Original Article

The four pillars: Developing a 'bonded' business-to-business customer experience

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ABSTRACT This paper is an investigation into the business-to-business experience (B2BE), how it differs from the business-to-consumer experience (B2CE) and the core elements of a bonded B2BE. Much of the current 'wisdom' about customer experience relates to the B2C domain. This is because the largest budgets are within the B2CE sector. Throughout B2BE, there is limited genuine hard evidence-based research and correlation to academic theory. This raises questions over the validity/value of much that is written or spoken on the subject in relation to the B2B sector. Within the B2B sector, the absolute number of customer relationships may be fewer, but they are far more complex. They often include multiple contacts at differing levels across a large number of touchpoints. Customers themselves are becoming more vocal, sophisticated and demanding around what they expect. Consolidation brings with it leverage and an ability to become more demanding of the supplier base. Before embarking upon the pursuit of a bonded experience with every customer, it is important to understand the importance of the overall B2B relationship: the investment value input into the experience needs to match the level of value gained. In essence, segment your customers first, and be clear where and with whom to develop experience at the appropriate level. This paper uncovers a layered approach to the B2BE. The involvement of professionals, with a rational and detached nature to expectation management and experience, also comes through in terms of the key factors at each level. At base, the key drivers revolve around the buyer(s) and the expectations of procurement teams that it is possible to do business: their experience tells them whether or not a business partner can fulfil the base level. It is about reliability, consistency, dependability, problem resolution, appropriate contact, choice and flexibility. Once an organisation has achieved the delivery of a consistent experience that meets base expectations, this paper identifies key areas that enhance the B2BE. These coalesce around co-creation of value, strategic understanding and contact at all levels across the organisation, working within strategic business units, flexibility and pro-activity. Finally, the relationship moves into what is described as a 'bonded experience'. Nearly all the research points to trust as being at the centre of the bonded experience. Supplementary

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areas that support trust at this level to develop a bonded experience are also identified. These are communication, interdependence and integrity. It is not so much the relationship or the way customers are managed that differentiates as this has become broadly similar. It is the experience developed through the relationship that makes the difference.

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INTRODUCTION

This paper takes the view that the business-to-business (B2B) customer experience is all about

Understanding the experience expectations you are creating as an organisation with your customers and how they manifest themselves as real experiences across all the touchpoints and all levels of contact as the business relationship develops.

It is critical to understand where the experience is enhancing or destroying value (in the mind of the customer), and what customers remember after the experience.

Within a B2B relationship (versus business-to-consumer (B2C)), the experience is an integral part of the overall customer management (CM) dynamic/proposition. Contact will typically be more frequent across more touchpoints, and may potentially involve many individuals from various functions.

Customer experience is becoming more important within a B2B context.

Across a range of sectors – retail, utilities, telcos, pharmaceuticals, food and drinks – the customer base is consolidating and doing so fast.

As these customers consolidate, they represent higher value and become more sophisticated and demanding. Within this challenging environment, suppliers vie for share, product listings, promotional feature

and/or influence within the tendering process. Additional dimensions are required within the proposition to differentiate one supplier from another; some use price and terms and the smart ones use the customer experience.

Customers are also starting to use business models that differ from the traditional buying organisation – from virtual organisations (VOs) to intermediating to bundling/on-sell. Some of these models require a high level of CM, and within this the customer experience is a key differentiator.

By way of example, a design agency has a high level of contact with its client base, yet is only as good as its last job. The clients have a very high lifetime value, yet remain fickle from a client relationship/loyalty perspective. As long as the experience they receive lives up to pre-conceived expectations, the customer stays – all other things being broadly equal – but if the experience slips below expectation, they go elsewhere.

A key difference between B2C and B2B is that in B2C, individual consumers simply vote with their feet if things go wrong. In B2B, the customer is likely to complain to the department that fails to meet expectations or to the account manager. If communication/action is rapid and efficient, the level of customer loyalty can actually improve; if it remains unacceptable then the

customer will start to shop around for alternative propositions.

B2B customers are more likely to demand a certain experience package as part of a tendering process, and to actively monitor progress against their key experience performance indicators.

Significant amounts of money have been invested into CM improvement programmes. Coupled to this is systems development around customer relationship management (CRM), which aims to formalise CM within the organisation via CRM systems. Although the development has been patchy with initially high failure rates on CRM system implementation, things have moved forward. As CRM becomes a norm, it is becoming increasingly difficult to realise significant competitive advantage through its implementation, and for this reason organisations are exploring customer experience as an alternative avenue for potential competitive advantage.

B2B organisations therefore need to ensure that customers' satisfaction with their experience is 'hard wired' into their monitoring and corrective action taken promptly.

The increased transparency and access to customer information that IT advances bring makes comparative analysis progressively quicker and easier to undertake. Commoditisation is becoming the norm: product quality and functionality – from 'widgets' in cans of beer to 1500 spin speed washing machines – are becoming hygiene factors, and thus the only way to stand out from the competition is often through customer experience.

The smartest suppliers combine product innovation with superb customer/consumer experiences (CEs): Dyson combines innovative vacuum cleaners with the fantastic guarantee that any faulty product will be returned or immediately repaired by a Dyson engineer.

One positive by-product of an increasingly customer-centred organisation is the development of customer segmentation. This often manifests itself in a segmented approach to CM, recognising the differing needs/wants of various consumer groups. The next and natural step from basic segmentation is the reflection of a tailored customer experience based on customer segment expectations. Basically, this means that customers pay only for the experience they value: the danger is that organisations offer a great experience that is not valued and can then be undercut by a competitor who more accurately reflects the customers' needs.

WHAT ARE THE ISSUES?

