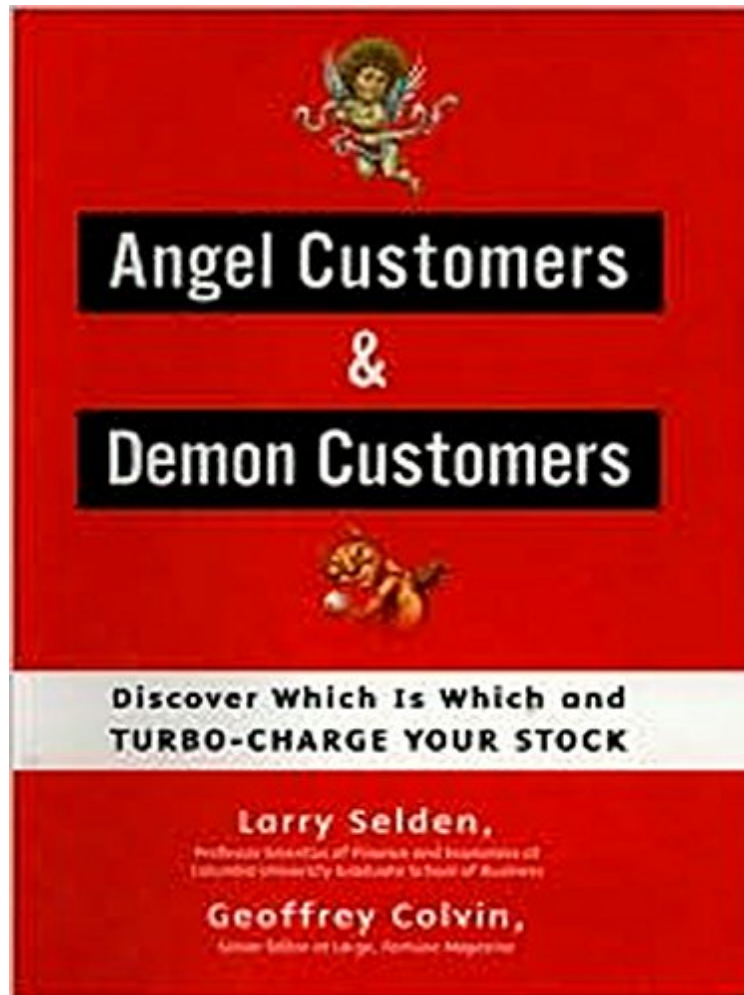


[FREE] Angel Customers Demon Customers: Discover Which is Which, and Turbo-Charge Your Stock

Angel Customers Demon Customers: Discover Which is Which, and Turbo-Charge Your Stock

Larry Selden, Geoff Colvin

DOC | *audiobook | ebooks | Download PDF | ePub



DOWNLOAD



+

READ ONLINE

#880779 in eBooks 2003-06-02 2003-06-02 File Name: B001NSUKYE | File size: 50.Mb

Larry Selden, Geoff Colvin : Angel Customers Demon Customers: Discover Which is Which, and Turbo-Charge Your Stock before purchasing it in order to gage whether or not it would be worth my time, and all praised Angel Customers Demon Customers: Discover Which is Which, and Turbo-Charge Your Stock:

3 of 3 people found the following review helpful. Outstanding Piece of WorkBy CapThis book is a highly relevant must read for anyone serious about customer-centricity. The model used has the potential to drive economic benefits that far outpace traditional marketing, CRM, and customer satisfaction focused programs.It should, however, be read along with some other good material on CDI and Customer Experience Management (CEM) like Collin Shaw's books on CEM [...] - I have no connection to them.I've talked with a few companies and consultants who have attempted to implement customer profitability management without the underlying CDI and the programs failed - even in smaller markets like Europe. It places a little too much faith in just demanding data from IT on the premise that millions have

been invested in systems so the data must be there. That is certainly not always the case. A good CDI strategy is critical to this program. But the focus of this book is the financial model and it should be read for what it is. The other section of material that could be more developed is the Value-Exchange methodology. Intermixing operational customer segmentation (not the kind done in direct marketing programs) with the profitability deciles would seem to be the kind of thing that is needed to mature the strategy and place relevant value propositions where they belong in the CEM/marketing mix. But alas, customer centricity is far too broad and complex of a topic to knock out in one book. This book is excellent and makes a much-needed contribution to a field that is sometimes more enamored with attempts at operant conditioning (a.k.a. CRM) than common sense management. I bought out the entire stock of this book from a store and continue to give copies away to this day. 5 of 5 people found the following review helpful. A few simple ideas that are woefully uncommon

