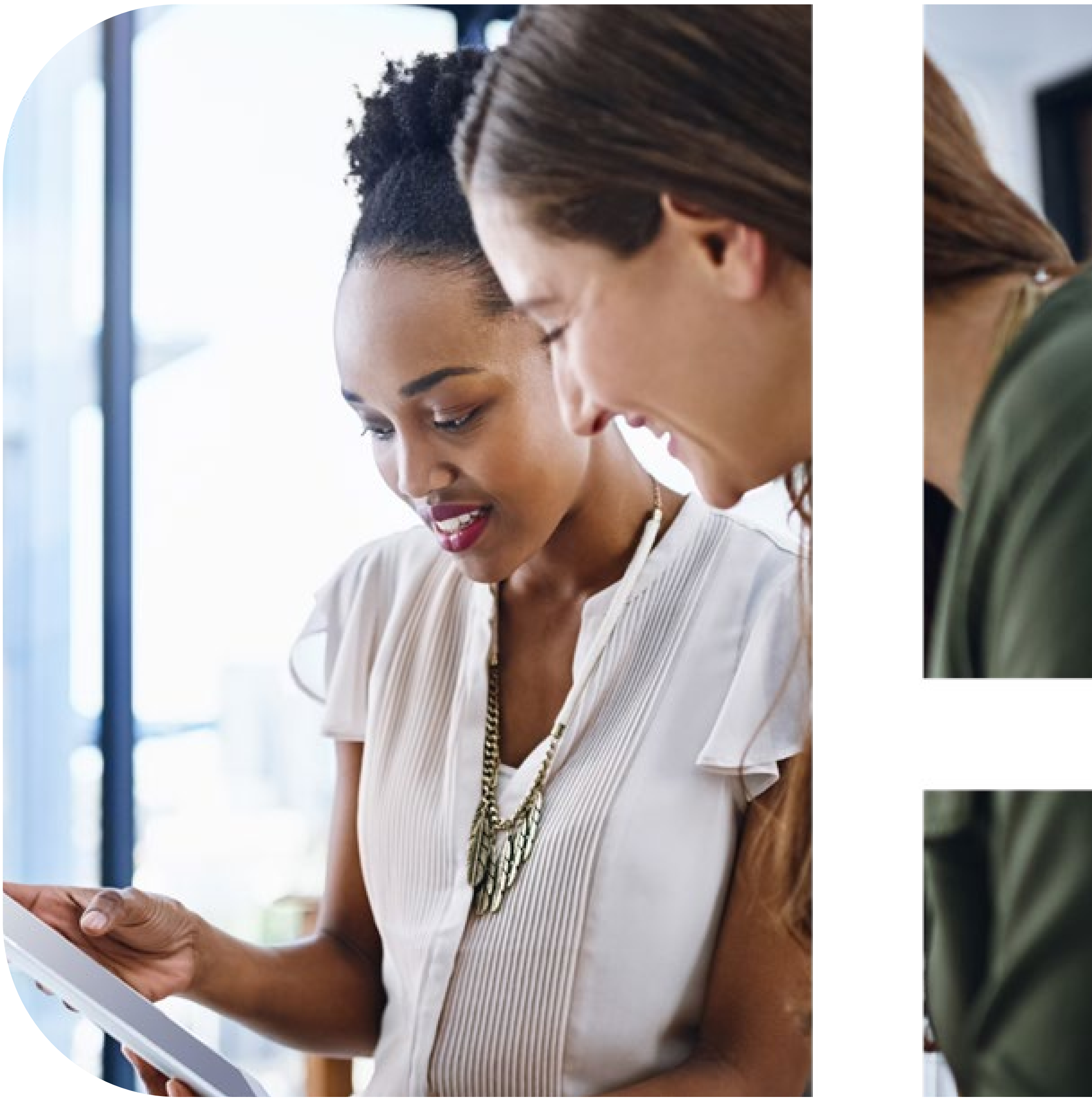
B2B closed loop processes

Taking action and driving impact



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About this whitepaper

This white paper is the second in a series of B2B CX round tables with CX leaders living the realities of CX delivery in complex business environments. In the first B2B round table, leaders from some of Europe's best B2B businesses provided thought leadership into the challenges of B2B CX best practices.

This time round we focused on **best practices for closed loop processes**, what works, what needs work and the value that closing the loop with customers brings.

We are incredibly grateful to the participants for sharing their deep knowledge and experience - and especially thankful to Michelin for hosting the day - and Allianz for co-sponsoring. We extend a huge thanks to all participants for the time, insight and optimism that infused the day.

Workshop participants

Workshop participants

Serge Lafron
Executive Committee Member Specialties Business

Florence Vincent
Executive Director, Quality / Guarantee of the Promises to the Customer

Benoit Rengade
Voice of Customer, Quality / Guarantee of the Promises to the Customer

Julien Hancotte
Guarantee of the Promises to Customers / Voice of Customers Facilitator

Marie-Agnes Goenvec
Guarantee of the Promises to Customers / Voice of Customers Facilitator

Michael Maicher
Global Head of Allianz Global Broker Management / AGCS Customer Experience Management

Felicity Holdgate
Global Director of Customer Experience, AGCS

Axel Schaer
Senior Expert B2B Program Management

Pamela Gelie
Global Head of Customer Insights, Customer Experience & Customer Culture Transformation

Andrea Saitta
Group Customer Experience Director

Workshop participants

SAINT-GOBAIN

Christine Bieber
Customer Experience Director

WATC

Dr. Joerg Staudacher
Partner

Tetra Pak
PROTECTS WHAT'S GOOD

Nicolás Ruprecht
Manager, Sales Support & Operation Excellence & Head of CX

Willis Towers Watson

Nick Dussuyer
Western Europe Head of Sales & Client Management

ESSILOR

Pierre Castera
Customer Experience Director

CX-EXCELLENCE.COM

Michael Brandt
Founder & Managing Director

qualtrics XM

Nan Russell
XM Scientist

Catriona Sheil
XM Scientist

Closed loop best practices in B2B

Closed loop best practices in B2B

We gathered CX thought leaders from leading B2B European businesses to discuss best practices, challenges and opportunities in delivering great B2B customer experience at scale. In this round table, we focused on best practices for closed loop processes - what works, what needs work, and the value that closing the loop with customers brings. We identified key challenges that can stymie good CX practice - but also highlighted how to overcome those challenges.

