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## Delivering targeted marketing

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We've all heard of small companies taking on the big boys, but when the £8m-turnover Tangent Communications bid for a company with a turnover 50 times its own, it seemed the digital marketing firm had gone a step too far. But Tangent is clearly a company set for big things.

"I think many people were surprised by our bid for printing giant St Ives," says Nick Green, who is a joint CEO of Tangent along with his brother Tim. "But recently St Ives has suggested that it might restructure some aspects of its business that we had talked about with them, as well as focusing on digital media."

While their bid was unsuccessful, the publicity that surrounded it put Tangent on the radar of countless businesses and investors. It also drew attention to the ambitious, bold CEOs at its helm.

Strong entrepreneurial views on business and management clearly run in the brothers' blood – as the nephews of Michael Green, founder of Carlton Communications, the brothers have a growing reputation in the city.

Tangent has achieved impressive growth since 2002 when the Greens took the helm of the then private printing and direct marketing business Tangent Ltd, owned by their uncle.

The brothers have not only put their mark on the business but gone on to transform it: "My background is sales and marketing and it used to all be about online campaigns. I thought that online and offline marketing would be a unique positioning for Tangent, so I shifted the company's focus to delivering targeted, data-driven marketing campaigns."

It was a move that has paid off handsomely and won Tangent contracts to create direct marketing programmes for Lane Fox, Sainsbury's, SAP and the BBC. Using its own proprietary technology platforms called Toolkit and TaoBase, the company delivers targeted marketing campaigns for its customers.

"We started working with Sainsbury's a few years ago when it was running a marketing campaign. The campaign involved sending each customer a birthday card with a coupon for a box of chocolates that could be redeemed in store. Around 17 per cent of the people who received these cards were flocking to their local Sainsbury's to get their box of goodies.

"When they started their Nectar card scheme, we turned round to them and said, 'Look, you've got all this data in real time that is telling you what your customers are buying in-store. Why not send them a birthday present that actually takes that into consideration? If there's a member of Sainsbury's wine club whose favourite wine is Rioja, why not send them a bottle of that?'"

"And when the campaign went live, the redemption rate went from 17 to 54 per cent, which really proved that targeted digital marketing based on data works."

Tangent has also recently developed a product called Web-creator, which is aimed at big brands that want local websites. "Those companies that want to have local websites can use the Web-creator product very efficiently.

"We've even sold it to the Labour party, which has used it to build 600 local MP websites." The Web-creator is also useful for multi-location retailers. It takes into account different customer profiles at each location while still recognising the importance of maintaining brand integrity.

"Our whole approach is not sector- or product-specific, but to use the proprietary technology we have developed to act as the glue between us and our customers. It's helped to generate a very high percentage of recurring revenues."

That was proven by Tangent's recent financial results, which showed that 70 per cent of all the company's revenues are driven directly out of their own technology.

Clearly, the Green brothers' unique approach to marketing is working: the advent of new technologies within Tangent saw its revenue rise by 120 per cent in 2007 and its operating profit increase to £1.07m from £0.63m in 2006.

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