By William Garrett
The central thesis of Selden and Colvin's book is that not all customers are desirable. Some are "angels" who deliver net profit while others are "demons" who cost more to serve than they generate in revenue. A well run company must understand who its customers are and then organize around serving them effectively, securing its relationship with angels while repairing (or ending) its interactions with demons. The authors write with a simple and bright style that keeps the book interesting. They touch on a number of case studies they've performed in their professional careers to help illustrate their points. I wish that they had included more data in the book, but what they do provide is about right for an introduction to the topic. Some reviewers deride the content of this book as obvious, but even more obvious is that a tremendous number of businesses don't get it. I see the problems the authors describe play out repeatedly, from perspectives as a professional within my own industry, as an investor, and as a consumer. This book is an exciting rebuttal against the mentality of "The customer is always right" (what if the customer wants to pay less than your cost?) and a wakeup call to move forward from smokestack-age business organization in the information-age economy. 16 of 17 people found the following review helpful. This is a great strategy book

By Bruno Levy
This is a skillfully written, subtle and insightful book. I believe that the reviewer who said that "this book stated the obvious and that outside of a novice business student, anyone who finds this book interesting or useful may want to consider another profession than business" has missed the point of this book...completely. The importance of this book is NOT in stating that "the customer is important .. some more than others". This we all know. The importance of this book is in outlining a practical methods for ascertaining which customers are money making one and which are not money making one **by going at the junction of customer marketing and customer finance**. It is by offering a practical way to relate the two perspectives (the qualitative and the quantitative one) that this book was useful to me. The key thing I learned from this book is the introduction of detailed customer-finance reasonings to evaluate clients. I also was greatly inspired by their concept of CUSTOMER DE-AVERAGING. I too often see company that thinks in terms of their "average customers" and thereby miss any valuable actionable insight on how to relate to their customers in a way which is both more profitable and more meaningful (from both the customers and the client perspective). Well for company who are like that, I think this is a GREAT book that uncovers what needs to be done in both a practical and theoretically sound way. I can testify that having applied a big part of the framework of this book to solve one strategy problem of one of my European client, we did uncover some really devilish customers (50% of their client acquisition was focusing on customers from which their will be never enough money generated to cover the initial customer acquisition expense) and some really angel ones (25% of their customer acquisition was focused on clients that represents overall 65% of their actual profit). We were also able to do some detailed financial modelling to discover that, in their specific case, they should refocus their attention on the angel customers and probably completely change their business model and value proposition for dealing with their demon ones. If I had one critic it would be that the part relating customer oriented strategy and the stock valuation is treated without enough precision. Having said that, I can also state the customer business I was speaking about is a recurrent one and that as a result the benefit of acquiring an angel customer goes well beyond the financial revenue derived from them in the first year. So, beyond the immediate profit improvement that are likely to results from their refocusing on the right customers this year, I anticipate this company to achieve a surge of their financial results in the following years (This hopefully will ultimately also find a reflection in their stock price...)

One of the oldest myths in business is that every customer is a valuable customer. Even in the age of high-tech data collection, many businesses don't realize that some of their customers are deeply unprofitable, and that simply doing business with them is costing them money. In many places, it's typical that the top 20 percent of customers are generating almost all the profit while the bottom 20 percent are actually destroying value. Managers are missing tremendous opportunities if they are not aware which of their customers are truly profitable and which are not.

According to Larry Selden and Geoff Colvin, there is a way to fix this problem: manage your business not as a collection of products and services but as a customer portfolio. Selden and Colvin show readers how to analyze customer data to understand how you can get the most out of your most critical customer segments. The authors reveal how some companies (such as Best Buy and Fidelity Investments) have already moved in this direction, and what customer-centric strategies are likely to become widespread in the coming years.

For corporate leaders, middle managers, or small business owners, this book offers a breakthrough plan to delight their best customers and drive

shareowner value.From the Hardcover edition.