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Insider Perspective

The B2B customer experience: How does your business measure up?

Most companies consider customer loyalty to be a key business objective, not only as an indicator of customer satisfaction, but also as a predictor of future revenue potential and hopefully onwards recommendation to peers and colleagues.

In a fiercely competitive market, with so many organisations offering similar products and services, it can be a struggle to differentiate your business. Buyers are spoiled for choice and as a result, customer loyalty is in decline; with research showing that 50% of customers are no longer committed to a particular company or brand.

In this environment, how do you reconnect with your B2B customers?

Ease of doing business

According to a recent Gartner study[i], the vast majority of companies surveyed (89%) believe that the customer experience is the new area of focus for 2016. Today's customers are busy. Organisations that value their time and provide an effortless experience across all customer touchpoints are likely to both satisfy and retain these clients. As a result, ease of doing business is beginning to replace customer loyalty as the true indicator of 'happy, stable' customers in the B2B world.



That said, it is important not to tip the balance too far. While quick, painless customer service is essential, in the digital age where everything is automated, it is easy for interactions with customers to become too impersonal in a quest for efficiency.

In this complex environment, B2B organisations are struggling to define and implement customer service approaches that meet their clients' evolving needs. Many businesses need to work harder to understand the real experiences that their customers are having on the ground; and gauge how successfully these are living up to expectations. Armed with better insights, companies can rethink their strategies for minimising churn and building lasting customer relationships.

Measuring the customer experience

The best way to find out how a customer feels about your business is by asking. However, you have to ask the right questions in the most relevant way. Otherwise you'll run the risk of leaving your clients feeling frustrated because they've made an effort to provide feedback, but this has not been heard, understood or acted on.

All this considered, what is the most effective way to measure the customer experience?

Metrics around customer loyalty, satisfaction and experience are transforming to keep pace with changing customer behaviours and expectations. Let's take a look at some of the most common metrics that B2B experts are currently using to benchmark and improve their customer experience strategies:

- Customer Satisfaction Surveys (CSAT): Companies have been conducting customer satisfaction surveys for decades. The more generic a survey is, the easier it is to roll out to a wider audience and to later collate and compare the results. While this method is useful for gathering feedback on how customers are currently feeling about the service they have received, it is not a metric that can be used to forecast customer loyalty. This is because CSAT measures customer satisfaction at a certain point in time; but can't tell you whether they'll be attracted by a competitor's offer next week. If you want to measure loyalty, you need to ask questions that relate to future customer behaviour.

- Net Promoter Score (NPS): NPS is designed to go beyond asking how satisfied your customers are to measure future loyalty and advocacy. This simple tool asks just one question: "How likely are you to recommend our company to a friend or colleague? (Please rate on a scale from 0 to 10)." Respondents are then divided into categories: Detractors (those who scored 0-6), Passives (7-8) and Promoters (9-10); and the percentage of Detractors are subtracted from the percentage of Promoters to calculate your Net Promoter Score. The beauty of this metric is that it is easy to understand and amenable to standardisation. It allows you to compare scores across departments or to track progress over time. However, it is best viewed as a starting point for further discussion – as you still need to understand why customers feel positive or negative about your company so that you can take steps to improve the customer experience.

- Customer Effort Score (CES): CES has evolved to measure ease of doing business. Also adopting a single question format, CES asks customers how much effort they personally had to put in when approaching the company to handle a request or issue. Again, they answer using a rating scale from 1 (very low effort) to 5 (very high effort). The value of this metric is that it is simple and can be focused on pinpointing areas where customers are finding it very easy to engage with the company; as well as areas where they're not. This provides actionable insights for improving the customer experience. CES is also a good predictor of future behaviour. Harvard Business Review[ii] found that of the customers who scored low on effort, 94% intended and 88% expected to spend more.

- NetEasy Score: This metric is based on both the NPS and the CES with the aim of identifying whether customers are finding it easy or tricky to deal with your business. It asks one question along the lines of: "Overall, how easy was it to do business with us today?" This is answered on a scale of 1 (extremely easy) to 7 (extremely difficult). As with NPS, the percentage of 5-7 scores is subtracted from the percentage of 1-2 scores to produce a single NetEasy Score. Like CES, this is a simple and pragmatic approach to measuring the customer experience. However, these metrics are more focused on specific customer service events and do not evaluate the customer experience as a whole, which includes many other factors that influence customer loyalty.

