



Customer Experience and Operational Excellence Success in B2B

By Andrew Spanyi, Contributing Author,

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B2B IS DIFFERENT FROM B2C

B2C is about the personal experience of a consumer. On the other hand, B2B is about both the organizational experience and the relationship one firm has with another. Success with CX in B2B is arguably more complex and more reliant on cross functional collaboration. Consider the picture below by Patricia Seybold Group of the 12 main moments of truth in B2B.

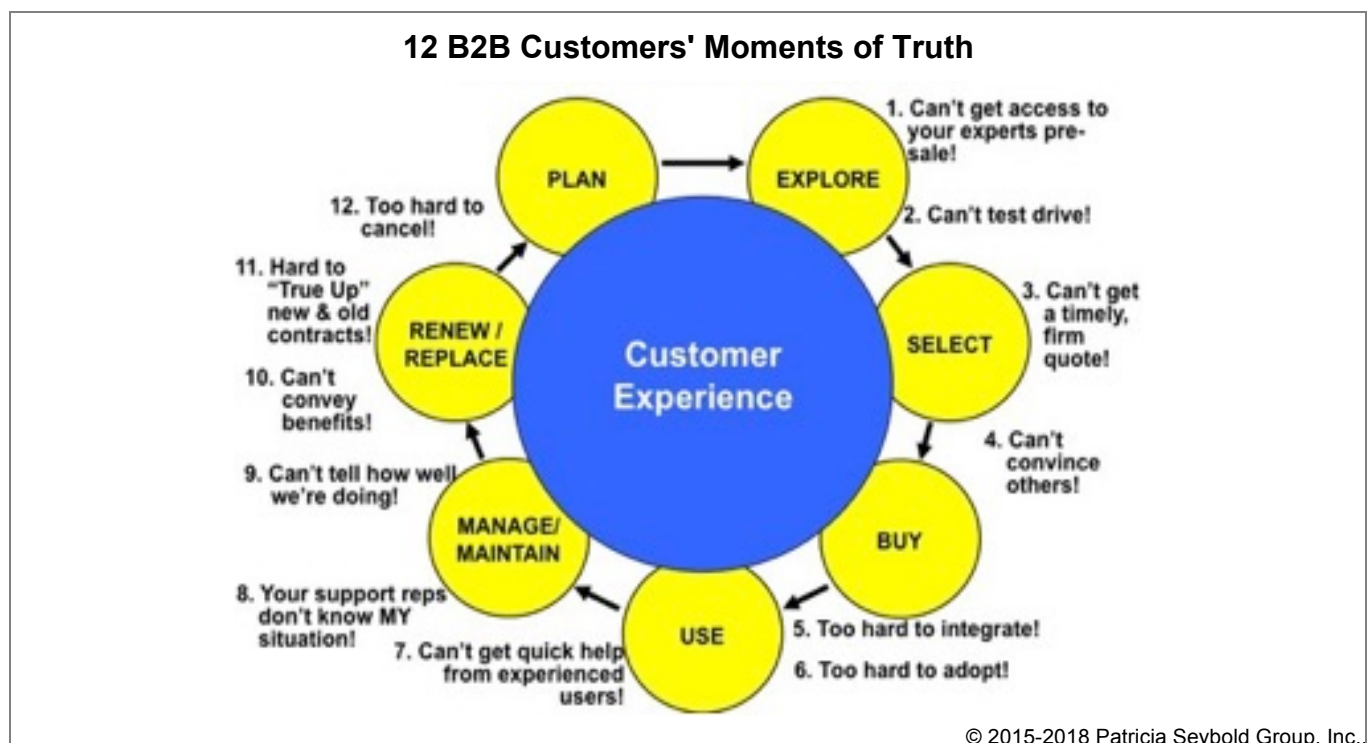


Illustration 1. Based on hundreds of Customer Mapping sessions in dozens of industries, the Patricia Seybold Group has found that these are the 12 most common show-stoppers in a business customer's relationship with a company. Note that typically, these issues arise for people in different roles in the business. End-users, advocates, decision-makers and influencers are engaged in the Plan, Explore, and Select phases of the customer journey. Purchasing agents, decision-makers, and end-users are impacted at the Buy stage. End-users and support personnel are engaged in the Use, Manage/Maintain stage. And Planners, Decision-Makers, and end-users become involved again at the Renew/Replace stage.¹

¹ *The Top 12 Customer Experience Issues for Business Customers: How to Improve Customer Experience through your Customer's Lifecycle*, by Patricia B. Seybold, Published on August 8, 2015 by Customers.com Press. <http://www.customers.com/articles/top-12-cx-issues-business-customers/>

WHY CX AND OPEX GO HAND IN HAND

Preserve and Grow Marketshare. If a B2B organization doesn't put customers first – they may find themselves optimizing to a decreasing share of the market. Op Ex professionals will recognize the importance of focusing on customer experience as it has been part of the lean movement since 1988.²

Improve Customer Experience. There are some compelling reasons to integrate CX with OpEx. First, CX attracts more management attention than Lean Six Sigma. Just consider that there are about 50 Chief Customer Officers among Fortune 500 companies.³ That's about 10 times more than there are Chief Process Officers.