WHY CLOSE THE LOOP?

Per the XM Institute, a mature CX programme would embed both Immediate Response (inner loop) and Structural Improvement (outer loop) into any customer feedback programme.

Immediate Response

Any successful XM effort must include the capability to systematically follow up with people who are affected by an experience – as indicated by their feedback or discovered through analytics – and fix the problems that are uncovered. To master this skill, companies should automate and manage a closed-loop process using tools such as ticket management, status updating, and tracking.

This immediate response process is illustrated in the complex closed loop protocol that B2B businesses apply to increasingly deliver value to the business.

INNER LOOP
Immediate follow-up with customers

1. Explain to customers why you want their feedback
2. Collect feedback at specific touchpoints in the journey as well as at a relationship level
3. Define rules around what will trigger alerts
4. Define the closed loop process internally
5. Enable your teams with training, processes, toolkits and resources
6. Deploy a ticketing or workflow system to manage and report on progress

OUTER LOOP
Organisation changes

1. Use key driver analysis to understand the most important issues
2. Prioritise initiatives based on volume and value of customers impacted and business case
3. Launch initiatives to transform the moments that matter most to customers
4. Ensure the initiatives are delivered using project and program management software
5. Measure the customer, operational and financial impact once the initiative has been delivered

Continuous improvement

“Closed loop processes are an opportunity to connect with customers, identify concerns, and resolve them”

B2B organisations have consistently found that closed loop processes are an opportunity to connect with customers, identify concerns, and resolve them. In that process, best practices were identified that deliver a better B2B CX experience, better value, and better business performance. That focus on continuous improvement is a key element of the closed loop process: resolving individual issues via immediate response is the first step; the second step, the ongoing effort to identify root cause powers the continuous improvement.

Whilst solving individual issues is crucial, the power of Closed Loop approaches comes from scaling improvement, via root cause identification and continuous, business-wide improvement.

The closed loop framework, theoretically, is clear. But what happens in the real world? What challenges emerge outside best practice models? And how are these businesses working to optimise their CX delivery?

B2B CX experts identified a comprehensive framework that optimises the value of their closed loop processes in driving continuous improvement, both at the inner loop level (immediate response) and the outer loop level (root cause resolution).

This white paper highlights that best practice framework, along with recommendations for implementation.

Core Actions that define best practice B2B closed loop processes that will be discussed in this white paper include:

- Harmonise client relationship data
- Request feedback from the right people at the right time
- Embed consistent contact triggers
- Identify the right closed loop owners. Train, support and empower them.
- Focus on what will have the biggest impact
- Clarify the escalation process
- Embed metrics that guide action and highlight value
- Encourage a customer-engaging culture
- Celebrate successes
- Communicate action
- Drive continuous process improvement
- Design for the future

Harmonise client relationship data

Harmonise client relationship data

"Significant and heightened challenge for B2B organisations to identify the appropriate customer contact"

B2B best practice includes active outreach to customers to solicit feedback, often at key touch points in the experience. There is a significant and heightened challenge for B2B organisations to identify the appropriate customer contact - as B2B customer relationships are multi-faceted, with multiple contacts playing crucial roles within the relationship over time as well as during a single transaction. B2B contact details are often spread across the business - within multiple CRM systems. The appropriate, current contact(s) may not be easily identifiable.

Whilst often difficult to identify, there is great value in understanding the dynamics of the B2B customer relationship:

- Who are active buyers?
- Active users?
- Decision influencers?
- Who are the gatekeepers of the relationship?

