

Premier Lodge Capitalized on a Data Driven Marketing Program to Increase Its Occupancy Rate

The Challenge:

The Lodge, a premier facility rated one of the nation's top tourist destinations according to the U.S. tourism board.

The Lodge wanted to develop a data-driven marketing program targeting individual visitors based on individual behaviors. The Lodge desired to increase its occupancy rate – especially between Sunday and Thursday.

The main objective with this project was to segment the individuals within the client's database to effectively and efficiently build a relationship with each customer. Ruf Strategic Solutions helped the Lodge achieve these objectives by more accurately segmenting the existing database of 65,000 records so more targeted marketing strategies could be applied.

The Solution:

The client's objectives were met using Ruf Smart Cluster system, a homogeneous group of households statistically combined by their similarity of demographics and psychographics. This system differs from competing clustering systems that summarize demographics at the ZIP or ZIP+4 level and then attach the psychographic data by inference. Considering the specific nature of the luxury lodging, Ruf was certain that the Lodge could see the need to market to individual households rather than ZIP or even ZIP+4 groups.

Next, Ruf described the customer database in terms of the life-style factors affecting their propensity to behave in certain ways regarding the likelihood to visit the Lodge facility (especially Sunday through Thursday). This was done by combining reservation data with Ruf's lifestyle cluster data, and identifying the principle variables that affect sales, both negatively and positively.



Penetration reports ranked all observations from highest to lowest penetration in the segmented area. It was broken into five groups (quintiles) for totals. Key variables are the percent of individuals to the percent of households. This analysis displayed the top clusters and the strength of the segmentation for using them.

Cluster recommendations and descriptions presented the top recommended clusters from the profile along with number of households in the cluster, top cluster demographics and top product interests. A key findings report was produced to summarize all research and explain the findings.

The Results:

The benefit of the profile was the ability to identify market segments so that future marketing efforts could either be suppressed or increased, with an emphasis on direct response advertising using appropriate media.

Besides the intelligence gained from the on-going use of the models, with each model developed there was a packet built including interpretative analysis and statistical reports. Appropriate plots and charts were delivered to provide visual support.