

THE MARKETING COMPASS

Vol.12 No.2 2006



Insights to Help Guide You to True Marketing Intelligence from Ruf Strategic Solutions

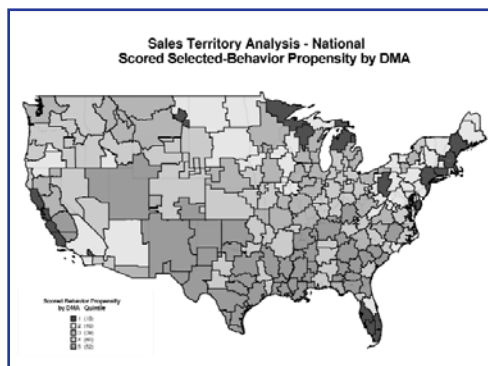
Optimize Your Sales Team's Performance

Understanding your organization's total sales potential is paramount in whether your company utilizes an inside sales staff, external agents or a combination of the two. Adding an outside sales force can be a great way to execute or supplement your sales strategy, but how can you optimize their effectiveness remotely?

Overview

The SMART TERRITORY ANALYSIS & REPORTING TOOL (S.T.A.R.T.) helps you optimize selling through external agents and your own sales staff

by analyzing their performance in comparison to market potential. With this information, you can focus your best efforts on your best opportunities. This analysis, combined with Ruf's 30



years of marketing expertise, will help you identify:

- Actual market penetration based upon your customer information.
- Potential market penetration by locating customer clones throughout the nation.
- High and low performing agents through sales volume analysis.
- Areas that are currently underserved by your sales team.

Once the S.T.A.R.T. program has uncovered your best customers, best prospects and best agents, you can align

continued on page 3

Predictive Marketing — A Look into Your Customer's Future

Could you attract more customers if you knew who was most likely to want your product or service? Would you realize a cost savings if you knew the best media choices for reaching those customers? What about being able to customize your messages based on their unique preferences? Would knowing that type of information make your marketing efforts more effective?

Understanding your customers is within your reach. Combining your current client data files with predictive analytics can provide the foundation for gaining an extensive understanding of not only your customer's demographics but their lifestyles and behaviors as well.

The first step to predictive marketing is developing a detailed profile of your current customer. After compiling and cleansing all your guest data records, you can enhance this base information with available data files that enable you to segment your guests based on hundreds of demographic and psychographic traits and thousands of scientifically developed lifestyles and behaviors. With your customer profile, you can:



- Significantly increase your understanding of existing customers.
- Target specific segments within your own data or a virtual universe of prospects.

continued on page 2

INSIDE

| | |
|--|--------|
| Predictive Marketing (from the cover) | page 2 |
| Optimize Performance (from the cover) | page 3 |
| Sailing the Friendly Rivers | page 3 |
| What's New at Ruf New Faces | page 4 |
| Product Feature — OLAP | page 4 |

Predictive Marketing *continued from page 1*

Next, take your customer data and segment it into clusters of similar groups. Clusters create flexible, immediate, actionable segmentation for your measurable objective. Customers are assigned to clusters that share similar characteristics across a national range of demographic and purchase-behavior variables. When combined with detailed demographics, clusters produce highly accurate and fast results.

Cluster segmentation can help you maximize the return on your investment by defining your top producing 20 percent and focusing 80 percent of your marketing investment on this group. With this analysis, you'll be able to identify your best customers and prospects and seek ways to build relationships while reducing marketing costs.

Customer Profiling

- Significantly increases your understanding of existing customers.
- Enables targeting of specific segments within your own data or a virtual universe of prospects.

Not only will you will gain a clear picture of your current customers, you'll be able to acquire your prospects more effectively by knowing if they are interested in the products and services



you can offer. Combine this with media preference information, and you'll truly have the ability to target your marketing communications.


With this information, you are empowered to:

- Reach prospects with the right offer at the right time.
- Focus advertising where it will have the most impact, bringing advertising costs down.
- Customize messages and offers to increase relevancy and decrease "noise."

