leads that would convert at high rates
2. Keep the brand top-of-mind for future services
3. Right person, right message, right timing
 - a. Clear, simple messaging
 - b. In home dates planned around market conditions

Measurement:

1. A/B message testing to insure objectives
2. Different phone numbers to track calls
3. Lead, conversion, and sales measured against all-in cost

▶ EXECUTION

Victory-360 handles all aspects of the project from data analysis, creative and design to mail production and logistics.

▶ EVALUATION

Victory-360 was able to deliver four times the return on investment for LTP. Even though the cost was more per unit, the higher response rate was more than enough to offset it. Many people respond to the campaign and the response period is much longer than standard postcards. The postcards have coupons attached that elevate interest and engagement. This campaign has done so well they increased the frequency of mailings.



“Michael DeMos and I have worked together since 2005 and I consider the work by him and his team instrumental to our success.”

-Len Bush

Chairman, Len-the-Plumber