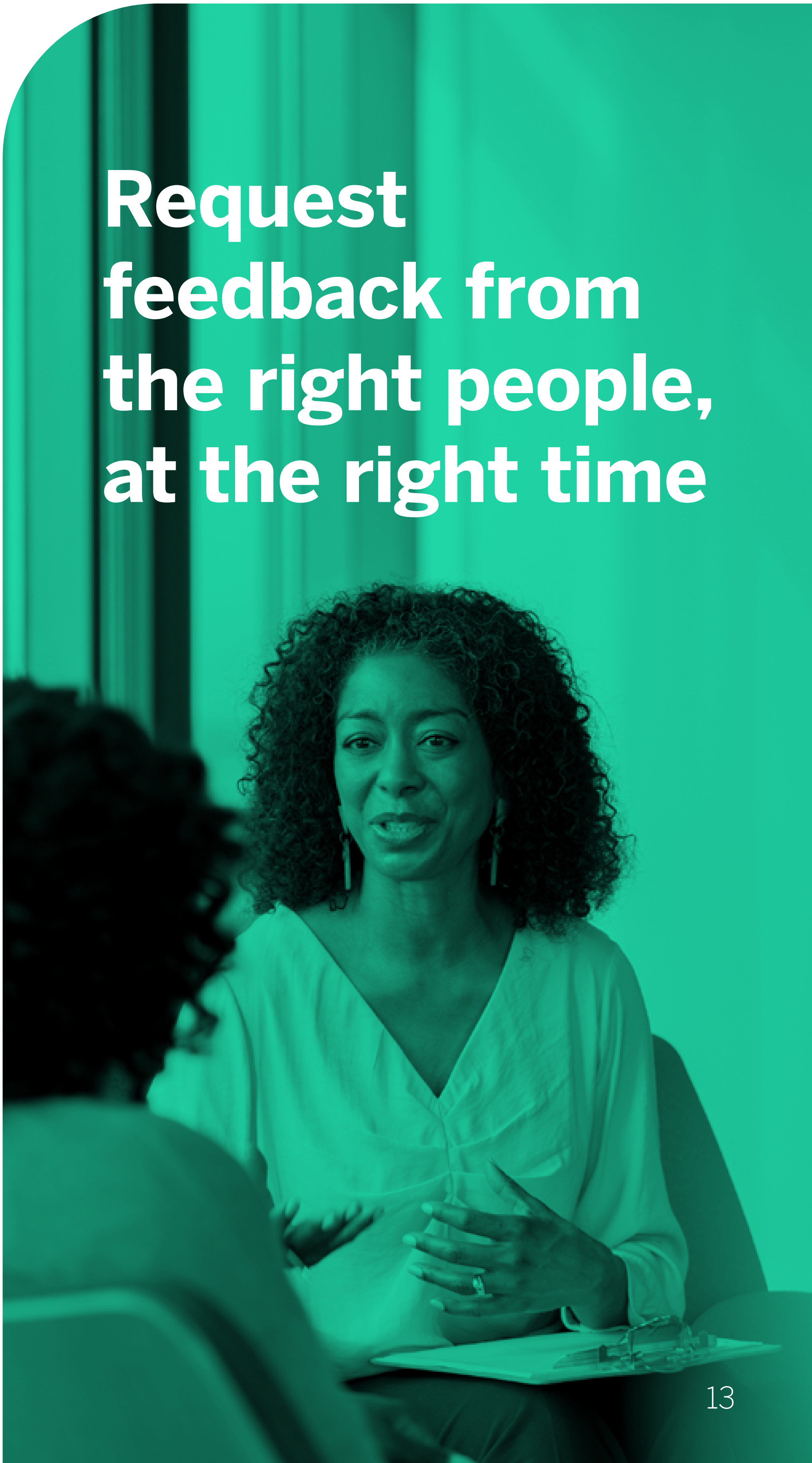
Soliciting feedback from each of those individuals helps to provide a broad and nuanced view of the B2B relationship. This overall view of the account experience is central to successful account management.

The reality of business is that there are specific challenges with identifying appropriate contact data, which makes it difficult to have a single customer view with a single ID. Because of some of the structural challenges to aligning information, some managers tend to opt out - and not send requests for feedback.

Data harmonisation to allow single view of clients is a challenge: it is often difficult to develop a current, comprehensive view of the appropriate contact base. In practice, whilst data may be available, it is often siloed in different areas of the business. That effort to harmonise a single client view is often the initial challenge to soliciting CX feedback. However, **partial information is better than no information - and there is value in acting on what information and insight is available**.

To supplement those initial, solicited requests for feedback, best practice encourages open, or unsolicited, opportunities to provide feedback. This open feedback provides value in understanding the experience from multiple viewpoints.

Request feedback from the right people, at the right time



Automate feedback wherever possible

"Automation and connectivity between CRM and CX systems supports a more effective and efficient process for both requesting and acting on customer feedback"

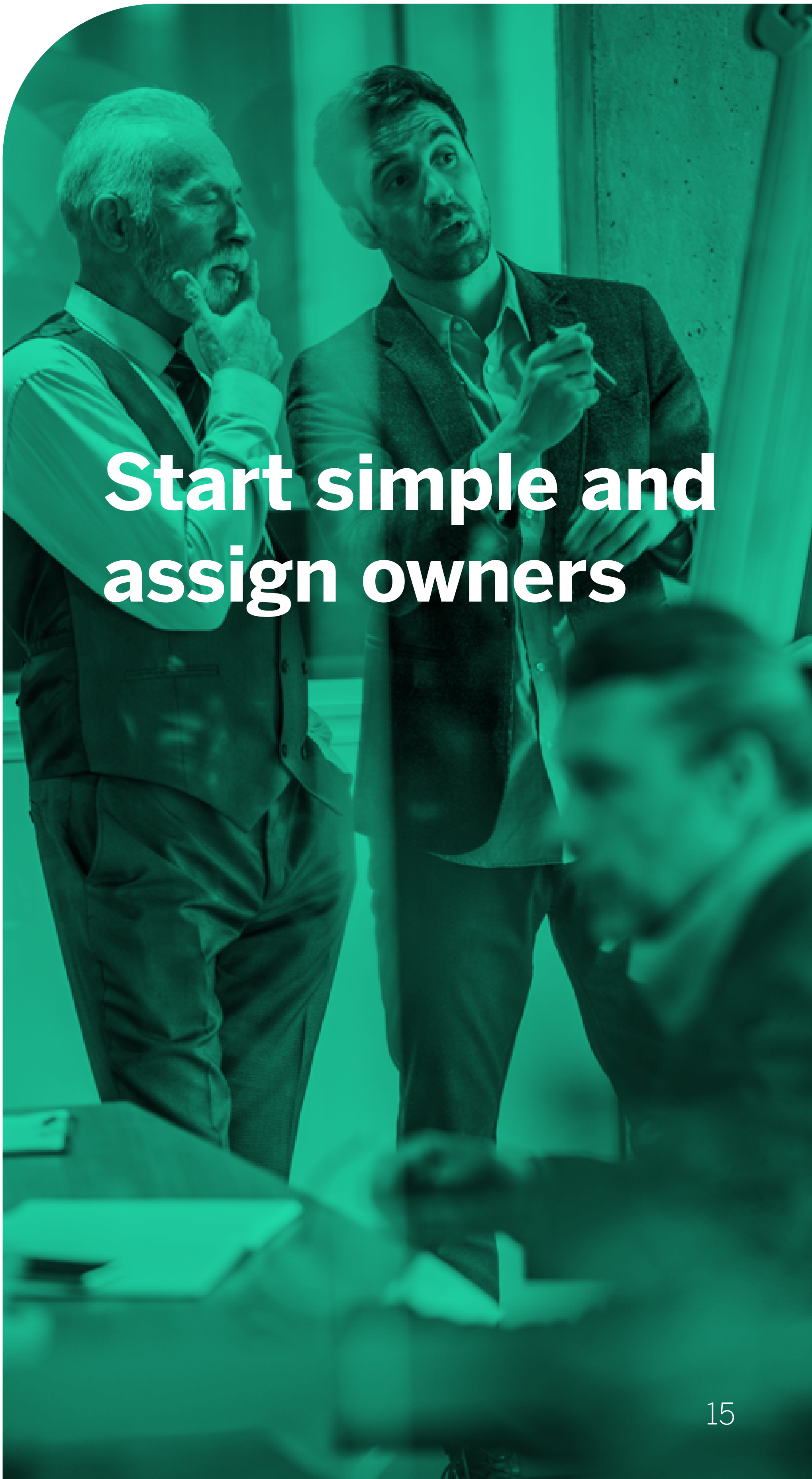
Some B2B companies have implemented a sophisticated, automated process to generate a clear view of customers. Some businesses use automated CRM triggers in addition to opportunities for manual triggering of feedback requests.