In addition, with the intelligence your customer profile will provide, you'll be able to communicate more

effectively with each unique customer segment. You'll gain a thorough understanding of:

- Who your customers are by demographic and psychographic traits, and how to market to them as individuals.
- What media they prefer to read, listen to or watch.
- Where you can find virtual clones of your "best" customers from outside databases containing millions of households.

So, now you understand your clients and know how to best market to them. You feel you are ready to extend your reach. You want to gain more customers, but not just any customers...what if you could clone your best customers? 

by Mike Mahoney

Mike Mahoney is a national sales manager at Ruf. He has over a decade of sales experience along with extensive expertise in direct marketing from his time with infoUSA. His accolades include numerous sales awards and the respect of his peers as a direct marketing expert.



Tune in to an upcoming edition of *The Marketing Compass* to learn about CUSTOMER CLONING.

If you would prefer to receive this quarterly newsletter electronically, simply send an email to solutions@ruf.com with "Email me the newsletter" in the subject line. We'll email you a copy of this one and all future issues.



THE MARKETING COMPASS

Published to provide news, innovative ideas, practical tips, and tools to enhance the strategic advantage of our clients and friends.
© 2006 Ruf Corporation

Ruf Strategic Solutions delivers a full suite of marketing and business intelligence solutions designed to help organizations acquire new customers, retain existing customers, and develop one-to-one relationships to maximize profitability. Founded in 1976, Ruf Strategic Solutions has been helping organizations maximize the return on their marketing investment through superior customer intelligence. Ruf's unique ability to integrate vast arrays of data, technology tools, and 30 years of expertise empowers organizations with truly actionable and measurable intelligence.

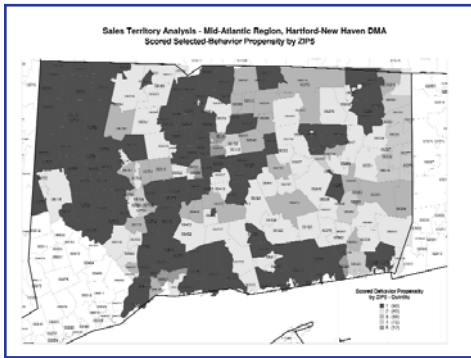
Please direct questions or comments regarding THE MARKETING COMPASS to:
solutions@ruf.com
1533 East Spruce Olathe, KS 66061
Phone (913) 782-8544
Fax (913) 782-0150
Or visit our website at:
<http://www.ruf.com>

Optimize Performance *continued from page 1*

your sales and marketing resources to capitalize on your best opportunities. This highly focused tactic ensures growth.

Example of Successful Implementation

Due to uncontrollable environmental issues, sales were down for a Ruf client specializing in river cruises. With 60% of their bookings coming from travel agents, their goal was to



maximize sales opportunities through this external sales staff. With the help of the S.T.A.R.T. program, they were able to focus marketing initiatives on

the most productive market areas, target consumers most likely to be interested in their unique river cruise experience, learn the best and worst performing travel agencies and uncover the hottest "designated market areas" for media placement.

Conclusion

The S.T.A.R.T. program helps you optimize the selling efforts of your external agents. The information revealed allows you to:

- Uncover "hot pockets" of key prospects with the greatest market potential.
- Focus marketing dollars on the most productive market areas in a territory.
- Target prospects with a high likelihood of becoming a customer.
- Rank travel agencies based on customer market potential.
- Discover ideal agents with the greatest market potential.

- Design sales strategies based upon market penetration and market potential reports.
- Visualize market potential with radius maps around each agency.

“Desperate times call for desperate measures. We needed to take advantage of every piece of marketing intelligence we have. Waking dormant agencies, uncovering under-performing agencies, and creating sales efficiency has helped navigate our sales team to success!”

— *President of a Cruise Tour Company*

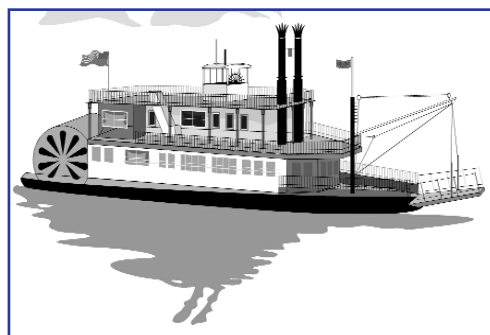
If you are interested in maximizing your marketing ROI and capitalizing on your sales force, S.T.A.R.T. with Ruf. 

