

14.2: Key terms and concepts

Table 14.2.1

Term	Definition
Churn rate	The annual percentage rate at which a business loses customers.
Customer	A person who buys or uses goods or services, with whom a company should develop a relationship.
Customercentric	Placing the customer at the centre of an organisation's business planning and execution.
Customer lifetime value (CLV)	The profitability of a customer over their enti
Customer relationship management (CRM)	A strategy for managing a company's relationships with current, potential and lapsed clients. It often makes use of technology to automate the sales, marketing, customer service and technical processes of an organisation.
Data mining	The process of analysing data to discover unknown patterns or connections.
Key performance indicator (KPI)	A metric that shows whether an objective is being achieved.
Lapsed	Someone who is no longer a customer
Model	A strategic visual representation of a process that a company adheres to.
Prospect	A potential customer
Segmentation	The practice of dividing customers into smaller sub-groups based on shared interests or characteristics.
Stakeholder	A person or organisation with an interest in how a resource is managed.

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