

## **ACKNOWLEDGEMENT**

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## **ABSTRACT**

The complexity in competitive environment requires businesses to make shift managerial decisions that prevent the suffering of opportunity loss; and this includes deciding what type of customers to pursue, retain or to forego. In the current business environment, the only way for sustainability is to ensure continuous profitability. As maximizing firm value is always the undisputable objective of any business entities, it is essential for a business to continue servicing profitable customers and to forego those who do not give or give lower profitability to the firm. In view of the above, this case study is conducted with the main objective to assess the Customer Lifetime Value (CLV) of fleet card customers. A 3-year CLV is computed using the gross margin, taking into consideration the customer retention rate. The CLV and duration of customer relationship are used as the criteria for customer segmentation, resulting in four customer segments, i.e. High CLV High Loyalty, High CLV Low Loyalty, Low CLV High Loyalty, Low CLV Low Loyalty. Other analysis, such as Industry Code Analysis, Sales Person Analysis and Margin Contribution by State are also being carried out in order to provide better insights and understanding of the customer behaviours and the business itself. Business advisory in the form of recommendations, were developed and put forward to ensure the profitability of the customers base are maximised.