Sailing the Friendly Rivers

Ambassadors Cruise Group has been busy this year. The subsidiary of Ambassador International Inc. acquired American West Steamboat Company on January 13, 2006 and Delta Queen Steamboat Company on April 25, 2006. Both river cruise companies are Ruf clients, utilizing our online CRM solution, NAVIGATOR, to help manage, measure and maximize their marketing ROI.


American West Steamboat Company operates historical and nature-oriented cruises on the Columbia and Snake rivers, Alaska's Inside Passage and Puget Sound. It

operates two modernized replicas of historic sternwheeler ships, the 231-passenger *Empress of the North* and the 150-passenger *Queen of the West*.



The Delta Queen Steamboat Company operates three steam-

powered paddlewheelers. The *Delta Queen*, the oldest paddlewheeler, is a national historic landmark and has been cruising on the Mississippi River since 1947. The *Mississippi Queen* was built in the 1970s, while the newest and the largest *American Queen* was placed in service in 1995.

To learn how Ruf has helped these unique cruise ships, check out the Cruise Tour Company case study at www.ruf.com/Casestudy.html. Further information regarding the cruise offerings of American West and Delta Queen can be found at www.awsc.us and www.deltaqueen.com. 



Added Expertise to Strengthen the Company's Marketing Message

SallyAnn Peterson has joined Ruf Strategic Solutions as the marketing communications manager. SallyAnn is responsible for communicating our marketing solutions, execution of marketing campaigns and strategic positioning of the Ruf brand message. SallyAnn has five years experience in the marketing industry, working in high tech and fine art fields. She hails from Kansas State University where she earned a Bachelor of Science in marketing.



Focused on Making Online Services Faster and Better for Ruf Clients



Mohammed Habib has joined Ruf Strategic Solutions as a software engineer/developer. Mohammed is helping make Ruf's online CRM services stronger, faster and better for our clients by upgrading our databases to new platforms and redesigning applications. Mohammed brings eight and a half years experience as a senior developer, team leader and IT director in the fields of software consulting, banking and recruitment. Mohammed earned his Bachelor of Science in computer science from the University of Missouri, Kansas City.

Interested in working at Ruf?

Positions currently available include: National CRM sales executive and database marketing analyst. For more information, visit www.ruf.com/work.html.

Product Feature

OLAP — Online Solution for Analyzing Customer Data

Our online CRM solution, NAVIGATOR, has many great features. This month we will feature the Online Analytical Processing (OLAP) query tool.

Organizations are inundated with data everyday, but few have the ability to turn this data into intelligence. Smart tools are required to harness the power of the data and convert it into actionable strategic decisions.

Ruf Strategic Solutions offers a simple, online solution to provide a deeper understanding of your complex customer data. OLAP analysis allows organizations to quickly identify the reasons behind an event or action, so they can take effective steps to address it. It also allows for complex analytical and ad-hoc queries with sub-second response time. All of this functionality is fully interactive and available through an intuitive user interface.

This information is frequently used for business performance management, budgeting and forecasting, financial reporting and custom sales, marketing and management reports. For example, using OLAP multidimensional analysis, a tourism marketer can quickly reveal inquiries from the state of California over the past six months driven by a specific campaign and drill down to learn which ZIP Codes had the highest response rate.

Some additional benefits OLAP can provide are:

- Multi-dimensional analysis of your data.
- Ad-hoc "what if" queries of your database.

- Quickly drill down into specific sections of your data.
- Create and save custom queries and reports.

OLAP enables users to analyze huge volumes of critical data from any angle and any combination, to reveal hidden relationships or patterns in the data. The point-and-click interface makes it easy for all employees to use and understand.

OLAP technology gives companies the ability to react quickly, allowing them to get maximum value from their business intelligence. This helps clients better understand what drives their business.

When it comes to data mining, OLAP allows you to dig deeper. 