



The Art of Retaining and Acquiring Customers in a B2B Environment





Improving the experience of your customer means going beyond the product itself to considering the overall experience—from researching, ordering, using, and even replacing or renewing a product or service—to retaining and acquiring customers and increasing your bottom line.

Customer experience (CX) programs are unquestionably vital components of a successful B2B business strategy. However,

many B2B enterprises simply clone experience programs from successful B2C companies without realizing that the unique aspects of a B2B enterprise call for more tailored, industry specific strategies.

If you're responsible for the experience of the customer at a B2B brand and have struggled with this very issue, we have some important lessons to share. But first, let's explore some of the differences between a B2B and B2C strategy.

The Importance of Improving Experiences for B2B Companies

UNDERSTANDING THE B2B ENVIRONMENT

- 1.** Companies act similarly to consumers when it comes to considering which products or services to buy. Capturing the feedback of those B2B decision makers is critical to understanding their needs and priorities.
- 2.** Due to the complex nature of B2B relationships, comprehensive feedback is even more important—and challenging. Each of your “customers” have multiple stakeholders with unique needs. Creating tailored feedback mechanisms for a variety of stakeholders at both the partner and end-customer level is demanding but necessary.
- 3.** Though B2C companies have traditionally relied on surveys to gather customer feedback, B2B customers should rely on a combination of feedback channels, including surveys, reviews, social media, online communities, discussion forums, and in-depth interviews.
- 4.** “Closing the Loop” can have a much greater impact for B2B firms. Unlike the B2C relationship where consumer follow-up often occurs after the customer relationship has already ended, a B2B customer relationship tends to last longer and holds more weight, so closing the loop has a significant impact on the bottom line.
- 5.** As companies look to differentiate themselves it is vital B2B companies use customer experience to capture a competitive advantage. The key to any B2B experience program is defining the business objectives of the program in advance to steer your strategic business decisions—whether growth, cost savings, expansion, or new product.

Critical Differences in Programs

DON'T FOLLOW THE RULES OF B2C

- In B2B, the sales force should be highly involved in executing an experience program. To be successful, B2B programs should be structured to account for the demands of a sales rep's day-to-day life and use incentives to motivate participation. Determining what type of incentive works (bonuses, prizes, etc.) is part of the process.

- In B2C, the main challenge is finding advocates among hundreds, thousands, or even millions of consumers/customers. In B2B, a major challenge is identifying just who the customer is. The multiple Influencers (end-user, purchasing agent, plant manager, safety department, etc.) on B2B buying decisions mean there are multiple potential customers within a single account, all with competing priorities and preferences. Account managers in B2B firms must work hard on building the right relationships with the right decision maker, influencer, or end user. This might also entail coaching them through the objections they may face from other stakeholders.
- B2B accounts are potentially worth millions. A B2B'er can't afford to let any account fall through the cracks. This requires a concerted effort to focus on getting feedback from as many accounts as possible.
- "Likely to recommend" metrics (e.g., Net Promoter Score (NPS)) may be applied differently in a B2B climate than in B2C, for reasons we'll discuss later.

Nalco Water, a supplier of chemicals and related services to the oil and gas industry, used their experience program to distinguish between decision makers and influencers within one of their major accounts. Before implementing a program, the Nalco Water account managers focused their proposals to this company on price issues, because the primary sponsor at the company was very price conscious. But the program identified nine production foremen as being the actual decision makers, with the sponsor more of an 'influencer.'

Feedback from the foremen enabled the Nalco Water team to propose "value-add" solutions that address process needs, instead of focusing primarily on cost. This \$6M account, which had gradually declined to \$3M over the years, is now back on the upswing.

Marketing Your B2B Experience Program Internally

The foundation of a good program for a B2B company requires a change in company culture—and this means from the top down (executive focus) as well as from the bottom up (grassroots). Marketing your program internally will go a long way in helping to drive culture and business change and share positive business results from your program efforts.

BRANDING YOUR EXPERIENCE PROGRAM

Giving your program a memorable and meaningful brand name (Company X Cares, Customer Champion, etc.) will help every employee connect and promote the program.

We recommend creating more awareness around the program via newsletters, online intranet sites, training videos and contests/competitions. These initiatives are especially important for global companies to keep employees around the world informed, involved and engaged in the program.

GETTING EXECUTIVE SUPPORT BY PROMOTING EARLY WINS

Though executives appreciate clever branding, success stories are what will ultimately make them fully support the program. The more success stories you

can circulate—with quantifiable results—the more support you will see.

Ideally, you will want to get your program integrated into as many corporate Key Performance Indicators (KPIs) as possible (not just in the sales' team's KPIs), so ensure you are involving executives throughout all divisions of the company. Additionally, involve executives in all regions so that cultural differences can be taken into account as you develop, expand, and refine a global B2B experience program.

Those executives who are most vocal in their support then become valuable program champions, helping you refine the program and “sell it” down the line.

