

# THE MARKETING COMPASS

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

## Closing the Gap: Full-Circle Marketing

To ensure continued growth, marketers need to take a full-circle approach to marketing. Full-circle marketing has developed due to increased drive for integrated, interactive customer relationship management (CRM).

CRM is an integrated system that delivers a single-source transactional database of up-to-date customer information throughout an entire organization. CRM maximizes the total value of the customer relationship and organizes the outbound communications driven by database marketing. Full-circle marketing takes into account that customers change over time and communications with them must

follow these changes if the relationship is to continue and grow.

The framework for this Full-circle approach includes four primary phases: Understand, Reach, Acquire and Grow - repeating in a continuous feedback loop.



### Phase 1: Understand

The first step in this phase is a data audit to identify and determine what types of customer data you already possess. This data should include sales and/or accounting records, which can provide purchase dates, purchase amounts and, in most cases, purchase descriptions.

The second step in this phase is to create a detailed profile of your customers that will help you to segment them by performance. There are many tools available to help profile and segment your marketing database. Typical profiling tools include cluster analysis, lifetime-value analysis, CHAID, RFM and regression analysis.

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## Searching for Leads that Perform?

With traditional marketing methods for lead generation, you have to pay for the entire list. This list will, undoubtedly, contain a great number of leads who aren't really prospects for

your offer. Even with "qualified" prospect lists, you still pay for those leads that don't respond.

Welcome to the new generation of marketing - Performance-based Marketing. With Performance-based Marketing, you pay only for leads that generate response. If a lead doesn't produce, you don't pay. It's as simple as that.

What isn't so simple is the power of the intelligence behind Performance-based Marketing. By combining analytical expertise with web and email

expertise, you will have the tools to generate quality, qualified prospect leads AND you pay only the cost per acquisition.

**Reaching your quotas has never been easier. Just tell us how many leads you need.**

To start, you need to understand your current customers. Through the development of a detailed customer

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## Full-Circle Marketing *continued from page 1*

Profiling is critical to all of your marketing efforts as it enables you to obtain meaningful information about your customers' demographics, psychographics, behaviors and preferences. With this intelligence, you can customize your messages and media choices.

### Phase 2: Reach

Once you understand their behaviors and preferences, you will better understand how to effectively communicate with your customers and prospects through targeted and timely messages based on their interests and values.

In this phase, it becomes important to track results. If your objective was to increase inquiries about a new product, for example, you should track whether or not inquiries actually increased. The ultimate goal of the tracking is to learn from your successes and failures.

### Phase 3: Acquire

By applying the intelligence gained through profiling to prospect lists, you can pinpoint prospects that look like your best customers and possess a genuine desire for your products or services.

Tracking results is critical during this phase as well. To be truly valuable, the results must be captured

in a database so tangible measurements can be generated. For example, a special promotion can be key-coded to track responses from a specific direct or email campaign. Each received response must be noted in the database in order to gain an accurate and measurable picture of a campaign's success or failure.

**A true customer-driven organization views its products and services through the eyes of its customers...**

### Phase 4: Grow

Through valuable insight you gain into purchasing behaviors and preferences, you can target those customers and prospects who will spend more and spend more often. This will inevitably result in longer and more profitable customer relationships.

For example, the results of a campaign could indicate that one segment is performing better than hoped while another is performing worse than hoped. You could choose to focus more marketing on the better segment and less on the other. Or, you may want to refine your marketing message or placement for the poorer-performing segment to see if responses improve. Due to the cumulative nature of results, you have the power

to continually evaluate and refine your target.

### Closing the Loop

The customer lifecycle moves from awareness to trial to purchase to multiple purchases and then to loyal advocacy. A true customer-driven organization views its products and services through the eyes of its customers, and should focus campaigns on developing and maintaining this lifecycle process.

As your customer base grows and changes, you will want to return to Phase 1 to ensure your continued understanding of your customers' interests. Ultimately, full-circle marketing will:

- Enhance customer loyalty.
- Reduce customer attrition.
- Increase your ROI by increasing the response per marketing dollar spent.
- Decrease your cost per order by reducing acquisition costs.
- Allow you to focus your resources on your most productive market segments.

When you communicate with your customers as individuals, you can cut through the clutter of competing offers and truly focus on their wants and needs. Full-circle marketing will help you discover new and changing relationships, closing the campaign-management loop to ensure better targeting for the future. ☑

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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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## Leads that Perform *continued from page 1*

profile, you'll learn your customers' demographics, psychographics, buying behaviors and travel preferences. This information will allow you to intelligently segment your customers based on performance and, subsequently, target the best performing customers and those prospects who look like your best customers.

In addition, by using the power of this knowledge in your prospecting, you'll know if a lead is hot and, therefore, warrants the more expensive means of fulfillment (i.e., complete mail package and direct sales attention). If, however, a lead falls in a lukewarm or cool segment, you might choose a less expensive approach of fulfillment (i.e., electronic only).

Armed with a detailed understanding of your customers and prospects, you can get your targeted marketing messages placed on websites

that match your customers' interests and values. Here's the gold in Performance-based Marketing: You don't pay for the advertising; you pay only for the qualified leads acquired.


