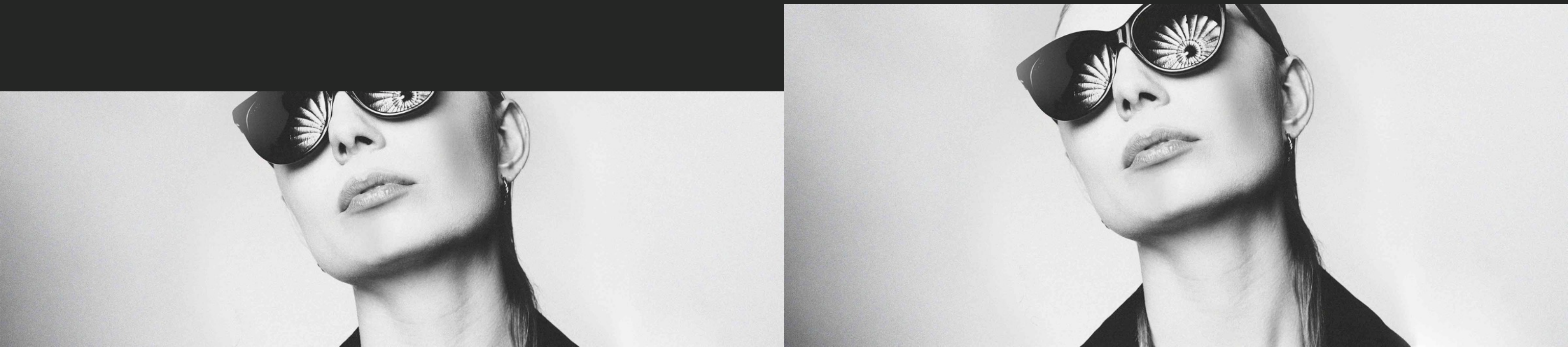Zeitgeist Research

B2B Customer Satisfaction

Case Study

ZEIT GEIST
R E S E A R C H

B2C and B2B

We don't like to brag… but you should know that the most trusted brands in the industry have chosen us.

About 60% of our business is B2C and 40% B2B.

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Marriott HOTELS & RESORTS

Twitter

chargepoint

YouTube

Reebok

earnest

T Mobile

Elevate

indeed one search. all jobs.

GAP

CarGurus

zulily

SAMSUNG

Dropbox

Visionworks

CVS Health

Zillow

LendingClub

Xcel Energy

niagara BOTTLING, LLC

THE PENINSULA HOTELS

# THE PROJECT

Our Client + Key Challenge

Health Care Provider

Our client is an B2B software company in the health care industry with about a thousand accounts spread across multiple verticals and states. The brand was the mature player in a market with several new competitors entering the space recently.

Key Challenge

Our client had a long-term customer satisfaction measurement program in place that showed generally high levels of satisfaction among their clients, yet competition was increasing from new entrants into the market and company sales began to flatten.

