

Customer Lifetime Value Model

DESCRIPTION

WealthEngine's Customer Lifetime Value Model allows you to better understand the total potential lifetime value of your customers and prospects, based on advanced machine learning algorithms that have been applied to data on customer transactions.

WHAT YOU WILL LEARN FROM USING THIS MODEL

This model can give you a better impression of the monetary value of a customer relationship based on the total potential spending of your prospects.

WHEN YOU SHOULD USE IT

This model is particularly beneficial for companies when they're looking to enhance their marketing and sales strategies to deepen relationships with their existing customers and forge new relationships with prospects.

HOW LONG IT TAKES TO BUILD

For a custom model, such as the Customer Lifetime Value model, it takes anywhere from 3 to 6 weeks for WealthEngine's data science team to produce.

DELIVERABLE

Users will receive a full report containing an executive summary of recommendations, and sections with findings on giving capability, segmentation and scoring (P2G) and description of their characteristics.

CUSTOMER INPUT

To generate a Customer Lifetime Value model, users must submit a file along with a client transaction file on each of the individuals or profiles they want modeled.

WE ATTRIBUTE INPUTS

For an enterprise model, you can input every attribute in your database into different wealth models. These attributes can include affinity, last transaction duration, total transaction amount, last transaction recency, total giving capacity, and many more. The correlations found between these data points then help you find your next best prospects. These correlations are much more reliable than any one single attribute.

MODEL OUTPUT

After submitting a file along with client transaction files on each of the individuals they want modeled, you will receive scores indicating Churn likelihood, Next Purchase Amount, Number of Purchases, and Total Spending.

USE CASE

This model is beneficial for organizations that want to deepen and nurture long-lasting relationships with high value customers. For example, it could be useful for a luxury brand (Fashion / Real Estate / Travel) to understand who are the high value customers that will stay loyal and continue to buy from them. These are the customers they would focus on nurturing in the long run.

