

Praise for *The Wallet Allocation Rule*

Praise from Business Leaders

This is it! Finally, something definitive about what it takes to win the battle for share of customers' hearts, minds, and wallets. Backed by rock-solid science, *The Wallet Allocation Rule* is a definite must-read.

—Peter Jueptner, executive vice president of Strategy and New Business Development, Estée Lauder Inc.

The authors expose Net Promoter as *The Emperor's New Clothes* and explain a superior metric that brings in the dimension of competition, providing managers with an effective way to drive beyond traditional customer satisfaction to achieve goals for profitability, market share, and growth. Groundbreaking work for marketing leaders and a must-read. *The Wallet Allocation Rule* is the next big thing!

—Jim Welch, director, PwC's PRTM Management Consulting

Living in the world of big data analytics, we strive to turn customer satisfaction into customer retention using measured techniques every single day. *The Wallet Allocation Rule* delivers a concrete approach to trace our value to our enterprise clients, giving us structure to increasing market capture. This is groundbreaking indeed.

—Rama S. Moorthy, CEO, Hatha Systems

The Wallet Allocation Rule is brilliant. Managers need to change their thinking on the importance of rank and how they can position their brand to meet their financial goals. The simplicity of the mathematical model underscores the common sense of the Wallet Allocation Rule. I have a feeling this concept will be applied effectively by enlightened organizations. I enjoyed reading this book and kept thinking that this has a *Freakonomics*-like quality to it.

—Tom D'Orazio, CEO, Superna Life Sciences

The Wallet Allocation Rule is groundbreaking research with clear, practical applications. It is well written and thought provoking. I'll never look at general marketing assumptions the same again. A must-read!

—Kevin P. Kaseff, president, Titan Real Estate Investment Group, Inc.

Satisfaction from your customers means nothing if it doesn't increase your share of wallet! *The Wallet Allocation Rule* gives you the hard facts and fills the void in how to do exactly that. Not just stories but real strategies to grow your business, your brand, and wow your customers. Just read it!

—Chester Elton, *New York Times* best-selling author of *All In* and *What Motivates Me*

I like this book. The authors bring data and analyses to demolish widely held but misplaced beliefs in the efficacy of the Net Promoter Score, customer satisfaction, customer loyalty, and other popular measures in causing improvements in growth, market share, and profitability. They put the Wallet Allocation Rule to the test, and it performs. The book is an easy and fast read, with great case studies and charts. The appendices should be helpful to those wishing to put the rule to the test in their own companies.

—George Stalk, senior advisor, The Boston Consulting Group

The Wallet Allocation Rule is that rare, valuable combination of being strategically insightful and empirically powerful. This creates a path forward for better, data-driven decisions on how to capture more share of wallet while not getting caught in any of the classic pitfalls of satisfying customers without seeing impact.

—James Mendelsohn, chief marketing officer, CAN Capital

Assumption, so the saying goes, is the mother of all f**k-ups. And yet, as demonstrated in *The Wallet Allocation Rule*, marketers have been happily throwing money at customer experience management despite the absence of hard evidence of a correlation between customer satisfaction and share of wallet. Over the course of this thought-provoking book, authors Keiningham, Aksoy, Williams, and Buoye convincingly pick apart the suitability of existing satisfaction and reputational metrics at predicting customer spend and posit a potential solution to the problem—the Wallet Allocation Rule. Explaining the scientific foundation for the rule and its practical applications, readers finally have the missing link within their grasp—the ability to link their existing customer metrics to share of wallet.

—Neil Davey, editor, MyCustomer.com

I've been following Timothy Keiningham's research and thought-provoking books for over a decade due to our mutual interest in customer loyalty. His most recent book, *The Wallet Allocation Rule*, is simply brilliant. After years of arguing about which metric is best, this groundbreaking book reveals what really matters: how your brand compares to your competitors' in your customer's mind.

—Bob Thompson, CEO, CustomerThink and author of *Hooked On Customers: The Five Habits of Legendary Customer-Centric Companies*

The Wallet Allocation Rule addresses one of the largest challenges I see running Loyalty360. We are privileged to speak to CMOs [chief marketing officers] on a daily basis, and the biggest challenge they face is keeping up with the disparate technology challenges they are confounded with today. The clarion call is metrics; brands are confounded with the best internal metrics, as well as competitive benchmarking metrics by which to gauge the efficacy of their efforts; *The Wallet Allocation Rule* is one of the best books I have seen that addresses the metrics and insights needed to gauge said efficacy. Having known Tim for many years, the passion he has for brands to enable them to create truly (behaviorally based) loyal customers (advocates) has never wavered, and this book is the zenith of this passion.

—Mark Johnson, CEO and CMO of Loyalty360

Companies need to focus on customer metrics that drive business results. *The Wallet Allocation Rule* does a nice job of putting people's attitudes in context of their real-world choices, which, in turn, provides a more direct connection with actual customer behavior.

—Bruce Temkin, managing partner of Temkin Group, cofounder and chair of the Customer Experience Professionals Association (CXPA)

To achieve better business results, it's essential to rise above the myths and common practices, to adopt superior insights and methods. This book walks you through the fallacies in current thinking and shows empirical evidence that explains incorrect assumptions and proves correct interpretations. Readers will discover revolutionary insights and techniques that can propel them out of their customer experience ROI [return on investment] plateau to achieving strong growth.