1. Most of what is written/espoused from conference platforms about customer experience relates to the B2C domain. This is because in most cases, the larger budgets sit within the B2C sector. Across the board in the territory of B2B CE, there is limited genuine hard evidence-based research and correlation to academic theory. This raises questions about the validity/value of much that is written or spoken on the subject.
2. Within the B2B sector, the absolute number of customer relationships may be fewer, but they are far more complex. They often include multiple contacts at differing levels across a large number of touchpoints. The danger from the suppliers perspective is that what may appear a trivial element of the B2B CE can become a real 'moment of truth', which leads to losing a major piece of business – for this reason it is critical to monitor the experience, and to ask the customer how they perceive the experience being received. Only by pro-actively resolving experience issues is it possible to reduce the risk of loss. A major part of the account manager's role should be the constant monitoring

of all experience touchpoints: where they find dissatisfaction (or opportunities for improvement), they should be working actively to resolve those issues.

3. Customers themselves are becoming more vocal, sophisticated and demanding around what they expect. Consolidation brings with it leverage and an ability to become more demanding of the supplier base.

The issue is that they may well not be forthcoming as to their expectations. Yet matching experience to expectation is becoming ever more critical as margins become tighter: suppliers cannot afford to offer non-valued experiences. For this reason, the best account directors are 'bonded' with their customers and know how the experience is progressing literally day by day.

WHAT IS THE OPPORTUNITY?

This can be found in three key areas:

1. The ability to use CE as a key differentiator and competitive advantage when doing business.
2. Creation of increased value through joint working around customer experience development. Working through the B2B2C – helping your B2B customers right through the supply chain to the consumer, and actively managing both links/experiences.
3. Retaining customers because of the experience they receive from you over the competition.

APPROACH

Data were gathered from three sources:

- Practical experience insight from senior managers engaged within the B2B sector, using structured interviews;
- Literature review;
- Published research on B2B experience.

Within the B2B sector, professionals are often the key experience interface. They may develop a far more rational and detached approach to the delivery of expectations through the experience. They are also acting on behalf of the organisation or a third party to achieve business objectives or meet specific needs.

This means that they need to be able to depend on an offering to support their position and de-risk any decisions they make. The product/service should drive downstream value: in addition, it will require reliability, consistency and reassurance that this can be achieved either on a one-off basis or time and time again.

FINDINGS

This section looks in depth at the Springboard Commercial Solutions (SCS) experience, as well as available literature and research.

The research element of this paper has been difficult because of the limited nature of actual research in the area of B2B CE. The B2B customer experience does not operate in isolation, and key agents within the B2B experience will be taking a lead from their experiences as consumers. Where possible – and feasible – the paper has looked for indicative direction within robust B2C CE research.

The SCS experience

Members of the SCS partnership have spent all of their working careers involved in one shape or form within the B2B environment. This has been enriched through CM projects within B2C organisations and sectors. Practical experience has been harnessed to develop insights using structured interviews on a one-to-one basis.

This led to an identification of an increasing level of sophistication in the way businesses interact with each other. This has made it increasingly difficult to differentiate propositions, as standards have improved.

Using 'one to one' structured interviews, the following areas were explored:

Supply chain

How do you think the supply chain has changed and has this offered any benefits?

Significant investment, resources and development have and continue to be made within the supply chain. This has released value within the total value chain, and led to service level improvements.

Segmentation

Do organisations operate any form of segmentation that recognises value potential, similarity of needs and behaviours/traits?

Many of the companies SCS has worked for have in place some sort of customer segmentation framework or approach. This is often used to identify where value potential exists, and to allow prioritisation of resources and focus to sales and marketing activity. This has led in some instances to a differentiated sales approach to the different customer segments and customers receiving a different experience from the organisation to meet their needs.

Technology

What changes have occurred within information technology and has this offered any benefits?

The development of single systems and Enterprise Resource Planning (ERP) platforms is one of the key areas where real innovation has been witnessed with the value chain and customer/supplier interface.

- Electronic data interchange has improved the supply of real-time sales information, improving efficiency within stock management and forecasting.
- Managed auto inventory and replenishment has seen some customers in some sectors allowing the supply organisation to control the stock, only paying once the brand or product is used or sold.

- Web-based ordering, where the customer can interface with the organisation through a web portal.
- Online information allows customers to access product information and download sales materials. This is often password protected to allow tailoring and personalisation.

However, SCS has encountered few examples of technology being harnessed to monitor the customer experience: this is considered to be a desirable future avenue for development.

Joint working

How has the supplier/customer interface and relationship developed?

SCS has found an increasing move towards joint working within the B2B relationship through project teams or more formal and structured 'strategic business units'. This has come about as both sides pursue value-creation opportunities within the value chain.

Working in this way requires a significant amount of trust, respect, communication, interdependence, shared values and an understanding of mutual needs. B2B experience monitoring should form an integral part of true joint working, with an agreed monitoring/review and adjustment process forming a key part of the overall relationship management process.

Contact framework

What are the differences and changing dynamics within B2B contact?

Within a B2B relationship, the contact framework operates as a multitude of levels across numerous functions (Figure 1), if the relationship is to be value-enhancing.

From

Figure 1 Buyer – Business Manager
To

Figure 2 Function Contact – Function
Contact

Business to Business Relationship Development

Figure 1: Embryonic early stage B2B relationship development.

Business to Business Relationship Development

Figure 2: Multi level, advanced B2B relationship development.

The relationship is managed by a lead person in each organisation or a team leader (Figure 2), who is responsible for setting the expectations and delivering the experiences. Contact is

often conducted across a number of media:

- Face to Face;
- E- Mail and Paper-based mail;

- Telesales – phone;
- Web;
- Customer Service.