Increased automation and connectivity between CRM and CX systems supports a more effective and efficient process for both requesting and acting on customer feedback. The closed loop owner (CLO) validates the contact data before the feedback is solicited.

Best practice processes ensure the feedback invitations are managed for consistency, in order to reduce the potential of a skewed customer profile (e.g., avoiding invitations to difficult or challenging customers) Given the typically more limited numbers of customers in a B2B relationship (versus a broader B2C base), best practice would encourage the inclusion of all customers and multi-level contacts within the relationship.

Zero in on strategic interactions

Organisations should vary how often they contact any individual customer, ensuring they don't overwhelm them with requests. Instead, they should focus on those moments in the journey that mean the most to customer and have the biggest impact on overall experience



Start simple and assign owners

Start simple and assign owners

But not all businesses have a mature approach to feedback. In these cases, prioritisation of outreach is essential.

Some businesses started by focusing on high value customers; others simplify the process by aligning feedback with the customer's renewal cycle.

Participants agree that it is more important to start somewhere than to succumb to the obstacles. An important first step: ensure that clear closed loop owners are identified for all customer outreach to enable an effective closed loop process.

Don't forget lost/lapsed customers

Leading practitioners recognise that lost clients can be an excellent source of insight. It is important to address why a client was lost. CX leaders in B2B suggest that there is never a completely lost client. Especially within a B2B environment, there is always an opportunity to improve and a possibility to win back lapsed customers. With careful consideration given to how - and by whom - these customers are contacted, relationships can potentially be salvaged and re-established.

Embed consistent contact triggers

Embed consistent contact triggers

“Follow up not be limited only to detractors; it is important to also know what delights clients”

Best practice closed loop protocol includes varied approaches to acting on feedback, with more mature programmes designed to prioritise response based on a variety of factors, including customer tiers or feedback provided (e.g., negative feedback response prioritised over positive feedback response).

Example

One business sets an expectation that contacts who profiled as NPS detractors are contacted within 48 hours. The internal triggers are based on the following criteria, in which 100% of detractors, 25% of passives and 25% of promoters are contacted. A longer timeframe is allowed for follow up with passives and promoters.

Practitioners recommend that follow up not be limited only to detractors; it is important to also know what delights clients. Businesses have found added value in following up with promoters who can be cross-sold to and act as references. Promoters can also provide invaluable feedback as to core strengths that should be leveraged more broadly. In addition, insights from promoters often touch on challenges and concerns that should also trigger a closed loop follow up.

Another way to prioritise closed loop activities is based on customer value and issue sensitivity. Some practitioners already do this. For others, this approach is on the road map. Identifying customer value can be complex. All prioritisation approaches become even more challenging in a multi market or global context.

For example, a customer may be low value in one market, but high value in another. Assessing value holistically can be challenging, but the creation of a single view of the customer across the organisation can support more effective segmentation and help to establish a more comprehensive prioritisation framework.

Example

One business segmented and prioritised closed loop response in their home market, but their UK counterparts insist on closing the loop with everyone, without reference to their value, assessment or sensitivity. Even when there is extra demand, the UK market wanted to focus on all customers' feedback. When done well, the team exceeds their goal of getting richer data.

Within the multi-market closed loop process, it is difficult to maintain consistency in performance across the markets. Some markets may be highly engaged; others may see closed loop processes as a tick box exercise.

Identify the right closed loop owners (CLOs)

Identify the right closed loop owners (CLOs)

"Direct support from senior management is essential - but it is not sufficient"

There are 3 operational questions to answer when responding to customer feedback:

- Who should action the feedback?
- Who owns the action to close the loop?
- Who communicates the resolution back to the client?

This process is a challenge to manage at scale and requires a significant focus to keep the response teams trained and supported. One approach that supports stronger, more consistent engagement is to select appropriate CLOs.

Some large scale B2B organisations have thousands of people who own their closed loop process end to end. These businesses recognise that it takes a firm commitment and a high level of maturity to maintain delivery across that large a team of CLOs.

Multiple actions work to optimise the CLOs' performance:

- **Selection:** Each CLO must be the right fit for the client contact in terms of expertise, seniority, and knowledge;

- **Training:** CLOs must focus on empathy, understanding, joint problem solving, and relationship building; Empowerment: CLOs must be empowered to resolve where possible, escalate and follow up

- **Skillset:** There are different requirements of CLOs for inner loop (typically immediate resolution focused; closer to the customer) and outer loop (typically broader process responsibilities, working cross-functionally)

Best practice suggests that all interviewers be customer-facing staff. Any of those CLOs conducting follow up calls may be in a functional role now, but have previously had direct experience working with customers. In other businesses, there may be a very limited number of employees who are customer facing, which limits the engagement and extant skillset.

