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# Customer Lifetime Value Methodology: A Step-by-Step Approach to Quantifying and Optimizing Economic Returns

David Ogden, SAS Institute Inc.

## ABSTRACT

Every company recognizes the need to acquire and retain customers, but how do they acquire and retain the right customers? Most companies are trying to sell more products and services to their existing customer base, but do they know how to ensure profitable sales campaigns? Many companies are actively trying to improve the customer experience, but they are also challenged to strike a balance between customer satisfaction and cost control. Implementation of a comprehensive customer lifetime value (CLV) methodology provides companies with the framework necessary to balance all these objectives, while making fact-based decisions with the long-term economic stability of the company in mind.

This discussion will provide the audience with a step-by-step approach to implementing a CLV methodology—an umbrella framework covering predictive churn modeling, up/cross-sell campaigns, and implementing business processes for maximizing the economic value of each customer/prospect. This discussion will focus on end-to-end modeling objectives necessary to implement CLV within the business.

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## CONTACT INFORMATION

David Ogden  
SAS Institute Inc.  
david.ogden@sas.com

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