

# THE MARKETING COMPASS

Vol.12 No.3 2006



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

## A History and a Heritage of Accomplishment

Jacob Ruf was a visionary who combined his entrepreneurial spirit with his passion for science and its principles to develop Ruf Strategic Solutions. He was formally educated in chemical engineering and held many jobs in that arena until he discovered the power of computing in the 1960s. Jacob was intrigued with what computers could do and continued to learn and develop software to make them useful for business applications.



In the 1960s, Jacob Ruf was the cofounder of a computer-software and consulting company called Information Systems Development. After selling that company, Jacob immediately began to develop software for his new company, Ruf Strategic Solutions. He felt that information management was primitive in the 1970s and saw an opportunity and a need for organizations to more efficiently manage the various amounts of data they dealt with in their day-to-day operations.

In 1976, Jacob created a laboratory for research and development in an industry that didn't even exist yet — information management. He bought a mainframe

computer (DEC PDP11) with the idea to create a method for increasing productivity through the management of large amounts of data. With his tireless work ethic and unwavering pursuit, Jacob created the first relational database system available anywhere, IMPRS.

For many years IMPRS was the backbone of the organization, empowering many clients to move into the information age and reap the benefits of a robust data architecture.



### DATABASE MANAGEMENT TO DATABASE MARKETING

The stars were aligned for the meeting of Martin Baier and Jacob Ruf. The two met through a working relationship before Ruf Strategic Solutions was born. Martin Baier had a concept to revolutionize the marketing industry. With Martin's theory and Jacob's statistical ability,

### Pro-flexibility

"He had his own way of communicating," says Eric Ruf of his father. "He had a word or phrase for everything. Pro-flexibility: a tool that is productive and flexible. That's really the idea behind everything we do."

they developed the first ZIP Code consumer marketing model. This model categorized consumers by the ZIP Code in which they lived.

But Ruf didn't stop there. In addition to developing the first ZIP Code model and first relational database, the company went on to create the first household-level consumer clustering system and the first business clustering system using proprietary "corporate lifestyles."

### CONSULTATIVE APPROACH

Listening is the foundation of the consultative approach used at Ruf. "We spend the time to really understand the issues our clients are facing, so we can fix them the first time. Then test and reevaluate. The process is always evolving," explains Jake Ruf II.

"Only after listening to the client  
*continued on page 2*

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## A Heritage of Accomplishment *continued from page 1*

do we suggest a solution. It's not a one-solution-fits-all situation. Every client is different and we treat them as such," says Brian Ruf. "Ultimately, our clients success is our number one goal."

### CHANGING TIMES

"The industry has changed so much. In the 80s and early 90s, most of the sales process was education," says Kurt Ruf. "No one had heard of database marketing."

The rise of the Internet helped propel database marketing into the business consciousness. Suddenly, information was abundant. "Tracking and measuring became much easier for companies. But businesses needed a way to decipher this mass of data," explains Eric Ruf.

### FAMILY VALUES

Jacob was self-taught in information systems and was continually seeking knowledge and God's truths. This drive can be seen in his sons, who have designed and created visionary solutions keeping Ruf Strategic Solutions in the forefront of the industry. "We always have been ahead of the curve," says Kurt Ruf. "We built our own spreadsheet before Lotus or Excel was even available."



The Ruf Brothers: Eric, Brian, Kurt and Jake (from left to right)

The brothers are quite different, but their father can be seen in each one of them. "Sometimes I am surprised we can even work together," says Kurt.

But the family environment they have managed to maintain encourages the sharing of ideas and open communications. "There are no politics or bureaucracy here. We are a marketing technology company powered by data and fresh, innovative ideas," says Jake.

Jacob Ruf passed away in 1995, but his midwestern values, practical ideals and innovative spirit are still prominent forces at Ruf Strategic Solutions. The company is now run by his four sons and is very much a family business. The Ruf's have a knack for making everyone feel like family,

including employees and clients. "We see our relationships with our clients as partnerships - we listen to them," says Jake Ruf II. "They really have helped shape the solutions we offer today."