**If a lead doesn't produce, you don't pay. It's as simple as that.**

If you want to do email campaigns, you can get targeted opt-in email lists for the electronic delivery of your messages. Whether your goal is to drive web traffic, generate callbacks or prompt some other action, with this system you pay only for leads that perform.

Due to the intelligent targeting and prospect selection Performance-based Marketing provides, you will see your lead-acquisition to customer-conversion rates climb higher and

higher. You will send out less and receive more - a sure way to increase your marketing ROI.

Performance-based Marketing is designed for learning. You will be empowered to optimize your marketing with each and every campaign. Each campaign produces additional intelligence that, put back into the system, will enable you to enhance your target selections and become increasingly selective in the leads you acquire. As time goes on, you can grow your quality acquisitions while continually reducing your costs.

The inherent waste of traditional marketing methods has long been accepted as "just the cost of doing business." Well, no more. Through Performance-based Marketing you don't pay for waste, you pay for performance. 

## MEET THE RUF TEAM

### Account Executive *Mindy Allen*

Mindy Allen has been an account executive with Ruf Strategic Solutions for close to two years. Her previous experience as account manager for direct marketing firms included accounts such as the Salvation Army, HoneyBaked Ham and multiple seminar companies. In her 15 years of experience, she has worked with both the creative and analytical sides of marketing.

Currently, Mindy serves as the liaison for Ruf clients such as the Nevada Commission on Tourism, the Kansas Department of Commerce, Majestic America Line and AIG Travel Guard. Her responsibilities range from helping clients with direct

mail campaigns and building reports to evaluating and recommending new marketing initiatives. "I serve as an extension of a client's marketing department," Mindy explains.

While her eight minute commute is certainly nice, what really brings Mindy to work everyday is her job. "It's great seeing our clients succeed," says Mindy. "It feels good to know I had a part in that." In addition to helping clients, she appreciates being valued as an employee. "The family-oriented atmosphere shows that Ruf values a work-life balance."

Speaking of families, Mindy is the mother of four: one 9-year-old boy,

one 7-year-old girly-girl, one miniature Dachshund and one Jack Russell Terrier. They are enjoying a very active summer of swimming, Tae Kwan Do, gymnastics and cheerleading camp. One highlight of their summer was their trip to the Ruf lake house at the Lake of the Ozarks. Mom definitely won a few cool-points with the kids for that excursion!



**To reach Mindy Allen, call 800-829-8544 or email [mindy@ruf.com](mailto:mindy@ruf.com).**



## Striving for Growth and Diversification

**Dan Murphy**, vice president of sales, joined Ruf in June 2007. Dan is responsible for management of the entire sales process, developing strong client relationships and partner-company alliances. Dan's primary objective is to help Ruf grow their client base and increase its diversification across a wide array of industries.



Dan brings with him a wealth of sales experience including serving as an account executive for Fair Isaac and a sales manager for TransUnion. Recognized as an industry leader, he is a former president of the Kansas Associated Credit Bureaus. Dan has a degree in business administration from Western State College in Colorado.

When not at work, Dan enjoys golf, travel and outdoor grilling. But his favorite pastime is being husband and father to his wife and two teenage children.

## Putting Customers First

Due to Ruf's recent growth, we have added **Grace Black** as our newest account manager. Grace will act as the primary daily contact for many clients and is responsible for managing projects. She has fifteen years of marketing, sales, customer relations management and project management experience. She has worked with database marketing firms in the past and learned of Ruf from a happy Ruf client. After researching the company, she found what she was looking for in our family-run organization. Grace explains, "This work environment is a perfect fit for me. The lack of bureaucracy moves business along at a much faster pace."



Her personal life moves at a quick clip as well. Grace and her husband of 14 years have four active children at home, aged 9 to 14. With kids involved in theatre, volleyball, football and other outdoor activities, Grace better stock up on sunscreen for the summer. "I don't watch much TV. There is too much to do outside!"

## Ensuring the Best Quality Processes



**David Seibert** comes to us with five years experience with list cleansing, ASP/HTML & Visual Basic development and one year of writing analytical, comparative, quantitative and statistical reports. His roles at Ruf include upgrading our data quality processes and software. Regarding the Rufs, Dave said, "The amount of time and care they took during the interview process really impressed me. They've really formed a great team atmosphere."

Dave and his wife of 15 years hail from the north. Originally from Minnesota, Dave met his wife, Rhonda, while in school in Sioux Falls, South Dakota. They are currently on a quest to create the best hamburger. Interesting ingredients they have tried include peanut butter, Coca-Cola and French salad dressing. Dave says, "You have to try the peanut butter. It's so good!"

## Continuous Process Improvement for NAVIGATOR



**Toby White** brings his laid-back, friendly personality to Ruf Strategic Solution. He also brings eight years of experience as a senior database administrator, working with SQL and .net 2.0. At Ruf, he is working with NAVIGATOR, our flagship CRM product, doing database analytics, modifications, client set-up and ad hoc requests.

Toby has spent most of his life in Houston, but comes to Ruf from Hawaii with his wife of five years and their 3-year-old daughter. They enjoy the great outdoors and spend a lot of time at a nearby park.

"I'm delighted to say that my initial impression of Ruf was correct. The people here are great." You're not so bad yourself, Toby. Welcome to the team!