Customer Lifetime Value in Organizations

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Abstract

Companies have shown their interest to be customer oriented rather than product oriented. They prefer to be more customer oriented coupled with having more customer data accessibility which is both possible through Customer Lifetime Value (CLV). The main goal of CLV is to specify the important level of each customer for a company. It shows that how much customers are worth to the company over the length of time that they count as the company’s customer. Also CLV is a metric for deciding whether a group of customers have enough value to be acquired, retained, continued the relationship with them or not. Through this study CLV and its three main parts known as customer acquisition, customer retention, and customer development are discussed.

Keywords: Customer Lifetime Value; Customer Acquisition, Customer Retention, and Customer Development.

4 References


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