A key factor within the B2B experience is the provision of a regular value-enhancing contact framework: despite the technology revolution, personal contact is still important.

In deciding on a review process, all touchpoints must be considered, and a monitoring process be put in place to ensure that the full experience is being assessed and issues highlighted.

Customer needs and strategy

As suppliers and customers have come more closely together, what changes have occurred and has this led to any benefits?

This is a key area of experience enhancement within the B2B sector. Customers expect the organisation to understand their needs and on an advanced level their strategy. With these latent and sometimes explicit expectations the brand/organisation should provide experiences that ensure that the customer thinks, feels, sees and hears you trying to explore their needs or define and understand their strategy.

SCS has identified the following traits as being central to the experience within a B2B relationship. This differs significantly from the B2C relationship (Table 1).

Literature review

Much of the literature focused on the customer experience emanates from the business/brand/service to CE.

Smith and Wheeler (2002) highlight how the customer experience is actually influenced by and through the expectations the organisation creates for its brand, service and products. The experience the organisation then delivers will be evaluated by the consumer to determine how closely it matched the expectation. This paper takes the view that this also holds true within the B2B sectors.

Smith and Wheeler go on to explain that once an organisation has mastered this, it is possible to explore what target customers want and develop these into expectations delivered through the experience. In essence, the organisation starts to manage the experience it delivers to ensure that it matches the customer's expectations.

Given the regular contact and transaction pattern within the B2B relationship, this approach is more important within this sector, offering a real opportunity to differentiate within this area (Table 2).

We view this as a key foundation upon which the B2B experience differentiates from the B2C. However, procurement professionals are also consumers, and are not immune from the influence of good customer experiences as consumers. They may take this thinking across into the B2B environment.

He also highlights the importance of intermediates and the consideration of the end consumer within a B2B context. Will their experience enhance the B2B experience, that is, easy-to-use technological gadgets, mobile phone and so on? In other

Table 1: Traits central to the experience within a B2B relationship

<i>At a core level</i>	<i>At a differentiated level</i>	<i>At a bonded/advanced level</i>
<ul style="list-style-type: none"> • Understand Needs • Do what you say • Do it consistently • Solve my problems • Access • Personal contact 	<ul style="list-style-type: none"> • Shared value exchange • Understand strategy • Contact at all levels across all functions • Right first time every time 	<ul style="list-style-type: none"> • Trust • Communication • Co-working • Shared strategy/Vision • Acting with integrity • SBUs • Intertwined proposition

Source: SCS 2009.

Table 2: Key differences between the B2C and B2B CE (Bernd H Schmitt, Wiley 2003¹)

B2B	B2C
Acting on behalf of the business to meet a business goal, need or objective.	Acting to meet personal needs.
Business customer, buying is a job. They are unlikely to use the product.	Can be affected – consciously or unconsciously by product design, branding, advertising and so on within a lifestyle context. Go to the stores and may make a rational, impulse or just window shop.
Can they use the product to produce other value added and whether they can run a successful business?	Make rational decisions about a purchase at times, but are just as likely to be motivated by emotion, intuition and impulse.

words, even within the B2B experience it is worth considering the impact that changes to the product or proposition may have on the (end) B2C experience.

Shaw in his book *Revolutionise your customer experience*² points to four levels of potential experience an organisation can achieve:

- Naïve
- Transactional
- Enlightened
- Natural

He goes onto explain how these four levels revolve around:

- People
- Strategy
- Systems
- Measurement
- Channel approach
- Expectations
- Marketing and brand
- Process
- Culture and leadership

These are broken out to identify what needs to be in place to achieve the various stages on the way a natural customer experience (the stage and traits are found in Appendix A).

This appears logical and eminently sensible; however, the expectations the organisation creates may be considered a manifestation of the other elements on Shaw lists.

Schmitt advocates the identification of the touchpoints where customers come into contact with the organisation, brand, service and/or product, followed by developing the typical journey a customer makes when interacting with the organisation.

Although this may work for one-off transactions or complete transactions, it starts to appear flawed when the principle is applied to regular relationships that may resemble more a 'pinball machine' than journey. However, certain contact patterns should be regular and can be mapped. Unfortunately, within a B2B relationship, complexity and the constant ability of the customer to detour – to move away from the official journey – makes it extremely difficult to map.

Smith and Wheeler explore where the key points of influence (POI) and moment of truth (MOT) exist for the customer within the interactions they have with the organisation, brand, service and/or brand.

They offer a more manageable approach to the B2B environment, and enable the application of a managed approach to the experience. The organisation can identify areas where competitive advantage can be developed through specific POI/MOT. Unfortunately, the literature falls short in identifying what is important to B2B customers, and the varying levels of experience development.

The literature review is extended here in order to try and find links between certain experiences and their importance within the B2B customer experience.

Table 3: Time, style and flexibility

Time	Interface exchanges and interactions, by their very nature, extend over time. This raises the issue of how the customer contact should be phased over time.
Style	Refers to the manner of expressing the essence and flexibility of the interface and tangibles associated with it. Often the interface is unbalanced: too much style (hype/fake friendliness), too little sales substance.
Essence and flexibility	To structure the customer interface the essence has to be determined (key operations, interactions and exchanges) Flexibility is also essential to turn the sales space into a living space.

Source: Schmitt, Wiley 2003.

