

PROFILE | Ruf Strategic Solutions

Firm digs for gold in marketing data

By **ROY HARRYMAN**
Special to The Star

Every time a guest checks in at a Scottsdale, Ariz., hotel, a Kansas City area firm takes note.

Hotels and resorts in Scottsdale share their combined booking records with **Ruf Strategic Solutions**, a database marketing company in Olathe. Ruf studies the information, then uses its database of more than 210 million American households to find profiles of people who match the lifestyle characteristics of those who have already visited Scottsdale.

That approach helps the **Scottsdale Convention & Visitors Bureau** target potential tourists with precision, said Lauren Simons, vice president of marketing for the bureau.

"The Ruf system is allowing us to market more strategically," she said.

Kurt Ruf, one of four brothers who are partners in the firm, sums up what his company does by quoting 19th century businessman John Wanamaker: "Half the money I spend on advertising is wasted; the trouble is I don't know which half."

Ruf added: "We are the ones who can help you figure out which half."

The company was founded in 1976 by Ruf's, the late Jacob Ruf, a former mayor of Olathe and a pioneer in the field of database marketing.

Jacob Ruf sold the company to **Dean Witter** in 1995, when his death was imminent. His sons bought it back in 1999.

The company's vast database of consumer and business information is not unusual, Kurt Ruf said. But the firm's ability to analyze it scientifically on a customized basis sets it apart. It uses about 300 factors to evaluate the marketing potential of a consumer, then comes up with a single-number "score" that speaks volumes about each household or business.

"There are billion-dollar companies doing the majority of what we do," Ruf said. "But our main benefit is that we are seen as a boutique, with very good attention to detail. We love coming up with new ways to look at data."

Clients include household names such as **American Airlines, CompUSA, Dell, Home Depot** and **AOL**. But Ruf has smaller customers too, such as local political candidates trying to optimize their voter mailing lists.

The firm, which has about 30 employees, has seen its revenues grow steadily in the last five years, from \$3.5 million in 2002 to \$5 million last year. Ruf attributed the growth partly to the company's low attrition rate and the fact that it can cost-effectively build on its previous investments in technology.



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Kurt Ruf is chief sales officer with Ruf Strategic Solutions in Olathe.

"We made smart decisions early on ... so we don't have to redo everything," he said.

The company began developing a niche in the travel and tourism business about 10 years ago. That's when the industry was ready for sophisticated marketing data analysis, said Brian Ruf, one of the partners. Its first major client in the field was **Holland America Line**, a cruise provider.

Ruf's tourism client list now includes Jamaica, New Zealand, Sweden, Ireland, the United Kingdom, Missouri, Kansas, Nevada and Colorado. The company also serves air and cruise lines.

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