The main objective of this study was to identify customers who were likely to remain loyal to the brand and uncover opportunities to grow this group while not wasting money trying to retain those clients who were likely to leave regardless of what actions our client took.
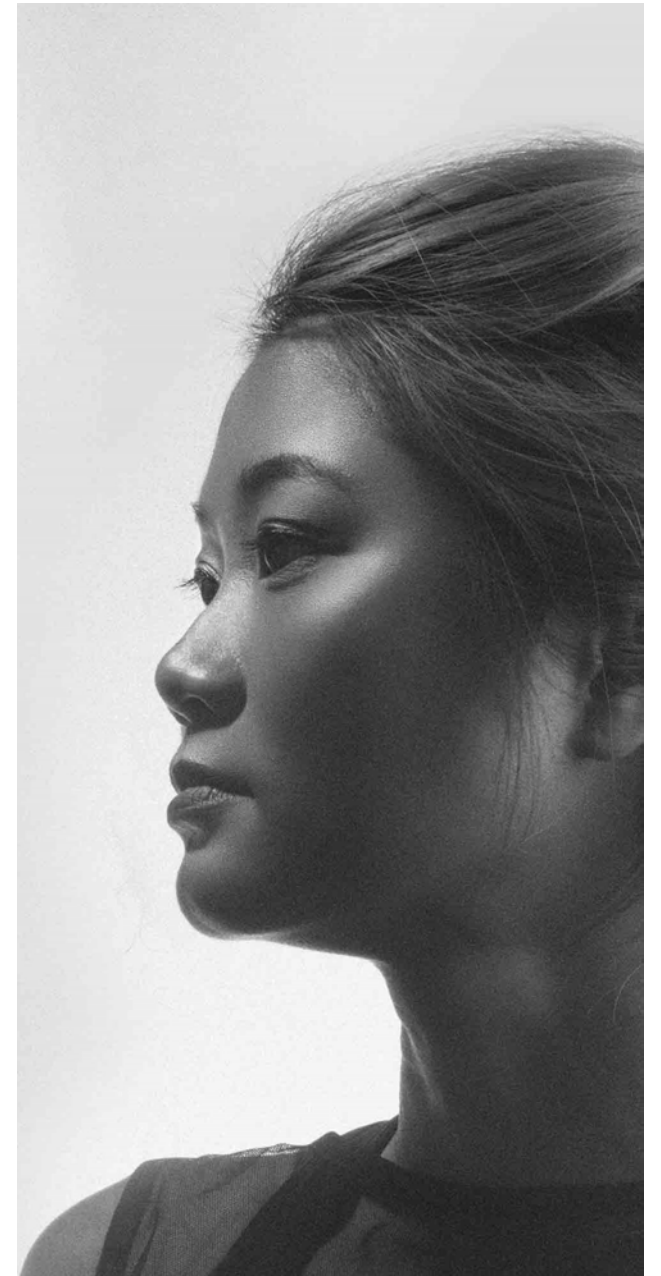

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Approach

Secure Customer Index

There are many academic articles on how to measure customer satisfaction. In this case, Zeitgeist Research used the approach developed by the **Burke Institute**, a leading national market and customer training organization, that developed the Secure Customer Index™ methodology.

A single customer satisfaction metric is not sufficient because it only tells you how satisfied your customers were in the past. While the report-card aspect of a customer satisfaction score has some value, the real power comes from insights that provide guidance for the future. And this is why we used the Secure Customer Index for this study.
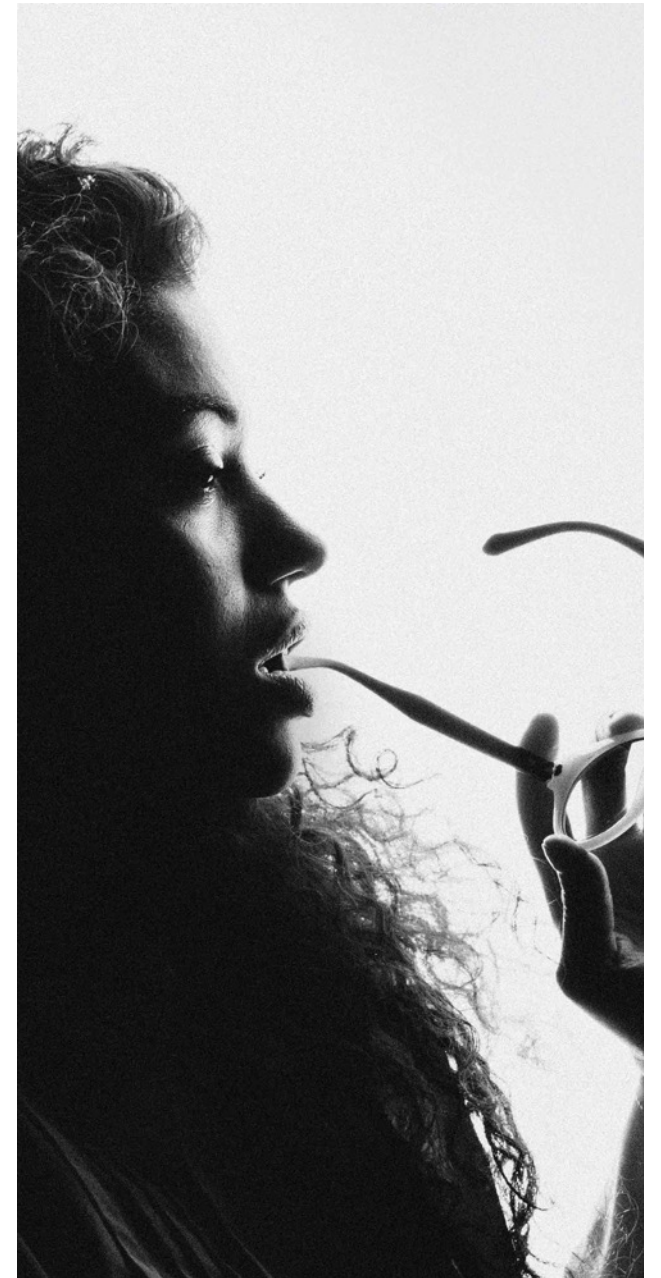
Approach