Table 4: Dimensions of customer experience

	<i>Mapping area</i>	<i>Detail</i>
Customer satisfaction	Reliability	Ability to perform the promised service dependably and accurately.
	Tangibles	Physical facilities, equipment and appearances of personal.
	Empathy	Caring, individualise attention the organisation provides its customers.
	Responsiveness	Willingness to help customers and provide prompt service.
Product quality	Grade	Refers to the image, design or quality of attributes or features, and the care with which the product or service is made or performed.
	Fitness for use	Refers to clients' needs or requirements for performance.
	Conformance to specifications	Refers to required standards and specifications.
Cost	Price	Has to do with the quoted price of the product or service, what the customer is expected to pay.

Source: Smith and Wheeler, 2002³.

Schmitt points to three factors within the experience: time, style and flexibility. He defines these as shown in Table 3.

Smith and Wheeler describe the dimensions of customer experience they use for mapping the CE. These have been developed from focus groups and analysis, and are also identified by Texas A&M University. These factors also resonate within the B2B environment and are worth considering, as well as the mapping areas (Table 4).

These provide a useful cross-reference or start point to interrogate the B2B customer experience research.

Research

It is also clear that limited robust research exists in respect of the B2B CE. This paper looks at research that directly addresses the B2B experience and

indirectly to pull out the key findings and common themes.

Common across the research is the theme of trust as one of the key foundations of a B2B CE. Within the VOs researched, four pillars were identified that were core to their CM, offering them bonded/intimate relationship opportunities with their customers. These formed around trust, integrity, interdependence and communication. The research conducted by Henley Business School (Lemke *et al*⁵) highlighted both the depth (level) and breadth (key areas for each level) of the experience

The research provides indicative insight into the B2B CE, operating on a number of levels against key characteristics at each level. It points to the achievement of a bonded/intimate relationship revolving around four key elements. However, to get

Figure 3: Value creation as organisational glue.

to this level of relationship, a number of key elements of the experience have to be operating on a consistent basis that meets the expectations the organisation is creating. Further research is required in this area to establish the relative importance of each element to the movement between levels.

Research into B2B VOs (Hollyoake⁴) highlighted the following key findings that can be drawn upon to inform the B2B customer experience. One key element is that of interdependence and value-exchange within the experience (Figure 3).

In their report (Lemke *et al*⁵), uncovered experience factors that were found to be statistically sound. They used individual interviews across 20 respondents. 'Important Factors' had to fulfil two key criteria: (1) the factor had to be mentioned by at least 25 per cent of respondents (that is ≥ 5), and (2) the factor had to have the power to differentiate between the three 'experience groups' – good experience, average experience and poor experience.

Taking both, the frequency count and the weighted variability index, as a basis, the important CE factors in the B2B context are as follows (in alphabetical order):

1. Extent of personal contact
2. Flexibility
3. Implicit understanding of customer needs

4. Knowledge
5. Pro-activity in checking that everything is OK
6. Pro-activity in eliciting customer's objectives
7. Promise fulfilment
8. Value for time

The authors go onto provide explanations based on those given by the respondents, and the meaning of the factors is discussed. The definitions are grounded in original quotes, with each factor offering two extreme views (these are outlined within Appendix B).

This starts to highlight the areas of importance within the B2B experience, based on experience-orientated research. The B2C model developed from the total research project into mainly B2C, with input from B2B forms Appendix C. Although insightful, it uses only a limited research base of 20 respondents; nonetheless, it does start to inform the B2B experience from a researched perspective.

They also highlight (Figure 4) central elements to the customer experience along four dimensions:

- Personalisation
- Customisation

Figure 4: B2B & B2C importance by key element.

- Choice
- Consistency

Personalisation emerges as the lead area, followed by customisation. This points to a requirement for a more bespoke, individual experience as opposed to a mass market one-size-fits-all approach.

Ease of Doing Business

In this paper,⁶ the use of 'ease of doing business' is explored as a measure of the supplier-buyer relationship within the supply chain. It aims to establish the underlying factors of what 'ease of doing business' actually means within the supplier-customer interface. This may have potential implications for the B2B customer experience as a construct of the B2B CE.

The research paper approaches the subject from a customer service/customer satisfaction perspective aiming to develop Ease of Doing Business (EODB) as measure of the supplier-customer relationship.

The research used 372 responses, with over 60 per cent having had over 10 years experience in professional procurement positions.

Table 5: Core determinants of EODB

Informational and material services	On time deliveries Inside sales representatives Quote quality and turnaround Resolution of pricing and negotiation issues Inventory availability
Financial contract services	Contract turnaround time Contract negotiation Resolution of non-conforming material Return material authorisation issues Credit terms and credit limits
Personal contact services	Technical support personal availability Customised operations Outside sales representative availability Web enabled e-services Responsiveness Order follow-up

EODB has three core determinants:

1. Informational and material services
2. Financial contract services
3. Personal relations services

These were further expanded to include additional elements within each of the determinants (Table 5).

A correlation was run between EODB and percentage volume purchased and years

TWO CUSTOMER GROUPS :- Customers ~ Suppliers

Figure 5: EODB extension to include two groups; customers & suppliers

in the relationship. This supported evidence that a relationship existed between EODB and percentage volume purchased.

More unexpectedly, no correlation could be established between years in a relationship and the percentage business carried by that supplier. The length of time in a business relationship does not appear to carry the same significance or value as good business performance: *You are only as good as your last order fulfilment.*

The areas that linked strongly to EODB were negotiating contracts, technical support provision and customisation. In addition to these, the following were also seen as significant: contact availability, responsiveness, follow-up and coordination.

SCS took the findings from the research, and extended them to embrace both supplier and customer groups (Figure 5), as the factors are applicable for both relationships.

This starts to highlight and validate the key components of EODB that have resonance within the B2B experience context. It also provides focus on the elements needed in

order to maintain business on the supplier or customer interface.

