

A nationally known seminar company prepares for technological changes affecting its market in the future

The Challenge:

The national seminar company offers daily courses to all business segments.



The main objective of the seminar company was to study, profile and segment the supervisory customer database. Specifically, they wanted to increase response rate through modeling and segmentation to identify their best and worst customers. The results of which can be then used to improve target marketing by focusing on highly responsive segments and eliminating mail to non-profitable organizations.

The Solution:

As inputs to the analysis, Ruf Strategic Solutions was provided with two primary files as a result of multi-market direct mail campaign for the Basic Supervision product. The mail file consisted of 9,763,007 individual records with name, company, address, and key code information. The response file contained 37,981 records of similar type data.

To perform a site level analysis both the mail and the response file needed to be summarized to a business site level. The records were address standardized, cleansed and then merged by business name and address, counting the number of individual mailed and responses for each site. The resulting file contained 2,408,584 (25% of

original) mailed business and 21,648 (57% of original) response businesses.

The files were matched through the Business Universe file to attach business demographics and cluster information. This resulted in 1,275,443 matched and mailed businesses and 12,939 matched and responsive businesses. The files were then summarized and, joined together and analyzed by two levels of Ruf Business Clusters and SIC codes. Additionally, two penetrations were evaluated, Business Response per Business Mailed, which measures response at the business site level and Individual Response per Individual Mailed, that looks at the overall individual response rates within businesses. Combined model reports were produced, as well as Metropolitan Statistical Area analysis that included both maps and penetration reports. The Ruf Business Profile Analysis assisted the seminar company in precisely targeting its market today, and to remain prepared for technological changes affecting its market in the future.

The Results:

The goal of Ruf Business Profile Analysis is to predict the propensity of a particular company to buy from another company based on the set of input variables. This process is based on the firm's marketing history combined with multiple industry variables.

Targeted Marketing and Prospect Segmentation are two major derivatives of the Ruf Business Profile Analysis process. Detailed information will be provided on each client prospects. The firm will learn the explicit who, what, when, and where of the potential customer; that will lead to the how to get them to become a customer. Ruf Business Profile Analysis can help in reaching customers more effectively, identifying key market segments within the customer base, penetrate new markets and increase profitability.