The original ideals that formed Ruf Strategic Solutions in 1976 remain unchanged in 2006: Turning bits and bytes into meaningful and actionable information to empower companies to make tactical and strategic decisions that benefit their bottom line. Perhaps lofty goals for some, but not for the Ruf family. ☺

Lead, follow or  
get out of the way

**"Dad always pushed us to compete, whether that was with each other or in business," explains Kurt Ruf.**

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## THE MARKETING COMPASS

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

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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.

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# Facts of 1976

## UNITED STATES

- The United States celebrated the Bicentennial.
- Jimmy Carter was elected president.
- A first-class stamp was \$0.13.
- The Median Household Income was \$12,686 (in current dollars).
- The first eight Jelly Belly flavors were launched.
- "Love Will Keep Us Together" by Captain and Tennille was named Record of the Year.
- The cost of a gallon of gas was \$0.59.

- Rocky (I) was released.
- Viking I landed on Mars.
- JVC introduced the VHS format VCR for \$885.

## COMPUTERS AND TECHNOLOGY

- High-end scientific and military computers (or "supercomputers") cost approximately \$20 million.
- Mainframe business computers (or "high-end workstations") cost approximately \$200,000.
- Apple Computer Company was formed.

- Cray-1, the first commercially developed supercomputer, was invented by Seymour Cray.
- Robert Metcalfe developed Ethernet, which allowed data to be transferred at rapid speeds over coaxial cables.
- The first laser printer was introduced by IBM - the IBM 3800.
- Microsoft was officially registered with the Office of the Secretary of the State of New Mexico.
- Queen Elizabeth II sent the first royal e-mail.

# Did You Know...?

- Jacob Ruf was mayor of Olathe, Kansas from 1991-1993.
- Ruf Strategic Solutions was owned by Dean Witter/Discover from 1995 to 1999.
- Ruf created the first commercially available relational database (IMPRS).
- Ruf first launched www.ruf.com in 1996.
- Ruf's employees average 10 years with the company.
- Kurt Ruf is co-author of the book "Contemporary Database Marketing: Concepts and Applications."



- In addition to his many other endeavors, Jacob Ruf raised buffalo on his farm.



- In 1992, Ruf developed the first truly household-level consumer clustering system.
- Jacob Ruf was formally educated in chemical engineering earning both a bachelors and masters in the discipline.

- Brian Ruf is the 2007 president of the Travel and Tourism Research Association (TTRA).
- Jacob Ruf was the first in a long line of Ruf's to graduate from college.
- Ruf developed the first business clustering system using proprietary "corporate lifestyles".
- Ruf's first client was the Blue Valley School District in Johnson County, Kansas.
- In partnership with Martin Baier, the "Father of ZIP Code Marketing", Ruf developed the first ZIP Code model.



RUF OF THE PAST



Advertisement in *The Kansas City Business Journal*, 1982

Corporate Logo from 1976 - 1981



Corporate Logo from 1981 - 1996



RUF OF TODAY

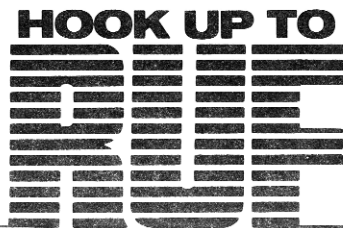


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**Timesharing Didn't Always Mean a Vacation Home  
for One Week a Year**

In 1976, timesharing was the only way small- to medium-sized companies could afford computer resources. Technology was expensive for single companies, so they shared bandwidth to make it more reasonable. Timesharing referred to sharing a computing resource among many users via dialup modems. When Ruf Strategic Solutions first opened, timesharing was the main service they provided to companies.

Now with the Internet, the term has changed to an application service provider or ASP. This is today's means of providing computer services to customers over the largest network in the world. For example, Ruf's clients use the Internet to access their marketing databases and NAVIGATOR, Ruf's CRM solution.

We've come a long way, baby! ☺