Secure Customer Index Cont.

Secure Customer Index is made up of three metrics:

1. Overall Satisfaction
2. Likelihood of Future Purchase
3. Likelihood to Recommend

These three scores allow you to measure the current situation, predict retention, and balance marketing and other costs against the value of customer segments.

Data Linkage for Sales Forecasting

In addition, once the survey data were collected, we linked the survey responses back to the database to append database variables such as account value/volume and recency. This allowed us to determine, how much revenue is at stake for the next year and how much revenue is secure; key data for any sales forecasting.

Secure Customer Index Analysis

The Secure Customer Index™ allows customers to be segmented into 4 distinct groups so that brands can make smart decisions that impact their most valuable customers:

SCI

29%	
31%	
25%	
15%	

(n=500)
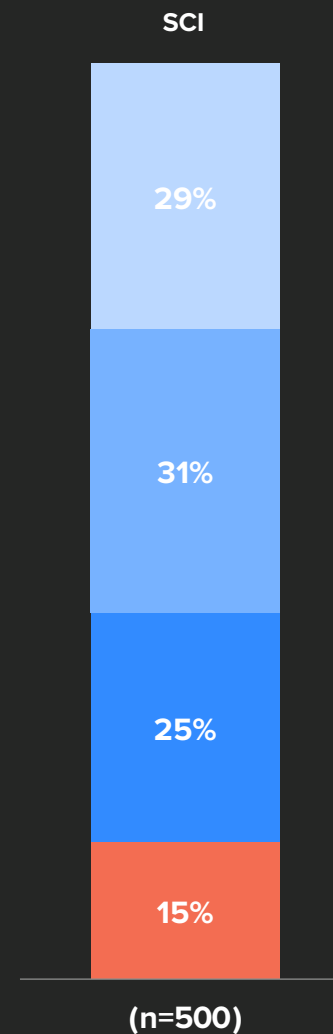
Secure

Secure customers are those who are most satisfied overall, most likely to repurchase, and most likely to recommend (scoring top on all three questions). These are the most valuable customers overall – because they buy the most, are the best advocates, and generally cost less to service. They probably won't need expensive changes to remain classified as secure, but it is important that the company continues to provide appropriate support to keep them in the category. Secure customers respond with top 2-box scores on all three metrics.

Favorable

Favorable customers are generally well satisfied, scoring top or second for all the three questions. Improvements are often directed at this category because they are the easiest to move to the secure category where they become even more valuable. Favorable customers give top 2 or 3-box scores on all three metrics.

