



MEASURING B2B SATISFACTION

Measuring personal customer satisfaction these days is a well-documented discipline. The expertise in this field is vast and although the drivers of satisfaction will differ from one business to the next, and from one sector to another, best practice and measurement models are readily accessible.

What is less well formed is measuring customer satisfaction from a B2B perspective. Although many companies will have some bespoke indicators, the measures, the formats, the frequency and the associated analytics, vary significantly.

Some companies providing services to both personal and business customers learn that the core drivers of satisfaction will differ, leading to different measurements. Even within the B2B space, the diversity of segmentation can lead to different needs, making it difficult to ascertain standard satisfaction measures.

Providing services to business customers can be significantly more complex than to individuals. Even knowing who the stakeholders are, the decision makers, the influencers, the specific people who can assess the quality of your services, ascertaining dependable B2B satisfaction insight can prove difficult.

If you are providing B2B services or products, how confident are you that the indicators of satisfaction you are using are effective - and drive the most critical improvement activities?

Customer Engagement

- Can we prove or disprove the hypothesis that there is a direct link between the degree of customer engagement (at a business level) with the response rate (and quality) of feedback gathered from business customers?
- Businesses have various touchpoints with their clients/customers. These may encompass
 - Relationship Managers and/or Business Development Managers and/or Sales Managers
 - Technical Experts (e.g. Underwriters, Technical Designers)
 - Customer Services
 - Customer Insight/Experience teams (who often act independently)
 - Some businesses have multiple business lines feeding into the same company, and often each business line may have its own Relationship Managers, Experts and Customer Service teams.



Customer Engagement cont...

- Although we recognise multiple touchpoints, key contacts involved at business engagement levels are most commonly the Relationship Management or Sales teams
- The strength of the engagement is not necessarily the strength of a well thought through engagement model, but simply the strength of the relationships between the individuals on the teams
 - Some companies know that losing a key contact from a client could lead to loss of future business – and tracking the key contact in their next role is key to winning new business
 - Hence relying on individual relationships is high risk
 - Having a strong individual relationship may not produce the best insight as the personal relationship may mask important concerns/issues
- There does seem to be a strong correlation between the strength of the customer engagement and the strength of insight obtained
 - The quality of insight is further enhanced when the insight is captured independently. This doesn't mean engaging a third party, but using a centralised customer insight team separated from the day-to-day business operations
 - The quality of insight is also enhanced when customer insight is gathered in candid 1-2-1 style dialogue, rather than through survey (eg the Insight Manager calling the client directly) but this may be problematic with large business volumes
- Due to the complexity of touchpoints, businesses need to be mindful of asking the right questions to the right stakeholders. Some send the broader surveys to all stakeholders but know they will either get a consolidated response, or that every stakeholder may only answer some of the survey questions.

Measurement Correlation

- How well is customer insight feedback correlated to internal business KPIs, comparisons with competitors and relationship to overall business results?
 - **Correlation to business KPIs**

There needs to be a strong linkage between customer insight and key business KPIs. If there is good correlation, companies can rely more on their internal KPIs as a leading measure to their customer satisfaction results

Even though there are some key measures that provide an indicator (eg. time to offer, time to produce technical drawings), experience has shown that few use these KPIs or develop a drivers map to link the key satisfaction drivers to internal measurement.



Measurement Correlation cont...

– Competitor Assessment

There is value that can be gained in comparing customer experience across competitors. This might be to ascertain why business was won/lost during competitive tenders or might be for ongoing continuous improvement efforts.

Some businesses capitalise on M&A activity to glean comparative insight from what was a previous competitor. And some go back to companies where they had lost tenders/bids to understand the core reasons.

Frequently however, there is no one systemically compared customer insight against competitors. This has to be a missed opportunity. Just because you may score highly on a specific driver of satisfaction, if all the associated competitors score even higher, then it would indicate areas for improvement.

– Linkage to Business Results

Although for some, driving up customer experience is simply the right thing to do for long-term sustainable growth, the commercial case is often associated with

- Increased loyalty/retention - increased share-of-wallet
- Increased recommendation - the stronger the linkage between customer insight and your overall business performance, the stronger the commercial buy-in to customer experience improvements
- However, few link customer experience to overall business performance systemically. Some see a correlation to both retention and recommendation, and some see that more engaged brokers give both better quality business - and more business

SUMMARY

The greater a client is engaged with your business, the more useful - and the higher propensity they will provide quality feedback. Failure to engage will undoubtedly impact the responsiveness to surveys.

Businesses often rely too heavily on individual relationships with their clients, rather than having a more pre-planned and effective engagement model.

It is recognised that linking customer experience to internal KPIs, comparing to competitor businesses, and linking customer experience to business results, is advantageous. However, although there is anecdotal evidence for some of few companies systemically create these linkages.

Carl Lyon
Partner
The Fellowship of Responsible Business
carl@frbuzz.co.uk
+44(0)7881 625178