



The North American Conference on
**CUSTOMER
MANAGEMENT**

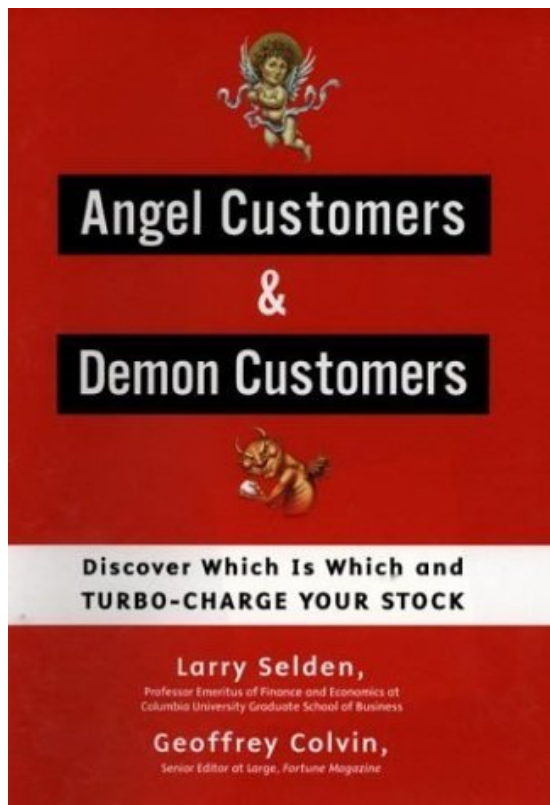
November 16 - 19 2008
Disneyland Hotel, Anaheim, CA

putting the customer at the heart of the business

The North American Conference on Customer Management
(NACCM) www.ecsw.com/naccm
Recommended Read

NEXT NACCM: November 16-19, Disneyland Hotel, Anaheim, California. Use the link to find out more and to reserve your place:

<http://www.iirusa.com/naccm/18095.xml>



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

Author: By Larry Selden and Geoffrey Colvin

Published by: Portfolio, 2003

ISBN: ISBN 1591840074

Phil Dourado writes:

There are a number of books telling you how to approach Customer Value Management, or CVM. What I don't like about most of them is that they interpret 'customer value' as the customer's value to you. In other words, they focus on the usual stuff about how to identify your most profitable and *potentially* most profitable customers and then win maximum 'share of wallet' from them.

Someone should ban the phrase 'share of wallet'. It shows an old-fashioned view of the customer as, well, a wallet to be fleeced. Customers are discerning and will know you are only interested in their money. You have to be smarter than that. In fact, you have to be smart enough to realize that looking at the customer's value to you – lavishing attention on high profit or potential profit customers and firing customers who *aren't* profitable – is only 50% of the issue. The other 50% - the crucial half for customers – is...and I know you are way ahead of me here: **THE VALUE THEY PERCEIVE THAT YOU SUPPLY TO THEM!**

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Sometimes called Customer Perceived Value or CPV (who comes up with all these acronyms?) or more objectively known as your Customer Value Proposition or CVP (just to be confusing), the key decider for customers on whether they should stay with you or not is the value they get from you.

In this 2003 book Selden and Colvin look at clever operators such as Royal Bank of Canada, who structure their customer offers according to customer segmentation, not product managers. Most organizations are still trying to find customers for products. Part of this book is a useful primer on restructuring how you work to find products for customers instead.