The B2B buying process for services is the focus for this paper⁷, which starts by determining level of importance within the B2B relationship. This in turn is premised on understanding where the service stands on the customer's priority list: strategic long-term alliance or purely transactional one-off relationship.

It highlights the following as important within the development of a positive B2B relationship:

- Problem resolution
- Process flexibility and adaptation
- Needs assessment
- Pro-active communication
- Defining customer wants
- Adaptability and willingness to change
- Needs-related solutions

It further underscores the move towards customer needs-based solutions, with correctly aligned commercial processes. It is

clear that some/all of these factors have relevance within the B2B experience.

The emotional and rational elements of the B2B experience are raised⁸ as they become increasingly important. Emotional motivation plays a key role across all industries, including manufacturing. It is often overlooked within the B2B environment as hard business processes and metrics tend to dominate.

The B2B E covers all the channels and often involves numerous players across the organisation; their needs will not be identical to those of the organisation, and therefore they seek a slightly different experience.⁹ The marketing manager may look on the suppliers' website for product specifications, brand logos, pantone references and so on. The procurement manager may look for order specification, delivery schedules and so on. At present the web only meets 41 per cent of customers/buyers needs. (Forester research 'trends 2007' e commerce in customer service).

Samrasinghe¹⁰ within his research into the e-channel experience identified both a hierarchy of experience levels and key characteristics for each level. He uncovered the following in order of importance:

- Trust
- Experience/proposition matches expectations
- Integrity
- Customisation
- Ease of doing business
- Time Saving

Beaton (1995)¹⁸ stated that customer's commitment was pivotal in any relationship, developing through three phases.

Commitment = Courtship + bonding
+forsaking others

Within the research outlined above, this paper has looked for linkage between the elements that make up the B2B CE and the

level of experience they generate. It is already clear that the common theme of trust emerges as central to the development of intimate/bonded customers through the experience they receive. Precisely what is meant by 'Trust' in a CE context is developed below.

The meaning of Trust

Definition

A Psychological state confirming the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another. (Rousseau *et al* 1998)¹⁹

A willingness to be vulnerable under conditions of risk and interdependence.

SCS has developed a number of conceptual equations that are believed to lead to the development of a bonded customer relationship. These bring in the other elements of interdependence, integrity and communication.

The SCS equations of customer experience

Intimate/Bonded relationships

- (a) Credibility + reliability + intimacy/
customer/consumer orientation =
Trust factor
- (b) Time (as a customer) + interdependence +
integrity + communication/trust
factor = Bonding factor
- (c) Memories + emotions + motivation +
experience = Propensity to bond.

SCS has researched the various comparisons of trustworthiness and mechanisms of trust to highlight where the key traits come together to develop an enhanced B2B CE.

Table 6 shows that as the relationship (dependence/interdependence) increases the type of trust evolves, and with it greater understanding. This manifests itself in the development of bonding/advocacy.

Table 6: The grammars of trust: A model and general implications and the customer value chain

<i>Form of dependence</i>	<i>Shallow dependence</i>	<i>Shallow interdependence</i>	<i>Deep dependence</i>	<i>Deep Interdependence</i>
Risks	Indiscretion Unreliability	Poor coordination	Cheating Abuse Neglect Self-esteem	Misanticipation
Qualities of trustworthiness	Discretion Reliability Competence	Predictability Consistency	Integrity Concern Benevolence	Foresight Intuition Empathy
Mechanisms of trust	Deterrence	Discovery	Obligation	Internalisation
Relational mechanisms	Fate control	Contiguity	Network	Shared meaning, values, products, goals
Institutional mechanisms	Historical records Enforcement	Communication and information systems	Quadratic control Socialisation Selection	Strategic alignment Common membership Discourse
Customer value chain	Awareness and identity	Relationship	Community	Advocacy bonding
Type of trust	Calculus-based trust	Knowledge-based trust	Identification-based trust	

So if the experience continues to meet/exceed expectations, greater interdependence emerges, and both sides trust each other – they become bonded and advocates.

Factors that can influence

- Positive expectations of the intentions
- The delivery of the intentions
- Behaviours of others

Within Appendix D, the different models of trust evaluated for this paper are listed out.

These traits form the backbone of the SCS 'CxP Model'. From 'meeting the market' all the way through to 'bonding', the models indicate the traits/type of expectation and experience that must be developed to achieve a point on the CE ladder and bonded relationships.

These charts highlight how the different theories (Lewick & Bunker, Sheppard and Sherman & Mayer, Davis and Shooman) (Figure 6) come together at different levels, and the key characteristics of each level.

This correlates and links with creating trust model (p. 24).

A few relationships (customers) will develop a close identification with the organisation and deep interdependence. It is important to make sure that they are the right customers and drive value. Integrity appears to be the key driver for trustworthiness.

This needs to be considered within the experience, if a trust-based bonded relationship is to develop.

At the bottom end, some B2B experiences will be based purely on the organisation's ability to deliver against basic expectations. As long as the costs of failure to them outweigh the benefits of fulfilment, they will remain engaged.

It is apparent that there is linkage between the findings and research from customer intimacy and other theories on the role of trust within the customer experience. This is further supported when bringing together a combination of research from CRM and CM, and needs hierarchy (Figure 7).

Mapping and linking three key theories

Figure 6: Mapping and linking the key theories, highlighting the three levels.

Figure 7: Pyramid of trust.

This highlights that customer experience alone is not sufficient to develop a bonded trust-based relationship: it is one among a number of factors. However, it does support the experience operating on a

number of levels against key experience events (Table 7).