Mature B2B best practice encourages senior executives to take part in the closed loop process. Some best practice businesses have senior leaders required to conduct four customer closed loop calls a year or to hold face-to-face meetings with high priority customers. Others vary on the number of calls, but each has found this engagement is a powerful way to bring the voice of the customer directly to senior management and helps to confirm the importance of listening to customers. In many cases, these executives have close the loop engagement embedded in their performance objectives. This overt commitment to customer engagement helps to drive consistent focus within the business.

“B2B businesses are turning to additional employee feedback on the CX delivery experience”

As with all CX efforts, direct support from senior management is essential - but it is not sufficient. Even with senior engagement, there is often a challenge to maintain consistent focus: Some businesses have found that there is often a distortion of the message at the middle management level.

Senior management highlights the importance of closed loop follow up; frontline staff work to deliver on the process, but middle management may send different messages. There can be a level of ‘clay’ in the middle that inhibits the flow of effort.

Clarifying the business impact of closed loop processes will help middle management understand the value of engaging in the process. That engagement is best supported by clear direction on and inclusion in manager responsibilities, which will help to drive the process forward and to support front line staff in doing so.

With large scale closed loop processes, training for effective closed loop resolution is required to be managed at scale. Often the crucial skills are the most difficult to train and embed, e.g., the soft skills required for effective resolution. Those skills include the ability to manage difficult conversations and to remain engaged throughout what can be a long resolution cycle.

In an effort to better understand the CLOs’ ability and experience, and to build on CLO effectiveness, B2B businesses are turning to additional employee feedback on the CX delivery experience. The insights and opportunities that the employees’ feedback identify become an additional component of training and support.

Best practice CX encourages asking employees to identify pain at key points along the customer journey. Employees are asked to prioritise what is least and most important for the customers, and then validate those priorities with the customer.

In general, best practice B2B businesses conduct specific training on the full closed loop experience so that teams understand how to conduct follow up and know when to escalate. It is crucial that the individual CLO does not fear repercussions for escalation, an understandable concern.

Focus on what will have the biggest impact

Focus on what will have the biggest impact

"The business needs to assess both the impact on the customer and the impact on its own business"

Every organisation has limited resources; engaging in a closed loop process requires resources. In order to deliver effectively on that process, it is essential to prioritise.

The challenge – in an ever-present fight for resources – is to identify the issues' potential impact on business. A small issue that is widespread may impact more revenue than a larger, but more limited issue.

In order to set a prioritisation framework, the business needs to assess both the impact on the customer and the impact on its own business.

The discipline of identifying business impact – whilst difficult – is effective in helping to guide best next step action. Organisations' priorities are typically based on customer value (both in revenue and strategic importance); including the importance of maintaining as a reference; the severity of the detractor impact and potential for the promoter value.

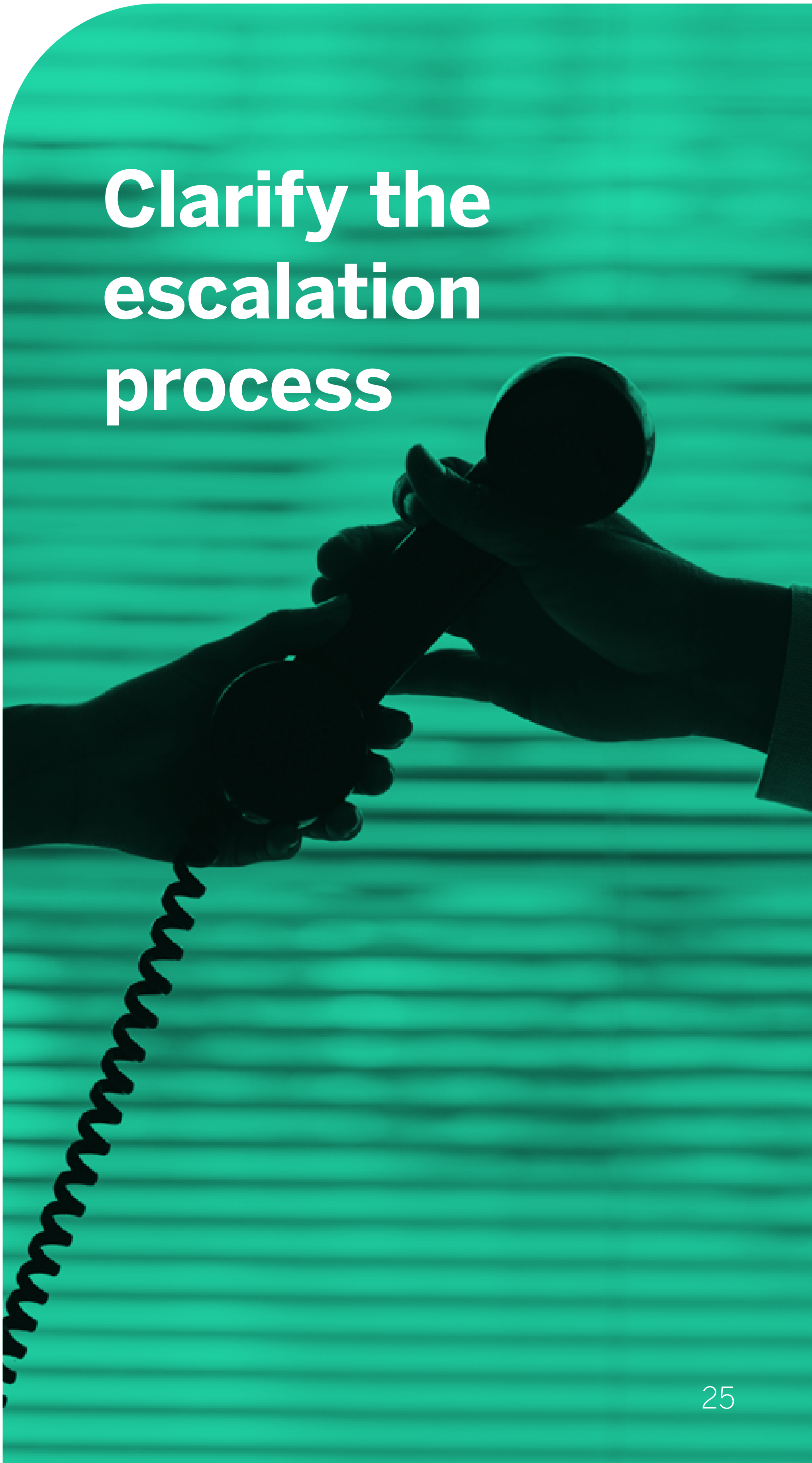
One leading B2B organisation has reframed their business change case to require the inclusion of a Customer Impact Score. Assessing the business's changes from the perspective of impact on the customer is an advancement in embedding customer experience at the heart of the business and helps to prioritise effective action.