—Lynn Hunsaker, founder and head of ClearAction Customer Experience Optimization

Praise from Academic Leaders

The Wallet Allocation Rule convincingly dispels well-established myths about customer satisfaction and provides a new metric for predicting market share growth across competing brands. The authors demonstrate through examples, data, and cases that customer satisfaction and NPS [Net Promoter Score] alone are not enough. These *must* be measured relative to competitors, and the Wallet Allocation Rule is the way to do this. If your goal is market share leadership, this book is a must-read!

—Mary Jo Bitner, professor and Edward M. Carson Chair, Arizona State University, Editor, *Journal of Service Research*

The Wallet Allocation Rule is an unabashed challenge to the current state of marketing within organizations. It eviscerates the navel-gazing customer satisfaction focus

of most organizations seeking growth through customer experience management. But the book isn't just a critique of current practice. It provides a real, scientifically vetted solution to the problem—something sorely lacking for the highly touted but soon discounted management buzzwords. This book is certain to be one of the most important business books of the decade.

—Edward C. Malthouse, Theodore R. and Annie Laurie Sills Professor of
Integrated Marketing Communications, Northwestern University

In today's metrics-driven age, a new metric that companies will benefit from knowing is how high up they are in their customers' shopping budgets. The historically popular metrics of satisfaction and purchase intent have been shown to have little or no predictive power in gauging actual purchases/repurchases. These metrics also do not offer managers information on what proportion of money consumers are willing to spend on their brand and whether their competitors are being chosen over them. After all, a pat on the wallet is a better proof of the pudding than a pat on the back. *The Wallet Allocation Rule* presents revolutionary insights that redefine the measurement of customer loyalty. With the help of this book, managers can not only gain a new perspective on the wallet share their brands command but also learn tools they can implement to maximize this share and cement their spot in their customer's shopping lists.

—V. Kumar, Regents Professor and Richard and Susan Lenny Distinguished
Chair, Georgia State University

The Wallet Allocation Rule cogently debunks commonly held beliefs about the merits of conventional CSAT metrics and offers a simple—yet powerful—alternative for capturing and capitalizing on how customers actually allocate their spending among competing brands. Succinctly written and filled with easy-to-grasp illustrations, this thought-provoking book is a must-read for anyone interested in understanding the determinants of market share and revenue growth.

—A. Parasuraman, James W. McLamore Chair of Marketing, University of Miami

This book challenges the strongly held belief that customer satisfaction and its various derivatives, such as Net Promoter Score, are leading indicators of firm performance. Using rigorous research, the authors show that there is a weak correlation between satisfaction (and its variants) and consumers' purchase behavior. What matters is satisfaction relative to competition, not absolute satisfaction scores that almost all companies rely on. The authors translate this idea into a simple but powerful Wallet Allocation Rule. This book will change the way you think about customer satisfaction.

—Sunil Gupta, Edward W. Carter Professor of Business Administration, Harvard
Business School

Keiningham and colleagues lay bare the “managerially correct” fallacy that by merely improving customer satisfaction and Net Promoter Score levels, firms will automatically see market share growth and higher customer spending. This well-researched book blasts these myths. More important, it shows managers precisely what to do (and how to do it!) to improve their firm’s share. Grounded in strong research, *The Wallet Allocation Rule* is destined to have a lasting impact on both the science and practice of management.

—Katherine N. Lemon, Accenture Professor of Marketing, Carroll School of Management, Boston College

The Wallet Allocation Rule is a thought-provoking book that will change the way leading enterprises will measure and manage customer satisfaction. And I love that this book is based on solid academic research that will pass the test of time.

—Jochen Wirtz, professor of Marketing, National University of Singapore

The Wallet Allocation Rule focuses on a very important strategic issue for all business executives—how to win the battle for share of wallet. Backed by numerous examples and solid research, this book provides a new lens for viewing marketing decisions. The authors convincingly show that a focus on satisfaction is a recipe for financial disaster. Using the Wallet Allocation Rule, managers can finally make the critical link to share of wallet.

—Bo Edvardsson, professor and founder of CTF-Service Research Center and Vice Rector Karlstad

If you cannot measure it, you cannot manage it. In this book Keiningham, Aksoy, and Williams let managers become *real* managers by employing KPIs [key performance indicators] that measure what really matters: investments that drive share of wallet. I wish I wrote this book. I am delighted I read it!

—Tor W. Andreassen, professor of Marketing and director of the Center for Service Innovation at NHH Norwegian School Economics

This book is essential reading for anyone who wants to know how to improve customers’ buying behavior. The *Wallet Allocation Rule* is an insightful strategy for those business executives who have the task of guiding their companies toward a new understanding of their customers’ spending patterns. I am sure this book will be on every executive’s desk.

—Jay Kandampully, professor in Services Management and Hospitality, The Ohio State University, Editor, *Journal of Service Management*

Customer satisfaction is hugely important, but its relationship to share of wallet depends in large part on the competition. Superstar consultant Tim Keiningham

and his colleagues at Ipsos Loyalty have teamed with academic Lerzan Aksoy to help unlock exactly how it is that satisfaction relates to share of wallet. Based in large part on actual corporate applications, *The Wallet Allocation Rule* is a readable book that should be valuable to all managers who want satisfying their customers to pay off.

—Roland T. Rust, Distinguished University Professor and David Bruce Smith
Chair in Marketing, University of Maryland

This is a fantastic book that will help organizations better manage, monitor, and understand their customers from the perspective of better managing their profits. It advances the conversation from customer satisfaction and Net Promoter Score to share of wallet thereby paving the way to linking behavioral metrics to financial metrics. The intellectual advances in the book will be relevant for both academics and practitioners, not just today but for decades to come.

—Vikas Mittal, J. Hugh Liedtke Professor of Marketing, Jones Graduate School of
Business, Rice University