Within the B2B experience at level two, research¹¹ points to a number of factors being evident, if the customer

Table 7: Key experience events by level

Level	HMC	VOS	SCS	EODB
On the playing field	Personalisation Customisation Choice Consistency	Problem resolution Proposal development Needs understanding Needs development Needs refinement Personalisation	Understand Needs Do what you say Do it consistently Solve my problems Access Personal contact	On time deliveries Inside sales representatives Quote quality and turnaround Resolution of pricing and negotiation issues Inventory availability Contract turnaround time Contract negotiation Resolution of non-conforming material Return material authorisation issues Credit terms and credit limits Technical support personal availability Customised operations Outside sales representative availability Web enabled e-services Responsiveness Order follow up
Enhanced	1. Extent of personal contact 2. Flexibility 3. Implicit understanding of customer needs 4. Knowledge 5. Pro-activity in checking that everything is OK 6. Pro-activity in eliciting customer's objectives 7. Promise fulfilment	Needs confirmation Expectations Relationship Parameters Flexibility Reliability Access Knowledge Competency Access to specialists Value equation Value co-creation	Shared value exchange Understand strategy Contact at all levels across all functions Right first time every time. SBUs	
Bonded/Intimate	Trust	Trust Interdependence Integrity Communication	Trust Communication Co-working Shared strategy/Vision Acting with integrity Intertwined proposition	

Table 8: Pillars of customer intimacy

<i>Integrity</i>	<i>Trust</i>	<i>Interdependence</i>	<i>Communication</i>
The honesty, understanding and values within the relationship. <i>You treat me with a degree of fairness, honesty and respect, that is difficult to find elsewhere.</i>	Reliability, meeting expectation and responsibility. <i>I believe you place my best interests and my satisfaction ahead of the sale. You will tell me the truth because you would expect me to do the same for you.</i>	Reliance of both the organisation/brand/service and customer on each other within the relationship. <i>You make me feel part of the team and value the part I play.</i>	Open access, when and however the need to share something arises. <i>If you continue to treat and deal with me as an individual, I will continue to prefer you as my company of choice.</i>

Source: Hollyoake, 2002.

experience is moving towards and/or bonded state.

A common understanding exists of how the business works – development of a common context and understanding among the contacts on both sides. Key indicators are shared language and goals within a B2B bonded experience. This relates to the importance of building a shared view of how work gets done, how it is measured, and ultimately how and where the rewards flow.

Trust-building behaviours are demonstrated within the experience. This can be identified through both sides being open and receptive, yet displaying high levels of discretion – employing active listening skills and encouraging open discussion in an environment where the issues will not be improperly disclosed or discussed.

People in both organisations working together (joint working) through frequent interactions, may not build trust, but joint working can open conversations that signal an individual's readiness and approach to pursue. Thought therefore needs to be given to how both physical and virtual places can be developed where people can interact with one and another.

SCS research has highlighted that bonded customer relationships and *trust* are intrinsically linked. Furthermore, we have identified another three factors that

contribute to the development of bonded customer relationships (Table 8):

- Integrity
- Interdependence
- Communication

CXP B2B MODEL

We have brought together our own findings, insights from literature and research to develop and form the CxP B2B model (Figure 8). This continues to evolve as we research the B2B customer experience, and apply the practical insights emanating from our work within this area.

The model is dynamic in nature, and can flex to reflect the changing nature and importance of the elements at each level.

CONCLUSION AND SUMMARY

The different strands that go to make up this paper all tend to pull in the same direction.

From the experience strand, it was found that within the B2B relationship expectations exist around a product, organisation and brand: organisations must understand and deliver against those needs.

Improvements within CM and CRM have seen the start of a segmented approach to customers, and attempts at a segmented experience. Even small customers offer a multiplicity of contacts and good

Figure 8: CxP-B2B model of customer experience.

communication, and consistent value-adding contact comes out as consistently important.

An area that emerges within the B2B relationship and its impact upon the experience is joint working and co-creation.

The experience is further enhanced through a formalised strategic management of the relationship through a strategic business unit or similar arrangement.

Above all, it is the continual contact across multi-level, multi-functions and joint working/co-creation that differentiates the B2B experience from the B2C.

It is not so much the relationship or the way customers are managed that differentiates, as this has become broadly similar. It is the experience developed through the relationship that makes the big difference.

The literature review points to the existence of similarities within the areas of expectation, creation and delivery through experience at the core of customer experience management. The ability to differentiate through expectations and

experience management also hold significance for the B2B sector.

Within the B2B sector, professionals are often the key experience interface. They may develop a far more rational and detached approach to the delivery of expectations through the experience.

A key difference emerging as a driver behind B2B performance is that buyers may not actually use the product, but will be focused on creating downstream value: they are looking for support and risk reduction.

All the writers point towards a layered experience, with some areas having greater importance and significance than others. This also holds true with the B2B sector, with suppliers differentiating themselves through the level of experience they deliver.

Finally, the research, although limited in nature, allows the extraction of meaningful insights for the B2B CE.

The common denominator across the research points to trust as being pivotal

Figure 9: The four pillars of a 'Bonded' B2B CE.

to the B2B experience. This is supported through other key characteristics of integrity, communication and interdependence, as indicated in Figure 9.

Indicative insight points to the experience operating on a number of levels against key factors at each level. These factors differ from the B2C experience, as they reflect the more professional and rational nature of the B2B experience.

Across all of the research reviewed, a layered approach to the B2BE is evident. The involvement of professionals, rational and detached nature to expectation management and experience also come through in terms of the key factors at each level.

However, before embarking on the pursuit of a bonded experience with every customer, it is important to understand your importance within the overall B2B relationship. The pursuit of this level or experience places value into the experience

that is difficult to realise with the level of value you gain. In essence, segment your customers first and be clear where and with whom to develop experience at the appropriate level.

