

Managing event-driven customer relationships in telecommunications

Abstract- Marketing Managers in the telecommunication industry are facing a number of business challenges. Despite large investments to retain and to develop customers, high churn rates and decreasing ARPU are the result. Often, blanket promotions are deployed, which destroy value through discounts and free services. Frequently, the customer lifecycle approach is ignored by offering these services, and therefore the possibility of tailoring relationship strategies to customer behaviour and value is missed. A systematic approach is necessary to plan a campaign and to evaluate its value. Each campaign is a financial investment for the enterprise. If no thorough planning is made, the enterprise risks to select the wrong target group, the wrong offers and the wrong channel. The aim of this paper is to discuss a systematic approach to plan and to carry out a campaign using Business Intelligence methods. Firstly, the time should be identified that the customer recognises a need in order to send the appropriate marketing message. Secondly, the offer has to meet customer's needs and it has to be relevant at the specific time. Thirdly, the right communication channel should be identified based on customer value and needs. Finally, the campaign performance should be improved incrementally through an ongoing measurement of results.

Journal of Database Marketing & Customer Strategy Management (2008) 15, 146-152, Palgrave Macmillan, London