Vulnerable

The Vulnerable group is those who have middle of the road scores on all measures. This group is not usually as important to target as others, in part because the impact of changes is not as assured. Over time, the percentage of customers in this group should be minimized. Vulnerable customers have middle scores on all metrics.
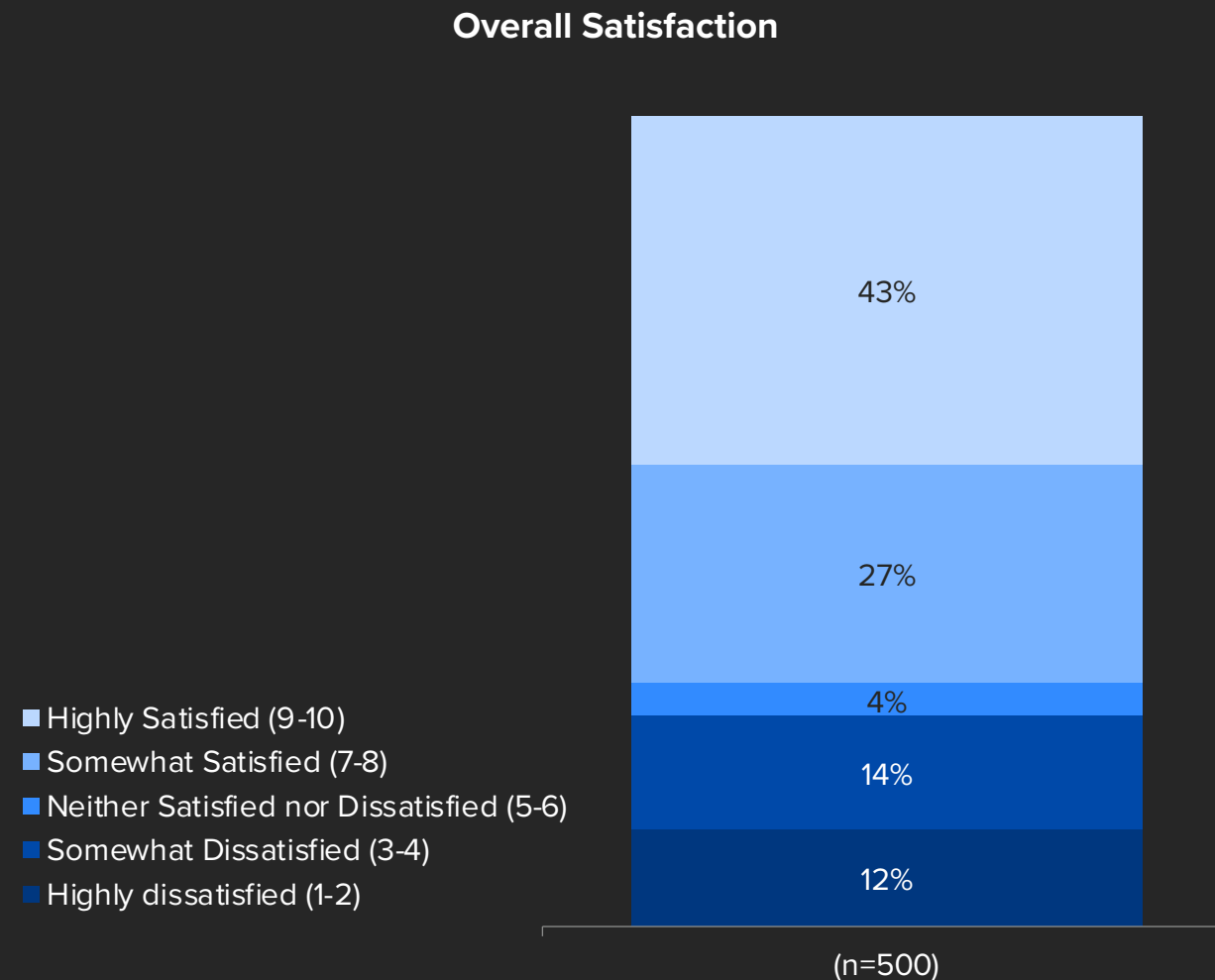
High Risk

The High-Risk group is comprised of those customers who score low on any of the three satisfaction measures. It is often tempting to focus energy on making changes that improve perceptions by this group, but this may not pay off. Rather, learning the causes of the dissatisfaction will help the company to avoid seeking out similar types of customers who may also be dissatisfied for the same reasons, especially in cases when there are no immediate fixes. For example, a customer who is driven by low prices is probably not a desirable customer for a company seeking to differentiate through added services. High risk customers score low on any metric

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Our Findings

Overall satisfaction is high, but there is a sizable contingent of dissatisfied customers. Open-end responses show strong passion for and against the brand at each end of the spectrum.