At the base level, it appears that the key drivers revolve around the buyer(s) procurement teams expectations; that you can actually undertake business with each other. The experience of doing this will indicate to them whether or not you can fulfil this base level. It is all about reliability, consistency, dependability, problem resolution, appropriate contact, choice and flexibility. Once an organisation has achieved the delivery of a consistent experience meeting the base expectations, we identified key areas that enhance the B2BE. These coalesce around co-creation of value, strategic understanding and contact at all levels across the organisation, working within strategic business units, flexibility and pro-activity.

Finally, the relationship moves into what we refer to as a 'bonded experience'. We

identified that nearly all the research points to trust as being at the centre of the bonded experience. However, we have also identified supplementary areas that support trust at this level to develop a bonded experience, as we believe that trust alone is not sufficient.

DISCLAIMER

Over the last couple of years, John Ozimek has provided occasional advice and support to Springboard Consulting Ltd. This research was carried out on an ad hoc basis, and no commercial ongoing relationship exists between John Ozimek and this organisation.

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APPENDIX A

See Table A1.

Table A1: Four levels of potential organisational experience

<i>Stage</i>	<i>Traits</i>
Naïve	<p>Product focused: Price and features led</p> <p>Reactive to customer demands</p> <p>So product focused they do not measure customer satisfaction</p> <p>Very physically based CE</p> <p>Not focused on employees who are treated poorly and not given any authority to recompense customers</p> <p>Product-siloed organisation</p> <p>Un-coordinated in its approach to customers, who are asked to call on separate numbers for different parts of the organisation</p> <p>Sales, efficiency and productivity driven KPIs</p> <p>Focused on rewarding employees based on sales, productivity and efficiency measures</p> <p>Dictatorial in which channel the customer uses.</p>
Transactional	<p>Physically biased with a few customer KPIs</p> <p>Functionally organised and has recognised the need for customer service</p> <p>Provides '800' free phone numbers for customer contact, but has extensive menus to screen calls</p> <p>Biased towards customers physical expectations</p> <p>Senior managers spend little time with customers</p> <p>Does not have a complete customer systems view</p> <p>Has no defined customer experience</p> <p>Recruits people with right attitude, rather than just skills</p> <p>Focuses training on how to deal with difficult customers</p> <p>Gives employees some limited authority</p>
Enlightened	<p>Have defined their customer experience</p> <p>Focus on stimulating planned emotions and build these into the design of their customer experience</p> <p>Recognise customers have emotional expectations and plan how to meet and exceed these</p> <p>Have started to align the employee experience and the customer experience</p> <p>Employ people with emotional capabilities</p> <p>Look at end to end customer experience</p> <p>Have appointed a VP of customer experience or established a customer experience council</p> <p>Involve customers in the design of their processes</p> <p>Integrate systems to achieve a 'a complete view of the customer'</p> <p>Use CE measures, which account for a large part of people's bonuses.</p>
Natural	<p>A complete focus on the customer</p> <p>Focused on the customer experience that it is in the organisation's DNA</p> <p>A deliberate CE and a clearly defined CE statement</p> <p>Systems build to improve CE</p> <p>Culture that is designed and aligned to CE</p> <p>Focused upon depth of emotion</p> <p>Consciously used sense to provide a captivating experience</p> <p>Recruited people who are good at acting</p> <p>An integrated approach to the customer</p> <p>Understood customer sensory expectations</p>

APPENDIX B

See Table B1.

Table B1: What makes a great customer experience

Factor	Explanation	Exceeds expectations	Falls short of expectations
Extent of personal contact	The extent of personal contact ranges from 'personal' to 'impersonal'. The factor is defined as 'The extent to which the company deals with the customer through personal contact methods. Some companies deal with the customer via personal contact methods, for example, Face-to-Face (personal). By contrast, the customer has no personal contact with the company, for example, Web-based or based on standardised paperwork (impersonal)	Personal The head of an IT department emphasised: These two suppliers are similar, because with these two I would have more a feeling of personal contact through a sales person. It might be phone contact or through email, but I'm actually talking to a person. It could even be a face-to-face contact.	Impersonal The third supplier is different in that I am dealing with a website. The typical responses start with 'Dear Customer'. This is less personal. I get the information, but I don't have something like a client-managed feel about it.
		Flexible A programme manager in marketing explains: I think it comes down to flexibility ... I think these two businesses – these two suppliers – have proven to be flexible, in terms of the services they offer, when they are available, in meeting my business needs and so forth. They are similar in this respect.	Inflexible Whereas with this large organisation (names company), you tend to have to fit in with them. For instance, if you want ad-hoc consultancy services at short notice, it will happen with the first two organisations. Whereas these people, (respondent points to large organisation) it is a very rigorous process you've got to go through in order to secure the services. Besides, you have to pay for it at standard rates. You've got to fit into their processes, their financial controls. This isn't always good when you just want to get something done very very quickly.
Flexibility	The willingness and ability to modify the offering in response to the customer's specific needs or changing requirements. Some companies are willing and able to modify the offering (flexible), while others stick to a standardised approach and are unwilling to flex existing agreements (inflexible).