Having this type of systemic approach to change, action and resolution works most effectively within a clear governance structure. For any B2B organisation – even if less advanced - the engagement between CLOs, action groups and strategic change managers is crucial to scaling effective change.

Providing a consistent forum and process for understanding customer experience, identifying resolution, embedding systemic change, and communicating action helps to reduce friction within the system.

This governance provides employees a framework of expectation, action and accountability that helps to keep the business focused on continuous improvement.

Clarify the escalation process



Clarify the escalation process

"Some businesses will challenge the CLOs when nothing has been escalated"

Effective escalation of feedback is essential - but hard to operationalise, as there is often no clear escalation path. The prioritisation discipline discussed above can provide context within which to clarify escalation.

Without clarity, escalation issues continue. CLOs typically focus on closing the individual ticket, in fact, they may be measured on the ticket closing specifically. There is often, however, a loss of the strategic impact that was identified by each individual case. Information remains siloed; larger, more strategic issues, remain invisible. The focus on individual contact resolution (typical inner loop action) without linking into outer loop root cause identification is a loss to the business.

Closed loop operations and escalation should both be embedded as a standard business process. In fact, some businesses will challenge the CLOs when nothing has been escalated. In some businesses, the teams are being rebalanced to close the loop and combine those teams with the Six Sigma group to drive strategic change, based on root causes identified.

In addition, there are many potential barriers to effective escalation:

- CLOs may not know when to escalate;
- They may not recognise the need for escalation into the broader business;
- CLOs may believe there is no effective resolution, so do not escalate into what they believe may be a futile process;
- They may be reproved for the length of time taken to resolve the issue;
- CLOs may be concerned that escalating may reflect poorly on them

To overcome those concerns, B2B leaders embed specific training to conduct the follow up, with special focus on the types of concerns that should be escalated. They also insist on a full information flow, so that the customer feedback is shared. B2B leaders ensure that clear and aligned processes are in place for the closing the loop. These processes are regularly reviewed and updated with input from employees to ensure they remain fit for purpose.

Internally, employees often ask for help more if it is a big customer, as they are conscious that it is strategic interaction.

For immediate response (inner loop) issues, localised issues may remain siloed and obviously unsolvable issues take one of multiple routes: escalated quickly, as the CLO identifies the issue as one for which they have no solution. Or, the issue is not pursued, as the escalation process appears futile.

Integrating the flow between inner loop and outer loop resolution helps to provide the framework for action.

Embed metrics that drive action

Embed metrics that drive action and highlight value

"Assure metrics are appropriately aligned with desired outcomes"

These B2B businesses work hard to embed closed loop action as part of business as usual; the operational components build on already established processes and clear metrics of success.

But for many B2B businesses, it is a challenge to identify appropriate, productive, and integrated metrics. Typical CX metrics are often siloed within experience groups and are not tied to business outcomes. As a result, it is often difficult to measure the success and the value of a B2B CX programme.

An advantage not all businesses have: these participants have **strong executive buy-in** with clear messaging across the business. But still, there is often a process conflict: metrics that do not support best practices - or worse, are counterproductive.

Some businesses go in an entirely different direction and construct multi-layered and complex metrics around their CX programme, and CTL processes in particular. Experienced B2B leaders suggest, however, that complicated metric structures can be a distraction.

A key practitioner warning: don't overwhelm your programme with a complex system of metrics.

A core recommendation is to assure metrics are appropriately aligned with desired outcomes. There is a fairly common concern about the disconnect in metrics, i.e. the metrics can drive the wrong behaviours. For example, If CLOs are measured solely on the number of tickets that are closed, the likelihood of their escalating an issue decreases. If they are measured on number of calls – not number of resolutions – there is a systemic incentive to conduct calls, not resolve concerns.

In addition, there is concern about setting the wrong KPIs in employees' individual objectives. Stronger performance has been driven by a focus on behaviour rather than on metrics. In these cases, issue resolution is prioritised over simple completion of follow up calls.

There is a **role for both tactical and strategic closed loop KPIs**. Metrics focused on driving call action (e.g., within a specified time frame) can help to maintain programme discipline. Strategically, KPIs play an important role in driving the value through the business. Speed matters, but it is not enough to respond to a customer within 48 hours if the resolution fails after that. KPIs aligned with the strategic success can help to demonstrate the positive impact of closed loop actions. These metrics can begin to be aligned with reduction of churn, improved retention rates - or even early on, the number of process improvements that have been driven from the closed loop process.

“Practitioners also highlight the value of staying focused on performance trends, rather than raw scores”

Alignment of those tactical and strategic goals is essential: senior executives’ directives need to align with the overall goals and provide clear direction for CLOs and those who drive outer loop process improvement.

B2B practitioners also highlight the value of staying focused on performance trends, rather than raw scores. Especially for multi-market organisations, direct comparison of, for example, NPS scores can be highly misleading (NPS as a metric is especially sensitive to the cultural impact on score patterns).

