Refining Customer Relationships

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A new breed of database marketing has become a key to the survival of business organizations that want to retain their most valuable customers. The most successful firms are using data mining techniques to identify patterns and classify customers in the absence of detailed customer information. It finds relationships and market segments that would remain undetected by traditional methods of statistical analysis. It doesn't give answers, but it often offers points of inquiry.

McKinsey & Company, a management consultant, says that data mining is critical to companies looking to profits from customer relationships. The consulting firm estimates that 20% of a firm's profits can be attributed to the management of its customer relationships.

Data mining is a powerful tool for companies looking to improve their customer relationships. It allows firms to identify patterns and trends in customer behavior, which can be used to improve marketing strategies and customer service.

One key to the success of data mining is the ability to identify customers who are likely to be profitable. By analyzing customer data, companies can identify which customers are most likely to purchase products or services, and target their marketing efforts accordingly.

Data mining is also important for companies looking to improve their customer service. By analyzing customer data, companies can identify areas where customer satisfaction is low, and take steps to improve service.

In conclusion, data mining is a powerful tool for companies looking to improve their customer relationships. By identifying patterns and trends in customer behavior, companies can improve their marketing strategies and customer service, and increase profits.