



**New Book By Ipsos Business Strategists
Debunks Myths That Compromise Customer Loyalty And Cost Companies Billions
Authors Present Revolutionary Ways To Tackle Customer Allegiance And Retention**

New York, NY, September 16, 2005 – In the just released book, [*Loyalty Myths: Hyped Strategies That Will Put You Out of Business and Proven Tactics That Really Work*](#), some of Ipsos Loyalty's top researchers challenge conventional wisdom, debunk 53 accepted practices and offer tested strategies to set businesses back on track. The Ipsos authors concentrate on six strategic business areas including management practices, loyalty programs, and profitability.

Timothy Keiningham and Terry Vavra, US-based business strategists with [Ipsos Loyalty](#), a global, specialized practice dedicated to helping companies improve business performance through customer satisfaction management, customer relationship management, and employee climate management, mix decades of experience with the latest academic knowledge in an entertaining and thought-provoking package.

"Virtually everything we have been told about the relationship between customer loyalty and financial outcomes is bunk," write the Ipsos authors. "The difficult truth regarding customer loyalty is that how it links to growth and profitability is far more complex than we have been led to believe. An improperly directed program can result in keeping the wrong customers and ironically deflating an organization's profitability. A blind pursuit of customer loyalty is at best a case of misallocated resources. But at worst it is a recipe for financial disaster."

They say most companies have not changed their methodology for capitalizing on customer loyalty. Managers everywhere are learning the hard way that the strategies they're using don't easily translate into business success and may actually be costing them billions of dollars in missed profits. They examine the most popular maxims of customer retention, revealing why these strategies fail, while showing how they poison management practices and affect the bottom line.

***Loyalty Myths* Offers Seven Tested Strategies To Get Back On Track**

Concentrating on six strategic business areas including management practices, loyalty programs, and profitability, Keiningham and Vavra debunk accepted practice and offer seven tested strategies to set businesses back on track. They are:

- 1. Don't manage for customer retention before you manage for customer selection.**



2. **Customer loyalty takes more time to grow than most management teams have to give; planning and patience are required.**
3. **Focus on customers' share of wallet – don't disregard those customers with current low shares; consumer polygamy is the rule these days.**
4. **Loyalty requires mutually beneficial interactions; most loyalty programs are tilted in the company's favor.**
5. **The chain of effects from loyalty to profits is twisted and complex; learn the specific response patterns of your customers and your industry.**
6. **Satisfied and loyal employees can make a difference, but customer satisfaction and loyalty can and often does happen in the absence of employee satisfaction and loyalty.**
7. **Customer loyalty and brand imagery are far from independent; you must manage them hand-in-hand.**

Praise For The Book

"Loyalty Myths digs deep beneath the surface of conventional wisdom. It will make readers think twice about their long held beliefs regarding customer loyalty management," said Ruth N. Bolton, W. P. Carey Chair in Marketing, Arizona State University, and recent editor of the *Journal of Marketing*.

Added Peter Jueptner, Executive Vice President, The Great Atlantic and Pacific Tea Company: **"Loyalty Myths** provides great insights as to why simple answers never work in customer loyalty."

To learn how Ipsos Loyalty can help clients improve customer loyalty, retention, and profitability by identifying the most critical priorities for action, visit the company's [website](#).

About The Authors

Timothy L. Keiningham is Senior Vice President and Head of Consulting for Ipsos Loyalty, a global, specialized practice dedicated to helping companies improve business performance, through customer satisfaction management, customer relationship management, and employee climate management. He is author of several books and articles on customer satisfaction and loyalty, and has won best paper awards from the *Journal of Marketing* and the *Journal of Service Research*.

Terry G. Vavra is Chairman Emeritus of Ipsos Loyalty. He is a customer satisfaction and loyalty consultant; he is a speaker and author of four books in these fields (including one of the first CRM books) and numerous articles. He has also served as an educator, having taught at the graduate level.

Lerzan Aksoy is Assistant Professor of Marketing at Koç University in Istanbul, Turkey. Her research interests include customer satisfaction, loyalty, and relationship management. She has provided executive training on customer relationship management to executives from numerous multinational companies.



Henri Wallard is CEO of Ipsos, a leading survey-based research group with offices in North America, Latin America, Europe, the Middle East, and Asia-Pacific that conduct research in more than 100 countries. He has direct responsibility for Ipsos Loyalty activities worldwide.

About Ipsos Loyalty

Ipsos Loyalty is a global, specialized practice dedicated to helping companies improve business performance through customer satisfaction management, customer relationship management, and employee climate management. Ipsos Loyalty provides a state-of-the-art approach to customer-driven business performance through a modular suite of innovative research tools that provides an integrated framework to identify complex global business solutions. Ipsos Loyalty is an Ipsos company, a leading global survey-based market research group.

To learn more, visit www.ipsosloyalty.com/us/.

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