Best practice recommends benchmarking country and customer segment performance to remove the cultural element of the scores. For example, a business would not compare Australia’s performance to France’s. With that context, they can analyse performance globally, but focus locally on improvement projects.

In all cases, the power of the metric is enhanced when it is tied to the performance of the business.

Encourage a customer-engaging culture

Encourage a customer-engaging culture

"Leaders understand the need to accept the imperfect"

A key consideration in driving successful CX engagement is to recognise the essential cultural component. Providing the tools to monitor, engage, and improve CX is important, but - as ever - technology does not trump culture.

Best practice leaders understand the need to accept the imperfect; to allow frontline to make mistakes and to encourage them to test and take accountability. It is a challenge for a business to recognise that they are imperfect, but crucial in being free to act. Fixing an issue and continual improvement are not the same thing.

As noted earlier, there may be employee concerns with engaging with CTL processes. In some cases, the challenge is that sales reps do not see the value of closing the loop. In other cases, employees are concerned about additional workload. Some businesses find that efforts to highlight employee pain points along the customer journey help the program engagement.

Culture is a notoriously difficult element to change, but practitioners have found several tactical approaches that help to encourage a customer engaging culture: as noted earlier, bringing senior executives into delivering closed loop calls helps to bring to life real customer pain points and the challenges in resolving them. Other businesses find it productive to bring all employees to meet customers.

Strong culture starts at the beginning, with good hiring profiles that make customer centricity sustainable and part of HR culture. Others businesses are more aggressive in seeking productive alignment with customers: they partner with their clients to ask what skills the client expects to find in the business's employees. That information is used to inform hiring profiles and practice.

Training and support mentioned above are crucial to maintaining a strong culture. B2B leaders increasingly focus on the employee lifecycle and how different employee touch points align with the aims of the CX programme.

B2B CX leaders work to, in a sustainable way, embed recognition and celebration in the process. Best practice is for managers to highlight examples of good closed loop practices - recognition is key.

ABB

Between 2013-2016, ABB ran a series of cross-functional workshops, comprised of sales, services, and engineering. The objective was to ensure that grass roots staff understood why ABB were striving to get customer feedback and how important it is to respond appropriately, while closing the loop. ABB managed to reach more than 50,000 staff over the three years. That inclusive, engaging approach drove great feedback from staff saying that interactive workshops are far more effective than PowerPoint presentations. The campaign was considered a great success and went a long way to getting frontline staff on board.

Michael Brandt
formerly Vice President
Customer Loyalty at ABB

Celebrate successes

Celebrate successes

“Recognising projects for driving strategic changes from a customer perspective - as well as the individual actions from closed loop processes - helps to support organisational culture change”

The B2B Businesses that recognise and celebrate effective closed loop processes find it easier to maintain engagement.

B2B leaders celebrate on both an individual and collective level. Recognising projects for driving strategic changes from a customer perspective - as well as the individual actions from closed loop processes - helps to support organisational culture change.

Once strong operational processes are embedded, it can be a challenge to maintain focus and engagement. Maintaining momentum across thousands of CLOs is an ongoing challenge. Formalised recognition of strong closed loop performance via actions such as a CEO award to highlight CLO contribution help to maintain focus and encourage strong participation.

One element that helps to overcome reluctance to engage is rooted in the attitude and mindset inherited from company culture and heritage. Indeed, these businesses find that getting a continuous improvement culture and accountability embedded into organisation is essential to sustained effort.

Communicate action

Communicate action

In cases where resolution will take extended time, communication is all the more crucial to continue the customer's engagement. Affirming the idea that if the customer took time to provide feedback, the business will honour that by taking time to understand the feedback, to design action based on the feedback and then to communicate back regarding the actions, timelines and anticipated outcomes.

Operators have found customers wholly understanding of the timelines required to resolve systemic issues; communicating the business's understanding of the concern and the actions to be taken helps to support the customer relationship.

Communicating action is not simply reserved for customers. It is equally important to communicate internally to drive engagement with the programme. All internal stakeholders need to hear about the feedback received, the actions taken and the resulting impacts on the business.

"In a best practice process, a customer receives a notification when the ticket is closed and there is an additional component for the customer to give optional feedback. "

These B2B experts recognise that there are missed opportunities to communicate back to the customer. One commonly held concern is that the CLO is afraid of calling when no solution is available. When issues arise consistently and no change is evident, customers and CLOs are frustrated. Often businesses find that the frontline does not believe that the organisation will solve customers' issues.

At times, the opportunity to communicate would help to alleviate those concerns. Best practice leaders found cases in which the CLOs delivered effectively, the process did not go far enough: the action taken as a result of the feedback was not communicated.

In a best practice process, a customer receives a notification when the ticket is closed and there is an additional component for the customer to give optional feedback. The results were interesting: Tickets were being closed without informing customers, even when the issue had been resolved.

Communicating the action taken allows the CLO and their manager to go back to the customer and discuss the resolution - or plans for resolution (rather than leaving the issue to fester until the next annual survey).

Drive continuous process improvement

Drive continuous process improvement

"Concern that customers would not have time, but they were keen to be involved, as it adds value to their business."

Once the business is engaged and CLOs are trained and supported, how do businesses drive process change? These B2B experts identified multiple ways to embed process improvement into the business.

Customer engagement is a core theme: some B2B businesses have found that discussion with customers can lead to common solutions and increase loyalty. Others formally engage customers in identifying improvement options.

Some leaders involve customers throughout the process, from co-creation of solutions to check points to review with customers that the intended impact is successful. Initially there was concern that customers would not have time, but they were keen to be involved, as it adds value to their business.

The strongest feedback loops do more than just connect customers, the front line, and a few decision makers in management, however; they keep the customer front and centre across the entire organization.

Nan Russell,
XM Scientist, Qualtrics

B2B leaders have found brainstorming with customers a productive approach to identifying solutions: sometimes customers will say"we have the same problems" and provide ideas for how to improve.