Overall Satisfaction

43%

27%

4%

14%

12%

■ Highly Satisfied (9-10)
■ Somewhat Satisfied (7-8)
■ Neither Satisfied nor Dissatisfied (5-6)
■ Somewhat Dissatisfied (3-4)
■ Highly dissatisfied (1-2)

(n=500)

"

I love [brand]. They're the real, old school player in this market and **I really trust what that they have my back**. They support a mission critical function of my job and I wouldn't trust that to anyone else. I'm a lifer.
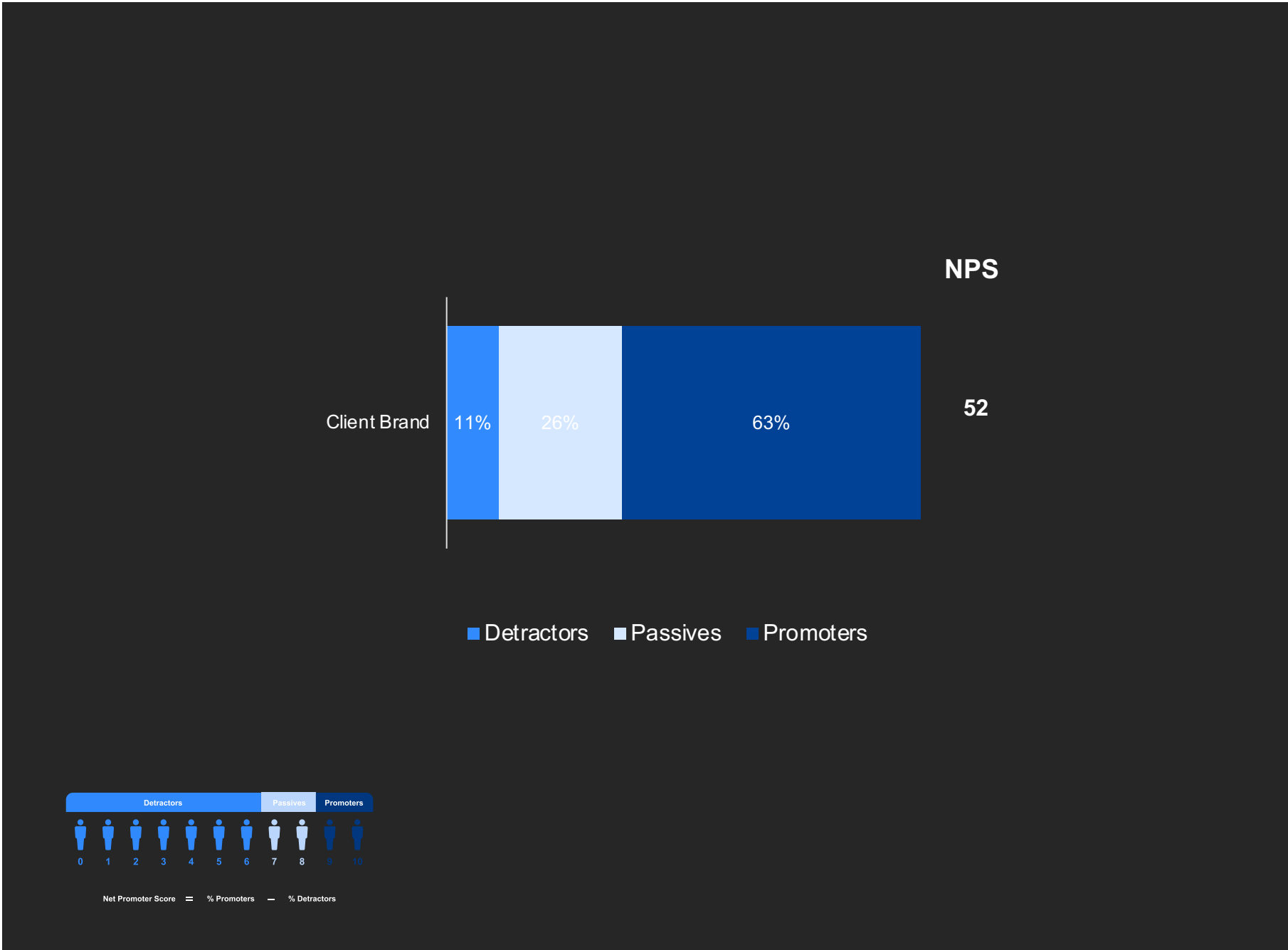
"