GRASSROOTS SUPPORT

Though executive buy-in is critical to getting an experience program off the ground, grass roots support is just as crucial to making it a success. Without it, program implementation will seem like it is being forced down from the top, whereas inspiring support from the ground up will drive program acceptance and a customer-centric culture.

EDUCATIONAL TOOLS

Your program must be built on education. Be sure to use educational tools such

as newsletters, white papers, training guides, and videos as they are useful in the branding process and absolutely critical to the effectiveness and “buy in” of your program. Use them hand-in-hand with supporting resources such as survey tools, customer templates, phone call scripts, and team mentoring efforts. Put these somewhere accessible, and do not assume that if you “build it they will come”—you have to push and create the need. Give everyone involved in improving the customer experience real-time access to dashboards created for their needs, so they can respond and act quickly.

One B2B company found success stories within days of implementing a proactive experience program that focused on finding accounts that were in jeopardy. Account managers were able to turn these accounts around to save \$3 million. Over six months, the savings surpassed \$15 million.

How to Create a Process That Works for Sales

In a B2C company, follow up and action plans are often the responsibility of the customer experience team. In a B2B company, solutions must come from the sales teams and account managers themselves. Encouraging good habits, instilling a strategic focus, and creating incentives are the backbone of a process

that works for sales in an environment where they are the change agents and the force behind overall success as well as shifting company culture.

CREATING GOOD HABITS

Workshops and video training help, but structure, support, and coaching from you

and your experience team are essential so your sales reps and account managers will develop the “good habits” required to successfully engage and follow up with customers in a way that results in continuous improvement and hardline business results.

Here are some ideas for creating good habits and encouraging grassroots support of the program:



Encourage your sales reps to provide feedback and suggestions throughout the program. This creates instant buy-in by making them a part of the process.



Help them break the ice about what's coming with their customers by providing customer templates, phone call scripts, and meeting templates.



Offer role playing exercises, internal support groups, breakouts, workshops, training, networking opportunities, and one-on-one coaching to encourage those emerging skills to take hold and become a natural focus of the account management job.



Technology also plays a role in creating good habits. Giving your sales team universal, real-time access to customer feedback jumpstarts the process. Knowing they have a data gathering and mining platform on hand that can analyze and respond to customer issues faster than the competition gives them confidence to make those important customer calls.



Instill a strategic focus by streamlining all experience program processes. Since B2B teams are extremely busy, choose the right channels to communicate with them. Broadcasting voicemails rather than emails may work best. Try newsletters to keep the teams up to date, but make them informative and use them as aids to your process. If they come across as “fluff,” they will quickly be tossed and become a waste of time.

CREATING INCENTIVES BASED ON SURVEY RESPONSE RATES

Salespeople are the superheroes of most B2B companies. They make the rain that fuels growth. Thus, an experience program must work with the sales reps instead of against them.

Unfortunately, this old-school approach just doesn't work because it doesn't focus on the real payoff for sales—decreased churn and increased sales. If your program facilitates better selling, salespeople will get engaged.

CHANGING THE CULTURE, NOT CHECKING THE BOX

The best B2B programs are about changing the culture, not just checking the box. By instilling good habits, creating a strategic focus and implementing response rate-based incentives for your sales force, the sales team becomes engaged in eliciting

feedback, creating solutions, and closing the loop with each and every customer.

The DNA of the company evolves into one that is customer-centric and continuously improving.

However, be careful to avoid focusing on individual cases and trapping salespeople into situations where they are reacting to urgent issues as they arise. To maintain sales engagement and ensure long-term program success, give salespeople a way to report on the root causes of closed-loop cases. That will enable you to then identify and act on opportunities to stop those issues from popping up in the first place. Add some communications about the systemic issues you're addressing, and salespeople will be more likely to stay engaged.



How to Put the Focus on Response Rates

Due to the nature of their business, B2B companies usually have fewer customers than B2C companies. This is really good news from a customer experience point of view! Fewer customers, fewer voices, right? But many B2Bers don't realize what an advantage this gives them, and they continue to rely on B2C metrics such as NPS or loyalty scores.

B2B companies that tie incentives to NPS or engagement levels run the risk of creating bad habits at the account management level. Instead of getting feedback across the board from customers on all accounts, sales reps tend to cherry pick customers who they know are happy. This is a self-defeating practice—after all, wouldn't you rather get feedback from everyone? Obtaining real

data about how a customer views your company and the overall experience of doing business with you is more important than getting a high loyalty score.

TYING RESPONSE RATE TO SALES GOALS

Additionally, your account managers can benefit from a common source of information about how all accounts are doing, what is being heard, and what is being done. How delighted will a customer be when something they never had time to complain about is proactively fixed for them because you heard it across other accounts?

THE LESSON HERE IS THIS

Tie sales goals to customer response rates and watch what happens!