Reduce Cycle Time & Costs. Next – as most OpEx professionals know – when you compress cycle time in creating value for customers – you simultaneously drive down cost.

Energize Cross-Functional Collaboration. Then, it's simply the right thing to do – it requires broad cross-functional collaboration – and far more fun than just focusing on cost reduction.

GOOD PRACTICES FOR COMBINING CX WITH OPEX

If you wish to place CX where it belongs, then consider emphasizing the following:

- Build a high level customer journey map and take the time to discuss how various departments need to collaborate to create value for customers.
- Measure what's important to customers. This often involves key metrics around the timeliness and quality of the products and services provided such as on time delivery, variance to promise, and on first time right answers to inquiries.
- Develop a series of high level process models that depict how the organization creates value for customers at key touch points or “moments of truth.”
- Have fewer projects. Use the above information to launch a few high impact process improvement projects.

Get Customers & Cross-Functional Teams involved in Experience Mapping. In building the customer journey map it's important that it be developed from your customers' perspective, not the organization's – and that it's a living document that is shared and actionable – not by just a small team, but by cross functional teams and well-known throughout the entire organization.

What to Measure. In measuring what matters to customers, be sure to measure just the critical few factors. Many organizations attempt to monitor far too many KPIs. Note that customers increasingly expect:

- Perfect order delivery – when promised, complete, error free

² https://en.wikipedia.org/wiki/Shingo_Prize_for_Operational_Excellence

³ <http://www.ccocouncil.org>

- Perfect new product introductions - when promised, complete, error free, works right first time
- Perfect response to inquiries – prompt, complete, error free, right first time
- Zero variance to promise – information and service delivered when promised

What to Get Right. Further, note that while many firms pay lip service to improving customer experience, the leading firms appear to emphasize the following:¹⁴

- Communicate the importance of customer experience to all stakeholders
- Align customer experience strategy with corporate strategy
- Monitor and communicate customer experience metrics and connect rewards/recognition to customer experience metrics
- Train new and existing staff in customer experience skills

What Pitfalls to Avoid. Leading firms also appreciate the importance of avoiding the following pitfalls in linking CX to Op Ex:

- Persisting in a traditional inside-out view and not exploring an “outside-in” view
- Slamming in technology solutions without first understanding the customer view and the process view
- Making changes to organizational structure before understanding the customer view and the process view
- Slow pacing
- Inconsistent management attention often characterized by involvement at the outset followed by varying levels of participation

CX AND OPEX SHOULD BE JOINED AT THE HIP

The momentum for increased focus on customer experience appears to be increasing in both B2C and B2B. A recent survey of over 237 CX professionals found that:⁵

- Eighty-four percent of respondents said that their customer experience efforts had a positive business impact in 2016.
- Eighty percent of respondents believe that customer experience will be more important for their companies in 2017 than it was in 2016, compared to the 3% who think it will be less important.

⁴ *Lessons from the Leading Edge of Customer Experience Management*, Harvard Business Review, 2014

⁵ <https://experiencematters.blog/2017/02/21/report-state-of-the-cx-profession-2017/>

- Forty-nine percent expect to see an increase in their customer experience staffing levels this year.
- Spending will likely increase most on voice of the customer software and text analytics.
- Respondents plan to focus most on Web experiences and customer insights and analysis.

These recent findings represent compelling evidence for Op Ex professionals to embrace CX and integrate it into their thinking and actions – especially in B2B environments.

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About the Author: Andrew Spanyol is the Managing Director of Spanyol International Inc. He has over twenty-five years of practical experience in helping organizations succeed with large scale change through process management and customer experience. He has written 3 books, over 100 articles, and has contributed chapters to several other publications. Andrew has delivered conference presentations around the world on topics such as customer experience, digital transformation and process management. He is on the board of advisors for the Association of BPM Professionals. Please visit www.spanyi.com to contact Andrew.