A key suggestion for effective impact is to focus on a select number of actions to implement. Spreading focus too widely tends to diffuse both the effort and the impact.

Another B2B leader has found that **dividing issues into short loop and long loop cycles helps to maintain momentum**: simple issues that can be resolved individually can be addressed in a short loop: i.e., action driven at a local level. Broader issues that require cross-functional alignment and change move into the long loop category. This recognition allows the CLOs to provide resolution and communication about both elements.

Communicating actions taken are essential to continued engagement, for both customers and employees. Segmenting action into the two distinct cycles provides a clearer view to customers: they understand that long loop resolution will take longer, but know that action is being taken.

The more challenging issues are generally those that span across departments, cost a lot of money, and force the business to revisit company processes. These issues need to be addressed holistically. Connectivity and transparency of data combined with cross-functional collaboration across the organisation are key to driving change around more complex customer and organisational challenges.

B2B leaders have found it important to bring the key stakeholders together to solve these long loop challenges effectively - and to do so with the customer's experience in mind. Various techniques have been developed to do that, including design of Customer Rooms, in which key stakeholders can begin to explore the challenges and resolutions that work to drive both process improvement and enhanced customer experience.

B2B leaders are working to become more sophisticated in communications with stakeholders. They identified a large amount of information, but the follow through was difficult. They recognised they were effective at getting back to detractors, but failed at the outer loop in driving larger, institutional changes.

It is increasingly important to connect financial and operational metrics with CX results to demonstrate the impact of the programme on business performance. One way to address that disconnect is to present full closed loop process results to the board once a year - the good, the bad and the very ugly.

Customer rooms

In order to drive improvement on the most challenging and complex B2B experiences, Michelin introduced the Customer Rooms concept. These Customer Rooms are not physical spaces, but rather a group of employees committed to meeting regularly, at a standing time, to address ongoing CX issues and opportunities. The Customer Room teams are comprised of employees who have a direct impact on the customer experience and have a significant role in decision-making.

Customer Rooms are developed at each level of the business (e.g., Country, Region and Group) and work to resolve difficult issues and to identify potentially scalable opportunities. Front line staff know that when they are challenged by a difficult case, they can send that case to the Customer Room for resolution. In support of the overall process, each level can escalate to the next higher level for broader input and strategic support.

The case is assessed based on the customer's verbatim comments and the employee-provided context. The resulting formal output addresses the core issue, provides resolution in a customer-friendly manner and is delivered to the customer as part of the Closed Loop process. The final component of that process is gathering customer feedback on the solution, which is then embedded in the next iteration of Customer Room processes.

These Customer Rooms are a focal point for the Michelin customer-centric culture, where teams work actively to improve the customer experience in a pragmatic and timely way.

Benoit Rengade
Voice of Customer, Corporate Quality / Guarantee of the Promises to the Customer, Michelin

Design for the future

Design for the future

"One B2B leader has developed a metric that measures and embeds the impact on the customer in all change projects"

B2B CX leaders agree that a key priority moving forward is to improve the quality of CTL efforts, embed the process, and drive value. These B2B leaders look to using customer feedback, close the loop processes and directed action to embed a customer-centric operating model brought to life by employees. They will continue to work to connect both employee experience and customer experience.

These B2B leaders look forward to advancing the process: to embed new metrics that keep the customer at the heart of business improvement. One B2B leader has developed a metric that measures and embeds the impact on the customer in all change projects, using their customer experience foundation to aid the project prioritisation process. In the past, the criteria were to identify strategic, financial, and operational impact. They have now Introduced customer impact to this framework, which has helped prioritisation, but not completely resolved it. It is an improvement - and they expect to see further application. This is an effective way to understand business change holistically and to maintain a customer focus.

As B2B practitioners expect to come under increased scrutiny to demonstrate the impact on business outcomes and value, they will need to clearly identify how investments will impact CX and future business. At companies where strong customer feedback systems take hold business-unit leaders and frontline employees start to own customer loyalty the same way they own their targets for revenue, profits and market share.

In summary: key advancements in B2B CX delivery via closed loop processes include:

- Creation of a true 360, global customer view across an organisation
- Data transparency and consistency
- Integration of metrics - customer experience/employee experience with operational/financial metrics

And whilst most businesses are pushing for identified value delivered, one B2B senior leader has provided the most positive vision: businesses will do great CX because it is simply the right thing to do. It should be a shared belief that this is core to how we do business.

Identifying unique contribution will no longer be the focus. CX will be just the way we do business. Its value clear, embedded, and universally acknowledged.

Conclusion

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It is only by taking action that companies can transform. Inner loop and outer loop practices enable customer-centric transformation. This white paper has explored closed loop best practice in a B2B context. The following are the key conclusions from the group of CX B2B practitioners, who shared their expertise and experience in putting this paper together.

1. Harmonise customer relationship data to identify the most appropriate and current contact with whom to collect feedback and close the loop if necessary.
2. Request feedback from the right people at the right time to gain meaningful insight.
3. Embed consistent contact triggers for feedback collection and automate wherever possible.
4. Identify the right closed loop owners - train, support and empower them to focus on what will have the biggest customer impact
5. Define and manage a clear escalation process for unresolved issues - without clarity, escalation issues will continue.
6. Embed metrics that guide action and highlight value rather than metrics for metrics' sake.
7. Culture trumps technology every time. Invest in a customer-centric culture and communicate regularly with employees on progress.
8. Celebrate successes - formal recognition of customer-centric action helps to maintain focus in the company.
9. Communicate continuously with customers - do not miss opportunities to keep the customer informed of changes and developments made using their feedback.
10. Drive continuous process improvements which impact multiple customers, and take a holistic cross-functional approach to resolving issues
11. Design for the future by identifying how investments will impact CX and future business.

And finally, relentlessly persist with taking action to improve the experience delivered to your customers. Your customers, and the insights provided by your employees, are your most valuable assets.