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MAKE EACH B2B INTERACTION
BETTER THAN THE LAST.

Part 5: Measuring and optimizing customer experience.



Changes in B2B customer buying behaviors and advancements in digital tools have turned customer experience (CX) into a potent competitive advantage that B2B sellers can wield. Today's B2B buyers expect sellers to provide cohesive, relevant, easy and timely experiences—and they'll part with those who don't.

B2B organizations like yours can no longer compete solely on the merits of their products or prices. Nor can your commercial teams (i.e., marketing, sales, commerce, pricing, product and service) merely improve their separate "slices" of CX.

Why? Because as a B2B seller you can't deliver truly cohesive experiences without gaining cohesion yourself. That means rethinking the traditional linear customer journey, with its sequence of handoffs from one commercial team to the next. It means breaking down silos to encircle the customer with a collective purpose. In this article, we look at how to evolve toward a holistic and predictive CX measurement approach that's anchored in an understanding of your customer segments.

Blending experiential and operational data to measure moments that matter.

Customer-centric B2B suppliers instinctively know that great customer experience (CX) drives loyalty. Problem is, you can't run a thriving business on instincts alone—nor can you shape and improve future interactions with customers. To compete today, every supplier needs to be able to accurately assess the reception of the experiences they are delivering and the impact of moves they are making to enhance CX in those moments that matter, and then link that data to the bottom line.

Yet while many B2B suppliers have customer feedback systems in place, they struggle to correlate the moves they are making around CX with business

performance. As a result they get caught in a swirling loop of incrementally "doing" CX, by making tweaks to internal processes informed by internally derived insights on pain points or inefficiencies, without actually gaining the clarity needed from customers to make informed improvements in the areas that matter the most.

In the last four installments of this series, we've discussed behavior-based customer segmentation and the strategies, capabilities and commercial operating models needed to drive superior CX. Now we'll explore how a holistic measurement system can help B2B suppliers gain better insights about their customers' experiences and illuminate segment-by-segment financial performance.

This article is part of a six-part series on a new operational framework that helps B2B organizations hard-wire customer centricity throughout their commercial operating models.

Part 1: Introduction: Compete in B2B through customer centricity.

Part 2: Shaping strategy around behavior-based customer segments.

Part 3: Connecting segment strategies to capabilities.

Part 4: Evolving your commercial operating model.

Part 5: Measuring and optimizing CX.

Part 6: Empowering your channel partners.

From data to insights.

Experiential data is vital to a successful CX measurement system—and you may think you have plenty of it if you already conduct Net Promoter Score (NPS) or Customer Satisfaction Score (CSAT) surveys. However, these scores serve primarily as a report card on how you did, without providing any insights into what actions to take next to improve the customer's next interaction.

Moreover, the scores don't illuminate "where" in the customer journey those improvements should be made for different customer segments. After all, one segment may prioritize pricing interactions, another may care most about product collaboration touch points, and so on. The reality is that each customer segment has different moments that matter along the journey.

To improve the quality of your experiential data for each customer segment, you need to identify high-impact touch points that reflect the most critical experiences in each of their journeys (*please see Part 4 in this series for*

more about this). These "moments that matter the most" should dictate the moments you measure.

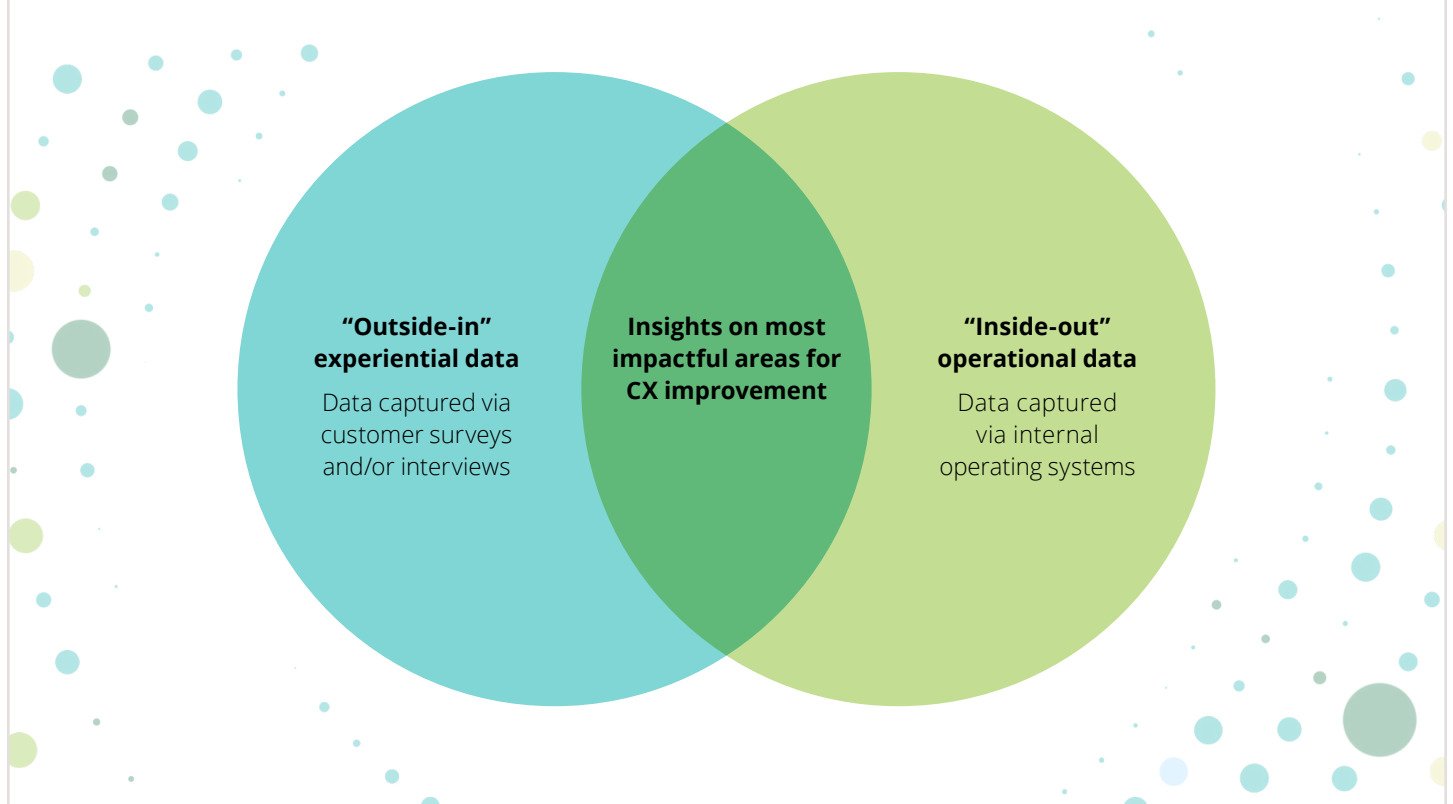
Yet even the best of experiential data is somewhat one-dimensional on its own. To validate your segmentation strategies and help predict when customer experience may be negatively impacted, you need to blend experiential ("outside-in") data with operational ("inside-out") data, such as usage, on-time delivery, retention rates, support activity, conversions, renewals, etc. This blended data helps you proactively intervene to recover from negative impacts or avoid them altogether.