At the end of the day, all of these metrics add value to your customer experience research in unique ways. However, if you want to compete based on the quality of customer experience overall, then you need a more holistic view on the health of your customer relationships.

Loyal customers are often those who perceive their interactions to be more than simply transactional. They value the relationship that they have with the company, one which has its foundation in something more than simply purchasing a product or signing up for a service. Measuring loyalty involves measuring the strength of the relationship as a whole, including a range of factors such as ease of doing business, the relevance of your current offering, whether the customer trusts you and their willingness to advocate your business. For this, a package of metrics is required and an approach that facilitates a 2-way dialogue.

More qualitative research methods, such as telephone interviews allow you to delve deeper into the customer experience and understand why customers have rated and scored you the way they have. Conversing with customers reminds them that you're not just a faceless business. Creating a human connection shows you're making the effort to talk to each customer because you value their opinions – and you're prepared to act on them.

Creating emotional connections with customers

Emotion is an integral part of the customer experience, even in the B2B environment. After all, business people are human and emotions will inevitably come into play when making decisions. For instance, if your clients feel warm and positive when they interact with your organisation – because they believe you genuinely represent their interests in their viewpoint and have a good understanding of their needs and challenges – they are more likely to value this business relationship.

When evaluating the customer experience, it is important to remember customers' emotional motives as well as their rational ones. Most decision-makers like to think that they are making rational choices, but in truth many of their preferences are partially based on their emotions. For example, fear is one emotion that affects business choices every day. Fear of making a mistake can compel a decision-maker to opt for the safe choice, even if this could cost the company more in the long run. At the same time, fearing change or conflict can prevent companies from switching suppliers, even if they are not satisfied with the service they are currently receiving (Research Live[iii]).

It is very difficult to pick up on this emotional aspect when you're conducting a quantitative survey and as a result, you could be left with a very skewed impression of your customers' true state of mind. This is why it is vitally important to converse with your customers.



Digital vs. human interaction

The channels you use to interact with your clients also have an emotional impact. Email, social media and online portals can be very convenient for customers. At times, however, the impersonal nature of these platforms can be frustrating and alienating. Often, clients just want to speak to a human being – and this is where one-to-one interaction over the phone can add more value than first thought.

The human touch can nurture deeper levels of engagement along the customer journey, including the following touchpoints:

- Connecting with customers after a purchase: When a customer buys something, especially online, this is often a purely transactional experience. A post-purchase phone call, in which you follow up with an old fashioned: "Thank you" and make an emotional connection, makes the entire experience more meaningful and memorable. Follow-up calls can also unveil new avenues for business as you get chatting.

- Resolving complex issues: When there is a complex issue to resolve, customers often prefer conversing directly with customer representatives, who can find a solution faster than an automated system. When a customer is upset because an experience did not meet his or her expectations, an impersonal interaction with your company is going to make a bad situation worse. Rather let them connect with an empathetic representative who handles the complaint professionally and with care. This can turn a negative experience into a positive one.

- Qualitative interviews: Once your quantitative research has indicated the areas that need work, a telephone interview can delve deeper into why your customers think and feel that way. This not only provides clearer insight into your relationship with each customer, but also helps feed future strategy for product, service, sales and marketing.

- Account based marketing: Many businesses expect existing suppliers to keep them updated on new product and service opportunities. In this context, the account-based marketing approach – which focuses on one account at a time, communicating in a more personal way with different stakeholders, as opposed to generic communication with many accounts – is crucial for encouraging repeat business and expanding business within existing accounts.

In Conclusion

Unless you regularly seek input from your B2B customers – by using both objective survey tools and more personal communication techniques – you run the risk of knowing very little about the people that keep you in business. The more intelligence you have on each account, the more likely you are to offer your customers an experience that is not only satisfactory, but also more relevant and memorable.

Importantly, customers need to know that their feedback is heard, understood and put into action. Human contact over the phone achieves this; and also allows you to strengthen emotional connections with customers as you reassure them and build trust.

The most crucial factor in creating a positive experience for your customer is that they feel valued and cared for when doing business with you. This means they're more likely to stick with you next time you hit a bumpy patch. Without their loyalty, what's stopping your clients from switching to a competitor who has more time for them and understands them better?

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i http://www.gartner.com/smarterwithgartner/test/

ii https://hbr.org/2010/07/stop-trying-to-delight-your-customers

iii https://www.research-live.com/article/opinion/putting-the-p-back-into2b/id/5008402