

Win-Back Success beyond Purchases: The True Value of a Lost Customer

Robin-Christopher Ruhnau

University of Mannheim

Nathalie Harz

University of Mannheim

Cite as:

Ruhnau Robin-Christopher, Harz Nathalie (2020), Win-Back Success beyond Purchases: The True Value of a Lost Customer. *Proceedings of the European Marketing Academy*, 49th, (62543)

Paper from the 49th Annual EMAC Conference, Budapest, May 26-29, 2020.



Win-Back Success beyond Purchases: The True Value of a Lost Customer

Abstract

Customer win-back aims to create value for the firm by reacquiring profitable customers. However, looking beyond purchases is yet incidental in win-back management. Contrarily, customer engagement value (CEV) embraces that customers can create value in many ways, even without purchasing, e.g, by referring other customers. With two experiments, the authors integrate CEV with win-back management. Results show that CEV depends on a variety of factors, as the win-back offer made and the defection reasons. While the results illustrate that firms have a substantial impact on CEV, this impact is not equal in contractual versus non-contractual relationships. Without a contract, CEV is independent of win-back success in terms of purchases, implying that a merely purchase-based view is misleading. Instead, lost customers are more than just lost revenue: the success of win-back campaigns should incorporate non-transactional aspects of CEV to adequately capture the true value of a lost customer.

Keywords: *win-back; engagement; CEV*

Track: Relationship Marketing