Ipsos Loyalty Launches Tool Capable of Driving Share of Wallet

Wallet Allocation Optimizer or WAO!

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New York, NY - Marketers know that strong relationships with their customers are crucial to their success. Ipsos Loyalty's newest research solution is designed to help turn CRM (Customer Relationship Management) into increased share of wallet, and ultimately share of market. Aimed at helping executives understand the share of wallet dynamics in their businesses, in every industry sector, Ipsos Loyalty has launched a new solution called Wallet Allocation Optimizer (WAO!).

This new product is the result of comprehensive research and development proving that most of the common measures of customer performance are used in an overly simplified way by many brands and have little connection to real business results. The R&D study, conducted across nine countries through surveys with over 17,000 consumers, covers every major industry sector and provides eye opening results for executives who measure customer success by simple metrics such as satisfaction or retention.

WAO! is based off of award-winning and Harvard Business Review published thinking, led by Dr. Timothy Keiningham, Chief Strategy Officer at Ipsos Loyalty. "The value of WAO! lies in the fact that it provides executives with a customer relationship metric and a system of understanding, which relates directly to financial performance and business success," says

Dr. Keiningham. "WAO! provides leaders with a rich understanding of share of wallet dynamics in their businesses and eliminates the problems of using inadequately customer relationship metrics such as retention and recommendation."

Ipsos Loyalty recognizes that satisfaction and performance measurements are and will remain very important to evaluate how companies service their clients. But they do not capture everything.

"These are useful metrics to set goals and incentivize your organization. But satisfaction ratings should not and cannot be used alone to directly drive financial performance," adds Keiningham. "The same is true with recommendation metrics such as Net Promoter Scores, which correlate poorly with customer spending levels. The key is that rank matters: taking the competitive set into consideration allows a direct link to driving business results."

"For instance, airlines fall victim to the old trap of confusing retention with loyalty. You can retain a customer without them being loyal; where they spend their money is the story of where their loyalty lies. Lots of airlines retain customers but have really low share of wallet, which means that people are spending just as much money, or more, with the competition. And it's not just Airlines we see this in, it's banks, retail, DIY, every major category."

Ipsos Loyalty's WAO! provides a creative solution which will help marketers build stronger customer relationships leading to greater business success and more sustainable brands.

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