They're **pretty stodgy when you compare them to some of the new vendors**. I mean they barely have a web portal, and their competitors have an app so I can check on what's going on from anywhere. Makes life so much easier for me.
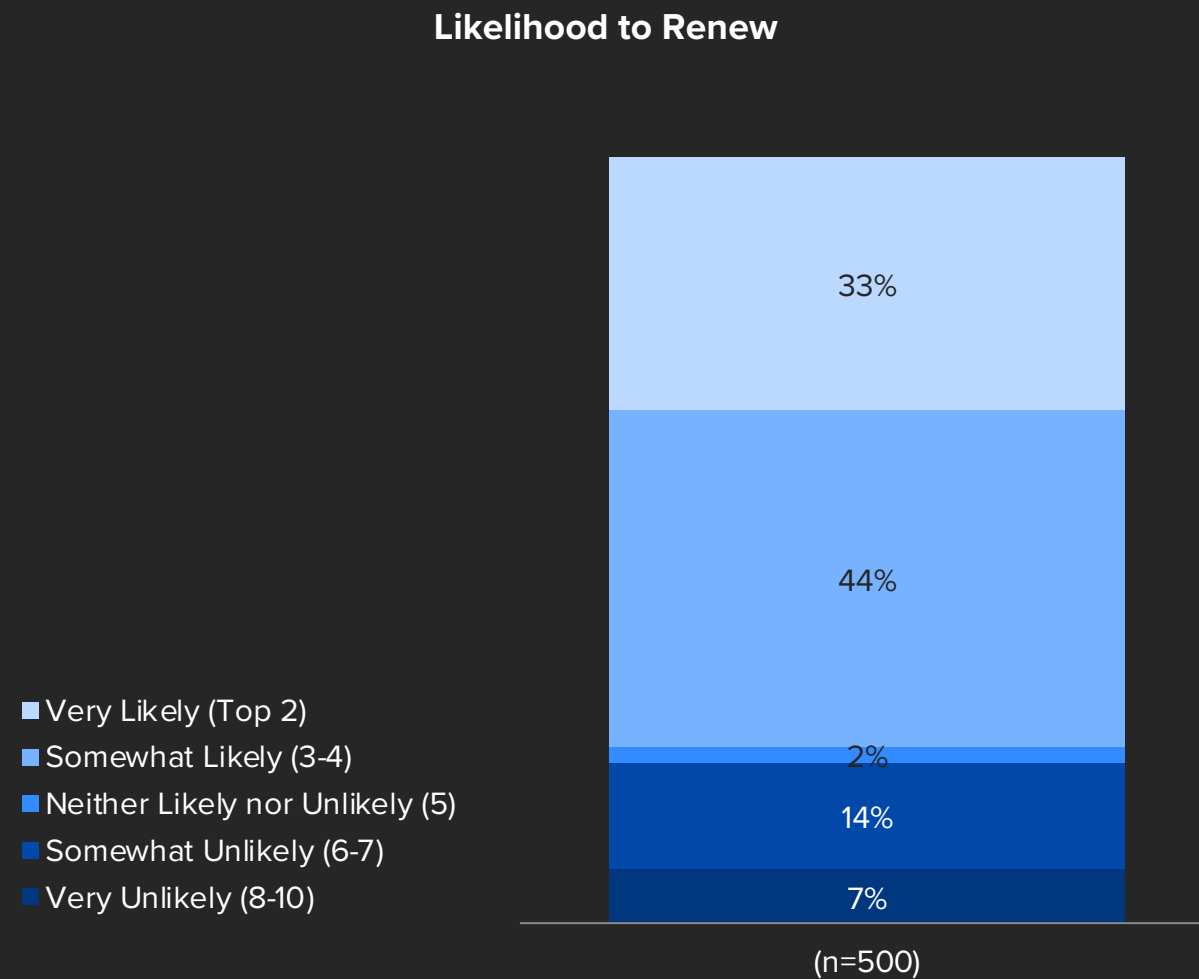
"

I feel like **we're not one of their big accounts so they don't really seem to care about us**. I've heard good things about them, but our experience has been pretty rough. We're already planning our migration to a new platform.

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Customers overall are strong advocates of our Client with a NPS of 52 but 11% of the accounts surveyed are detractors.

NPS

Client Brand | 11% | 26% | 63% | 52

■ Detractors ■ Passives ■ Promoters

| Detractors | Passives | Promoters |

0 1 2 3 4 5 6 7 8 9 10

Net Promoter Score = % Promoters — % Detractors

While most customers are likely to renew their contracts, when asked why they would not renew, lack of functionality rose to the top of the comments.

