the telemarketing company

Insider Perspective

Beyond Customer Satisfaction to Genuine Customer Insight

"The first step in exceeding your customer's expectations is to know those expectations" Roy H. Williams

True customer centricity goes beyond offering excellent customer service. It is about putting the customer at the heart of your business operations, culture and strategy.



Many B2B companies today believe that they are in synch with their customers. However, a recent Gallup study has revealed that the majority of companies operating in the B2B arena are simply not managing to build strong and mutually-beneficial customer relationships.

According to the research[1], **only 29% of B2B customers are engaged**. In other words, fewer than one third of B2B clients feel loyal or emotionally attached to the companies that they do business with. The remaining 71% are either indifferent or actively disengaged.

This means that most organisations are failing to provide a meaningful customer experience; and therefore run the risk of losing their valuable existing commercial relationships.

"B2B companies across all industries are at risk of being replaced - not because of their products or prices, but because they are failing their customers."

[Gallup Report: Guide to Customer Centricity Analytics and Advice for B2B Leaders]

Why engage customers?

Before discussing how to engage customers, it is important to look at why effective customer centric behaviour makes sound business sense. Consider these three issues:

1. You're easily replaced

   The B2B environment is highly competitive, offering customers more choice than ever before. If your clients do not feel valued, well-treated and loyal to your firm, what's keeping them from being poached by your biggest rival?

2. Customer retention saves money

   As you have no doubt heard before, winning new customers costs five times more than keeping existing ones. It is therefore advisable to fight for your existing customers' loyalty, because this lowers operational costs.

3. Engagement boosts the bottom line

The same Gallup poll found that B2B firms with high customer engagement scores achieved 50% higher revenue or sales, 34% higher profitability and 55% higher share of wallet than the other companies studied. The lack of engagement within the current B2B customer base therefore represents a significant amount of lost revenue.

A need for better customer engagement strategies

In order to protect their reputations and profitability, it is clear that the majority of B2B firms need to rethink the way that they engage with their customers.

Do you, as a business selling to other businesses have a real and in-depth understanding of your customers' needs, wants and expectations? Do you look at their broader business goals and the future trends within their industries? Or do you tend to focus only on the customer challenges that your products or services can solve now?

As Abraham Maslow (who created *Maslow's Hierarchy of Needs*) once put it, "If you only have a hammer, you tend to see every problem as a nail." You may be hitting the nail on the head, but what are you actually building?

The best way to unveil what your customers really want is to talk to them. Ask them why they need your product or service now and *what* they may need in the future. If you understand their true pain points and aspirations, you'll be able to offer them a more meaningful solution - not only in terms of product and service benefits, but also in the way that you relate to them.

How to gauge the health of your customer relationships

An increasing number of B2B companies are becoming aware of the need to be more customer-centric. Unfortunately, many of these firms are struggling to achieve and implement coherent strategies for customer engagement. One major issue is the methods that they are using to measure customer satisfaction.

One common approach is to conduct generic customer satisfaction surveys that can easily be rolled out to a wide audience. While these quantitative research tools do make it easier to collect, measure and compare results - they often only scratch the surface and do not always dig deep enough to reveal how customers really feel about the company.

Consider the Net Promoter Score (NPS) as an example. Conceived in 2003 by Fred Reichheld, Bain & Company and Satmetrix, NPS asks only one simple question - along the lines of: *"How likely are you to recommend our company to a friend or colleague? [Please rate on a scale from 0 to 10]."* Customers are then sorted into the following categories based on their responses[2]:

- Promoters (ratings of 9 or 10): loyal customers who are enthusiastic about the company.
- Passives (ratings of 7 or 8): satisfied but unenthusiastic customers who could easily jump ship.
- Detractors (ratings of 6 or less): unhappy customers who feel trapped.

This tool does offer its benefits. It is simple and therefore relatively cost-effective to use. It is also easy to understand and amenable to standardisation, which means the results can be compared across divisions, companies or even industries.

However, the single-question format does not provide nearly enough detail on why customers feel the way they do - either positively or negatively - about your company. NPS should therefore be viewed as a starting point for a more detailed conversation with your customers. Ideally, you would then launch a series of campaigns that reach out to the three

different customer categories in a more relevant and personal way.

How to initiate real conversations with your customers

"It is no longer enough for companies to view the world from their vantage point. They need to view the world through the lens of their customers"

Gallup Report: Guide to Customer Centricity Analytics and Advice for B2B Leaders

The way that surveys are put together can also lead to companies developing misguided beliefs about their customers. In order to make the answers more quantifiable, many surveys provide multiple choice answers to their own questions. Unfortunately, this encourages customers to provide feedback in the language of the company, and framed by the company's view of the world, instead of using their own words to express their true thoughts and feelings. Customers may end up choosing the best available answer, which could be something that they don't fully agree with. Even when there is an "Other, please specify" box or comments section at the end, this often feels like an afterthought and respondents tend to treat it as such.

All of this can affect the quality and completeness of the feedback received. It can also create an impression that the company does not really want to hear its customers' true thoughts and opinions - and customers that don't feel valued are unlikely to feel engaged.