Of course, to realize the value of your operational data, you need to connect it from across all of your commercial functions (e.g., marketing, sales, service, product management, pricing, commerce) to enable a 360-degree view of your customers' interactions with you. It is important to assimilate ERP data from manufacturing, supply chain and finance functions as well so you can see the whole business through a segment lens.

Say, for example, that product delivery is a key touch point for customer segment A and timeliness of delivery is critical, given their just-in-time operational configuration. Your operational data shows that service calls have spiked for customers in this segment and on-time delivery metrics have been trending down in recent weeks. Combining these insights, you can take immediate action such as investigating the issues causing these delays and creating short-term solutions to ensure service levels are not compromised while the problems are being fixed. Then you can begin identifying longer-term improvement opportunities, such as the creation of a self-service portal to provide customers access to real-time data on their order status. At the segment level, this granular understanding is powerful, because insights from a handful of customers (the proverbial "canary in the coal mine") can alert you to issues that need to be addressed to improve both current and future target experiences across the entire segment and create competitive advantage.

Correlate experiences with results.

By analyzing the connection between CX metrics and key operational metrics, organizations can predict when a customer's experience may be negatively impacted and take proactive action to drive positive business outcomes.



Maximizing return on CX investments.

The marriage of experiential and operational data will help you identify the most impactful areas for CX improvement, so you can prioritize investments and allocate resources effectively. Management dashboards are a key tool in ensuring that your C-suite and commercial team leaders understand and support CX initiatives. These dashboards allow leaders to easily monitor CX and financial performance, track progress toward goals, and make informed decisions on segments, strategies and offers.

By embracing the holistic, predictive and data-driven approach to CX measurement we've described, you'll reap a continuous flow of insights that not only make every customer interaction better than the last—but make your business stronger too.

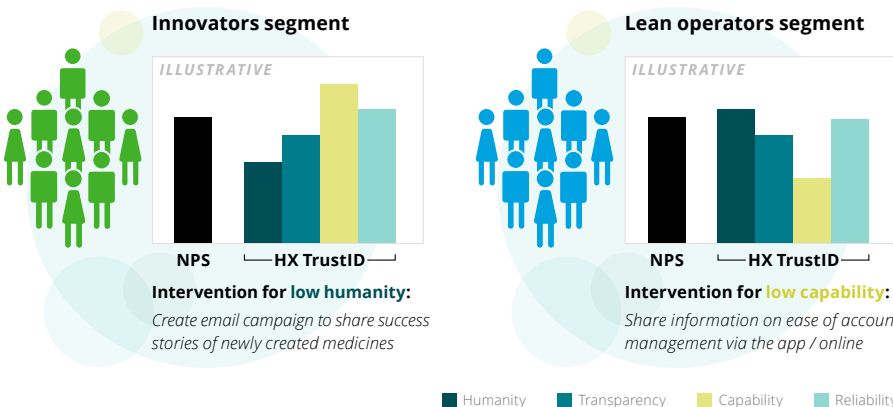
In our next and final installment of this series, we'll explore the capabilities that your channel partners need in order to become true partners in delivering CX.



TrustID™: Measure, predict and act.

TrustID is a framework Deloitte Digital developed that can be used as a North Star metric in conjunction with other experiential and operational data to help you design effective interventions to improve CX. TrustID measures four factors of trust—*humanity, transparency, capability and reliability*—and then predicts how emotions will impact behaviors and identifies what actions are needed to rebuild trust.

For example, while these two pharmaceutical industry customers have identical NPS scores, TrustID shows that their scores are motivated by starkly different considerations. Understanding the “why” behind the score gives the supplier an opportunity to design and deliver meaningful, targeted interventions.



Questions to ask yourself:

- Are your performance metrics directly linked to “moments that matter” for each key customer segment?
- How are you blending experiential and operational data to proactively inform customer segments, strategies and offers?
- Do your dashboards give your leaders a clear, real-time understanding of progress toward CX goals?

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