Likelihood to Renew

33%

44%

2%

14%

7%

■ Very Likely (Top 2)
■ Somewhat Likely (3-4)
■ Neither Likely nor Unlikely (5)
■ Somewhat Unlikely (6-7)
■ Very Unlikely (8-10)

(n=500)

> The vendor we're probably going to switch to has way more functionality. It **integrates with the rest of our stack super smoothly**. No more homemade workflows and everything breaking when we made changes. Our hospital partners are really happy we made the switch.

> I mean this is 2020, **where's the reporting functionality**? Having to export everything into a database and then pull it into my BI tool is not a good solution.

> Honestly, we've really liked them but they're just not staying up to speed on the tech. I need more automation and they just don't offer anything that helps me do my job faster or be more efficient. Really sad to leave but I need tech that supports how I do business.

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Secure Customer Index™

Using the Secure Customer Index™ to identify which customers are most likely to renew and which are at risk to leave. Revenue projections based on strategic prioritization of initiatives aimed at maintaining Secure and moving Favorable customers into the Secure segment. Overall revenue projections rose by $5M.

	Percentage of Customers	Priority	2020 Revenue	2021 Projections
Secure	29%	Low Priority—Maintain elements liked by this group to ensure they remain Secure	$29M	$39M
Favorable	31%	Highest priority—Improvements aimed at this group in an effort to move them to Secure	$31M	$28M
Vulnerable	25%	Moderate Priority—Improvements aimed at this group should be moderate priority and low cost as there is no assurance that changes will move customers to Favorable or Secure group	$25M	$22M
High risk	15%	Lowest priority—Changes are unlikely to move these customers to other groups	$8M	$6M

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# Our Recommendation

Our Recommendation

Research highlighted clear indicators for company growth by maintaining Secure customers and improving key areas among Favorable and Vulnerable customers.

Secure customers love the brand, are strong advocates and are highly likely to renew. These customers expect that the brand will continue to meet their needs and do not require any other inducements to remain secure. The brand should consider developing a program to maintain excitement and help customers better leverage the software (lunch and learns, conferences, best practice white papers).

Favorable customers are generally well satisfied, scoring top or second for all the three questions. Continuing to add new features (Salesforce integration, automation) and making the transition away from a one-size-fits-all offering (flexible packages and ala carte services) are likely to move these customers to the secure category where they become even more valuable.

Vulnerable customers are those who have middle of the road scores on all measures. The brand should not actively develop a program aimed at these customers because the impact of changes is not as assured. That said, small investments in updates, may help minimize the percentage of customers in this group.

High Risk customers are those who score low on any of the three satisfaction measures. Because many of these customers are primarily dissatisfied with adding functionality that is not on the current product roadmap, we recommend focusing efforts on Favorable and Vulnerable customers, as they represent a significant opportunity.
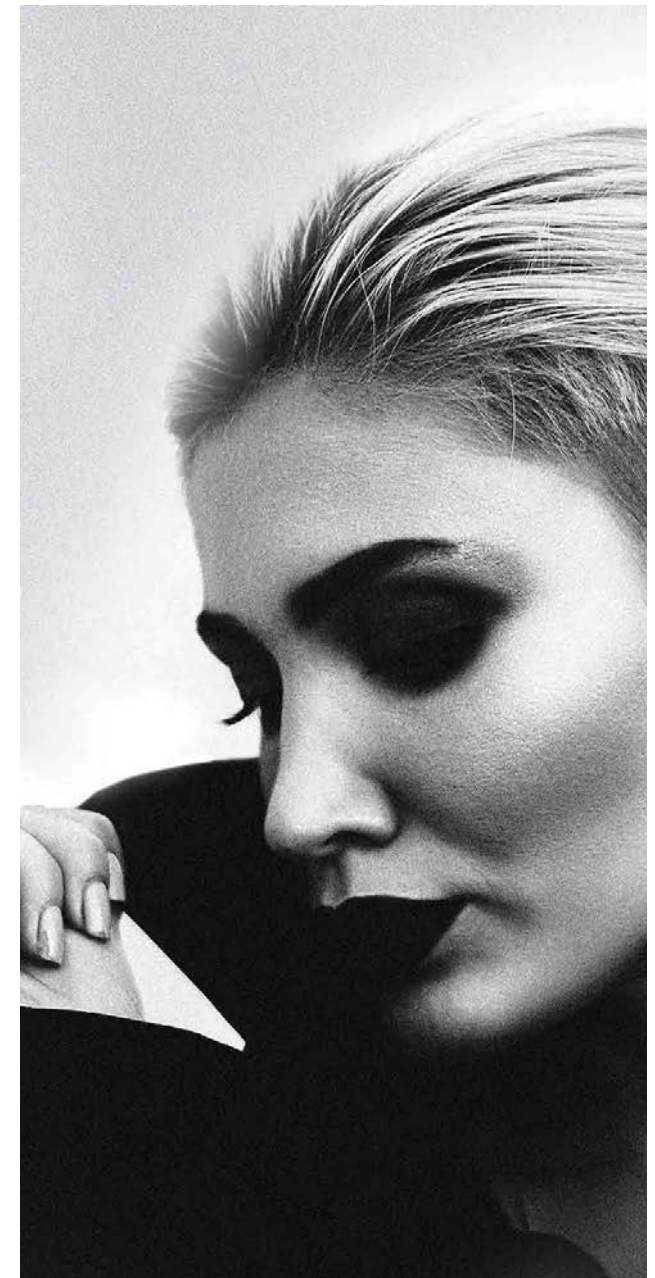
ZEITGEIST RESEARCH

