

B2B Loyalty Characteristics

WASHINGTON - (Business Wire) A recent study conducted by the [Marketing Leadership Council](#) and [Marketing Leadership Roundtable](#) – both part of the Corporate Executive Board (NASDAQ: EXBD) – has identified the leading causes of business-to-business (B2B) customer loyalty. The study, which evaluated more than 70 B2B companies that conduct formal loyalty measurement programs, is a first of its kind in the B2B marketplace.

“There’s currently a heavy focus on the drivers of business-to-consumer (B2C) customer loyalty, but B2B marketers are more frequently being called upon to lead loyalty-building efforts as well,” explained Alex Tserelov, practice manager of the Marketing Leadership Council, on the reasoning behind the study. “The findings from this research explain how B2B loyalty is different and identify the statistically significant drivers of loyalty in this space.”

How is B2B customer loyalty different from B2C? The research found that because the cost of switching suppliers is higher and more complex in a B2B environment, attitudes – not behaviors – best reveal loyal customers. In addition, purchase decisions are significantly more complex in the B2B environment, where input from multiple individuals is required. And while customer advocates in a B2C environment influence their peers, B2B customer advocates must influence individuals that hold positions at various levels within their organization.

For its study, the Council and the Roundtable explored more than 100 marketing practices and capabilities commonly believed to contribute to B2B customer loyalty – from segmentation strategies to designating a single point of contact. Using self-assessment feedback from the participating companies, along with associated financial data and percentages of loyal customers, the top drivers of B2B customer loyalty were identified and organized using a three-pronged approach – Learn, Teach, and Amplify.

First, B2B companies should capture and share segment-level customer data across various functions in their organization. The data should uncover customer end-goals, as opposed to only their immediate needs, and differences between progressive and average customers. This information can then enable B2B companies to go beyond matching products to customer needs and provide value by teaching customers what others in their segment are doing and helping them refine their strategy. In the third and final step, the advocates won through this approach should be empowered with the right knowledge and tools needed to effectively promote their supplier’s differentiated value proposition to key decision makers.

“This method of ‘Learn, Teach, Amplify’ made a significant difference in driving customer loyalty among the B2B companies we studied,” reported Tserelov. “However, the concept of teaching customers and setting their expectations is

contrary to traditional sales rep practices that focus on issue match and responsiveness.”

About the Marketing Leadership Council

The Marketing Leadership Council was in founded in 1994 and serves more than 900 heads of marketing at large companies (revenue \$1B or greater) around the world with services including benchmarking, best practices research, professional peer groups, implementation tools, and webinars. For more information, please visit the [Marketing Leadership Council Web site](#).

About the Marketing Leadership Roundtable

The Marketing Leadership Exchange was founded in 2006 and serves more than 225 heads of marketing and their teams at mid-sized companies (revenue \$50M to \$750M USD) around the world with services including benchmarking, best practices research, professional peer groups, implementation tools, and webinars. For more information, please visit the [Marketing Leadership Roundtable Web site](#).