Nalco Water set 30% as a response rate goal for sales reps. In order to be eligible for annual incentives, a rep had to gather feedback from nearly one-third of his/her accounts. But, after realizing the value of the information they were gathering, management asked for even higher goals. Today, this company's customer response rate goal is 50%—and they are achieving 55% globally.

CLOSING THE LOOP: FACILITATE CUSTOMER-FOCUSED ACCOUNT PLANNING

Closing the loop with individual customers and taking action at a corporate level are both well-documented practices, but many B2B loyalty programs end up forgetting to enable action at the account level too. That's a problem, because the account level is where salespeople naturally focus. To enable customer-focused account planning, start by making it easy for salespeople to get to know entire accounts—which customers have and haven't responded to surveys, their roles, and their actual responses. Then provide a simple template salespeople can use to track account-level issues, actions, action owners, and status updates.

As an example, one B2B company asks account reps to follow up with every customer, whether they respond to a customer survey or not. If they do respond, the rep thanks the person and follows through by setting up a meeting to discuss an action plan or improvement, if necessary. If they do not respond, the account rep sets the stage by observing that this customer did not participate in

sharing candid feedback and asks for a frank discussion. It is very important that every single person knows they deserve a follow-up call. This is the key differentiator & shows that your company truly was listening.

At Juniper Networks, by combining the use of the platform with a customer case management solution they automatically route customer feedback to their internal teams for action based on keyword triggers. For example, the company flags any customer feedback containing the word “trial” for immediate review—helping to ensure that any friction in the all-important first phase of the prospect journey is removed as quickly as possible.

DON'T FORGET TO TELL CUSTOMERS WHAT'S HAPPENING

Even after making significant investments, many companies still don't tell customers what they've improved and why. That's wasting a big opportunity. It's important to make sure customers know you've followed through on what you promised to do.



Using Technology to Improve Experiences

An \$8M account was growing so fast that the account team at Nalco Water wasn't equipped to handle customer demands, placing the account in jeopardy. Thanks to an agile experience program, the team was able to distribute and analyze a timely customer survey, which enabled them to identify pertinent areas for immediate and long-term follow up. Because of the speedy reaction time, the account stabilized and is now worth \$16M, with a \$25M forecast for next year.

Whether operating in a B2C or B2B environment, look for an experience technology platform that ties customer feedback to sales and operational data, makes feedback available at all levels, and incorporates a closed loop feedback system to ensure feedback response. The ultimate goal of any VoC technology is to help you provide actionable business intelligence that tells a powerful story that executives buy into and want to see regularly.

GET RID OF EXPERIENCE FEEDBACK SILOS

Many companies collect experience program and operational data on a departmental basis without sharing it with others in the company. Additionally, they are using many different tools that are not integrated, which causes them to have an incomplete view of customer experience. However, an experience technology platform that combines customer and employee, sales, CRM, financial, and operational data allows you to not only capture what customers feel and say, but you can compare it to what they actually do, and what your employee's perception is of a customer's experience and the company's processes.

MAKE FEEDBACK DATA AVAILABLE AT ALL LEVELS

Equally as important as the experience program strategy is the platform by which teams can access their results. Out-dated systems are limited and provide little benefit to your company or your customers: they take in results and spit out lengthy reports, sometimes months after a survey is closed.

Select a technology that is capable of giving real-time updates to teams in the field and on the frontline. Being able to easily access data is crucial to reducing response time and creating change.

INCORPORATE A CLOSED LOOP SYSTEM

Experience programs that focus on response rates must have tools to notify busy teams of dissatisfied customers and potential account crises. Whether a customer has responded to a survey, proactively sent an online comment via chat or social media, website tool, or email, or simply requests contact, the appropriate person must be immediately notified. The experience technology platform should ensure this happens and that the matter is escalated within a specific period of time.

Taking Action and Measuring Results

How do you quantify results or return on investment (ROI) when evaluating the success of your experience program? In addition to quantifying the savings from automating belabored customer feedback processes or bringing outsourced research in-house, B2B companies can use revenue from business development and lifetime value (LTV) metrics such as those below as a basis for ROI:



Repeat/expanded business among established customers



Rescue and recovery of dissatisfied customers



Successful new products or services resulting from customer feedback programs



Revenue from improved lifetime value (LTV) of customers



Retention of established customers



Acquisition growth rate



Recommendations/referrals from existing customers leading to new business



Profitability from cost savings and efficiencies

Conclusion

Though the main objective of an experience program is the same in all types of companies—that of ensuring a great customer experience every step of the way and having those efforts realize business goals and objectives from cost savings to growth—in a B2B company, more emphasis is needed on changing the company culture.

Therefore, B2B firms need to create incentives and provide simple processes for outlining program objectives, listening,

understanding, and taking action on customer feedback. Central to this is the ability for the entire organization to see the ROI value in an experience program.

Experience programs help the B2B enterprise cut through the clutter and sameness of the market, get noticed, connect with the customer on many levels, and increase their overall business performance and results.



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