WHO WE ARE.

The Company

Zeitgeist Research is a virtual, boutique, full-service research company working with Fortune 500 companies, ad agencies, and start ups.

Zeitgeist Research works with clients from a wide range of backgrounds, about half of all projects are B2B and half are B2C.

The Founder

The company was founded in 2012 by Dr. Manfred Bluemel, Ph.D., who was head of consumer insights at Amazon for eight years where He was inspired by Jeff Bezos' philosophy of customer obsession. And it shows: Zeitgeist's current NPS is 92!

The Z-Team

Other Z-Leaders are Dr. Bill Sallas, Ph.D., our behavioral psychologist leading the qualitative team and Kelley Raleigh, former Director of Insights at Samsung, Dannon, and PepsiCo and head of the quantitative research team at Zeitgeist.

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WHY WORK WITH US?

Experience

All your research projects are managed by senior research professionals who each have 10+ years of experience.

As a result, our reports are strategic and tell a story.

Quality

Our customer obsession and relentless feedback loop as well as our strategic reports have earned us an NPS of 92, reflecting the quality and service level we deliver.

Fast

If you need results in days, not weeks, our Basic or Accelerated research solutions are your answer.

Fully customizable Bespoke projects can we turned around in three weeks.

Innovative

We provide several advanced methodologies, from advanced analytics to neuro-science, for you to chose from that fit your budget.

Variety of Research Solutions

Our full-service Research Solutions offer products and approaches at every price level and sophistication.

Affordable

We deliver high-quality research at a fraction of the price with full cost transparency.

There are no games at Zeitgeist Research. Our detailed line-by-line item pricing, allows you to scale the project up or down to fit your budget.

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TYPE OF RE- SEARCH

Advertising

- Ad Concept Testing
- Ad Creative/Copy Testing
- Ad Effectiveness
- Message Testing

Brand

- Awareness, Attitudes, and Usage (AA&U)
- Brand Tracking
- Positioning
- Personas
- Segmentation
- Value Proposition

Acquisition and Retention

- Customer Satisfaction
- Decision Journey/Path-to-Purchase
- Logo Testing
- Name Testing
- Packaging
- Product Concept
- Target Market Sizing and Definition
- Win/Loss Analysis

Employee Surveys

- Employee Satisfaction
- Discrimination Assessment

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METHO-DOLOGY

Qualitative

- Focus Groups
- In-Depth Interviews (IDIs)
- Online Bulletin Boards
- Shop-Alongs
- Intercepts
- Ethnography
- Eye Tracking

Qual. Neuro-response

- Facial Coding

Quantitative

- Online Surveys
- Phone Surveys

Advanced Analytics

- NLP Sentiment Analysis
- Key Driver Analysis/Regressions
- MaxDiff
- TURF
- Conjoint, etc.

Quant. Neuro-response

- Intuitive Associations

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Thanks for taking the time to learn more about Zeitgeist Research.

Stop Guessing. Contact Us.

info@zeitgeistresearch.com