Rather, what is needed is for companies to have real, two-way conversations with their customers. Where a quantitative analysis provides a high-level overview of where the B2B relationship stands, a qualitative investigation unveils why. Telephone interviews are a highly effective channel for reaching out to customers and encouraging them to provide insights into their feelings, attitudes and motivations.

Why the telephone is the ultimate engagement tool

"When dealing with people, remember you are not dealing with creatures of logic, but creatures of emotion."
Dale Carnegie

Where email or online surveys tend to be impersonal, telephone conversations are the opposite. Gallup defines customer engagement as "a customer's emotional or psychological attachment to a brand, product or company" – and the telephone allows you to create a personal, emotional connection with each customer, one by one.

Conversing with customers on the phone allows them to experience the 'human' side of your business, which makes it easier for you to build rapport and get them to share their feelings, concerns and opinions in more detail, and often more truthfully. A phone conversation also allows you to hear tone of voice and emotion, which adds meaning to customers' answers. These nuances are easily missed when collating written survey answers or reading social media comments from customers.

The personal nature of a real, two-way conversation also helps establish trust and build deeper levels of understanding through open questions focusing on customer pain points and challenges, rather than the supplier perspective. Armed with this level of insight, you'll be in a better position to understand – and therefore meet - your customers' emotional needs and expectations.

Connecting with the right people

Another advantage of telephone interviews is that they allow you to target and connect with the right people, resulting in deeper and more meaningful insights from the customers who matter most, often those who are difficult to reach through other channels.

The Gallup report highlights the importance of gathering feedback from the whole decision making unit in order to gain a full and accurate view of your customers' requirements. It recommends conducting regular "key account reviews" over the telephone with key stakeholders from each account, including:

- Decision-makers: who control budgets and make the final decisions regarding service providers
- Influencers: who influence the decision-makers with their expertise
- Buyers: who are directly involved in the procurement process
- Users: who interact with account representatives and are the ones who actually use the company's products or services

Speaking to different stakeholders enables you to understand the issues at every level of the account, as well as identify common threads that reveal the underlying corporate culture. This will guide your engagement strategy.

The value of outsourcing your telephone research

No matter how professionally you conduct your client interviews, your relationship history is likely to affect both the direction of the conversation and your perception of the customers' answers. By outsourcing your telephone research to an experienced agency, you can be sure of results that are objective and unbiased.

Any reputable agency works to Market Research Society standards that require the use of call recordings for quality assurance. In addition to maintaining quality standards, call recordings allow conversations to be replayed by individuals across the client organisation, so subtle nuances are captured and the full value of feedback is gained.

An independent survey may attract more honest feedback from your customers, than you would gather in the normal course of business. Customers may feel more comfortable opening up to someone other than their regular account manager or customer service representative due to concerns that their true feelings could damage the business relationship, or because their feedback has fallen on deaf ears in the past.

Someone who is not involved in the account may be better placed to get feedback relating to customer needs beyond their current day to day, transactional, or service requirements. This not only helps to address their needs more comprehensively, but also opens up potential new business opportunities with existing customers.

It's crucial to act on this knowledge

Here's the most important piece of advice - once you have really started listening to your customers, it is important to channel the insights you gain into actions. When customers share their opinions, advice and requirements, they expect you to hear them.

According to the Gallup Report, ignoring customer input "can be exponentially more harmful than not asking for feedback at all".

"Companies must listen to - and act on - their customers' needs and wants. Commitment and follow-through provide the basis for customer centricity."

This means that you need to make sure that you fully understand your customers' feedback; and that you provide the required solutions or make the necessary changes in a timely manner. If you do nothing, your customer will become disillusioned with your company and be more likely to jump ship when the next best offer comes along.

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The way forward

Now that B2B companies know how low the levels of customer engagement really are in the industry, it is time to recalibrate customer communication and research strategies in order to delve deeper into how customers are really feeling and what they really want.

It is also essential to initiate authentic dialogues with customers, by introducing qualitative research methods such as telephone interviews that create personal connections. The 2016 Benchmark Study by Cintell[3], 'Understanding B2B Buyers', highlights that companies who exceed their lead and revenue goals are focused on the drivers and motivators (93.8%) and on the fears and challenges (87.5%) of their customers. It is no longer sufficient to measure your customers' current satisfaction levels only. For sustainable business growth, it is essential to understand the *why* behind your customers' behaviour, and what products and services you might provide in future to help them meet their business challenges.

Ultimately, B2B communication is a two-way conversation. The companies that listen to - and really value - their customers' concerns, opinions and advice, are the businesses that build loyal and longstanding customer relationships.

"The goal in all of this is for the B2B company to have more dynamic and forward-thinking conversations with customers and to channel those conversations into growth."

Gallup Report: Guide to Customer Centricity
Analytics and Advice for B2B Leaders

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[1] http://www.gallup.com/services/187877/b2b-report-2016.aspx

[2] http://info.ttmc.co.uk/acton/attachment/18395/u-0078/0/-/-/-/-/

[3] http://cintell.net/2016-benchmark