

ABSTRACT

With the intensity of competition in the industry and globalizations, using the information about customers effectively will have a significant effect on a company's profitability. But the crucial idea here is effectively. The information needs to be analyzed to give a deeper understanding of how customers think. Then those that think in a similar way can be grouped together and product or service offering can be shaped to meet their needs.

Advances in data mining and data warehousing technologies, coupled with falling prices, the availability of automated campaign management tools and the power of interactive relationships afforded by the Internet, all work together to enable a more scientific approach to marketing one's products, and if done correctly, a more predictive approach to managing one's business. As such, Life Insurance Company is now able to answer customer-specific questions based on customer-specific transactions. Although best practices are taking shape one thing is for certain all of these factors are redefining the realm and the rules of Life Insurance industry. For this intention new rules require new measures of success.

This GFP will try to analyzed and propose design model for Customer Equity in XYZ Company as strategy to optimize company profitability. This GFP will explore the differences in customer acquisition, retention and add-on selling and how those differences translate into customer performance and at the end can boost total revenue and gain profitability to company especially in XYZ Company.

Keywords: customer equity, acquisition, retention, add-on selling, customer relationship management

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