Table B1: Continued

<i>Factor</i>	<i>Explanation</i>	<i>Exceeds expectations</i>	<i>Falls short of expectations</i>
Implicit understanding of customer needs	The extent to which the supplier implicitly understands the needs of the customer in terms of the nature of the business, the context within which the product or service is being delivered and the specific requirements of the customer through the application of existing knowledge held within the supplier. Some companies have a deep understanding of customer needs based on prior knowledge (deep understanding), while for other companies, the customer has to explain the nature of the business, the context and the requirements (poor understanding).	<p>Deep understanding of customer needs</p> <p>A senior marketing manager described this point as follows: <i>These two suppliers are similar, because they have an interest and an understanding for the area in which I work. So that would be in the sense that when you explain a project, you don't have to explain the context.</i></p>	<p>Understanding of customer needs</p> <p><i>The context is understood and therefore, their offer is more in tune with your needs as a result. And the opposite to that is if you have to explain the context and you're not quite sure if they understand it or not. There is no confidence that they either want to or do understand your context for the service.</i></p>
Knowledge	The extent to which a company possesses the knowledge/expertise to add value to the customer. Some companies possess knowledge/expertise and thereby add value to the customer (possess knowledge which can be applied to add value), while others do not possess knowledge/expertise to add value (do not possess knowledge).	<p>Possess knowledge which can be applied to add value</p> <p>A marketing manager in E-Commerce emphasised: <i>Some suppliers have a lot of industry experience. It's a difference working with suppliers that have a wider knowledge of the industry. They'll typically come with more ideas that are suitable. So, they have suggestions that supplement the things that we do or they have ideas about things that we could try. And also the work that they'll do it probably more appropriate and not so many changes need to be made.</i></p>	<p>Do not possess knowledge</p> <p><i>Others suppliers are lacking in that knowledge.</i></p>
Pro-activity in checking that everything is OK	The extent to which the company proactively checks that everything is OK. Some companies are proactive in checking that everything is OK (proactively checking that everything is OK), while others assume that everything is OK (assuming that everything is OK).	<p>Proactively checking that everything is OK</p> <p>A quality manager highlights: <i>These suppliers have representatives. The other suppliers will come in and see us on a fairly regular basis. So we have a regular contact – they come to check that everything is OK. They typically ask whether everything is OK.</i></p>	<p>Assuming that everything is OK</p> <p><i>This supplier 'is no contact at all', I mean, the first supplier has a rep. but we don't see him at all. The supplier just assumes that everything is OK.</i></p>

Table B1: Continued

Factor	Explanation	Exceeds expectations		Falls short of expectations	
		Proactive in eliciting customer's objectives		No attempt to elicit customer's objectives	
Pro-activity in eliciting customer's objectives	The extent to which the company actively seeks to elicit the objectives the customer has in purchasing the product or service. Some companies are proactive in achieving this (proactive), while others make no attempt to understand the customer's objectives (no attempt).	<p>A group product manager in the marketing department made the following comment: They (suppliers) ask me what I want – what I try to achieve. They ask me about my objectives. They don't say 'look this is what we have'; they try to find out what I would like to achieve and what my objectives are. And even if I say 'I would like to do X', they probably say 'I understand you want to do X, but just explain to me a little bit why you want to do X, so that I understand your motivations better'. Because even if I think I know what I want, it is helpful when they ask me some questions to understand my objectives, so that I can understand them better myself.</p>			
Promise fulfillment	The extent to which the company keeps promises they have made to the customer. Some companies always keep promises they have made (keep promises), while others fail to keep their promises (do not keep promises).	<p>Keep promises</p> <p>We have also good examples, of course. We also have suppliers that do what they say and they are true to their word.</p>		<p>Do not keep promises</p> <p>A marketing manager and PA for CEO in marketing points out: These suppliers keep their promise – not all suppliers do that. Maybe they don't send their confirmation in time or not at all. Sometimes they are awkward with the price and charge something different to what has been agreed. Or they don't do the job and when I ring them to ask for the reason they say 'ouhhhh, we had sickness in the company' or 'we sent it to China instead of Germany' or whatever. They come up with all sorts of excuses.</p>	

APPENDIX C

See Figure C1.

Figure C1: Clarke, Lemke; Model of customer experience.

APPENDIX D

MODELS OF TRUST USED WITHIN THE EVALUATION OF THIS PAPER

Calculus-based trust

Based upon a calculation that an individual will achieve what they say they can do, as the costs of failure to them outweigh the benefits of completion, and therefore acts as a deterrent.

Central to this view is *control*, where the individual's actions are controlled via monitoring and the knowledge that the trustor will withdraw from future exchanges should their trust be violated.

Knowledge-based trust

Relies on information to generate predictability in the likely behaviour and

actions of another. Central to this view is time, as knowledge-based trust requires interaction and communication to allow a degree of certainty in expectations to develop.

Identification-based trust

Based on clear identification with the desires, intentions, values of another to the extent that it is possible to act for, think and feel like the other party. Where this takes place, Lewicki and Bunker (1996)²⁰ suggest that 'second order learning' begins to take place. An understanding of what must be done to maintain the other party's trust is developed and behaviour adjusted accordingly.

Identification-based trust does not operate in isolation from calculus- and knowledge-based

trust. The processes relevant to these forms of trust help to contribute towards the creation of identification-based trust. Such processes are also supported by four additional types of activities:

- Developing a collective identity
- Co-location in the same property
- Creating joint products or goals
- Committing to commonly shared values

Competence- and benevolence-based trust (Figure D1)

Benevolence-based: An individual will not intentionally harm another when given the opportunity to do so.

Competence-based: A relationship in which an individual believes that another person is knowledgeable about a given subject area.

See Figures D1 and D2.

Figure D1: Competence and benevolence and their role in trust development.
Source: IBM – TRUST IS CRITICAL

Trust & Mistrust Table construct

100% Mistrust	Mistrust	Mistrust	Mistrust	NEED
			Identification based trust	
		Knowledge based trust	Knowledge based trust	
	Calculus based trust	Calculus based trust	Calculus based trust	
TIME				

Figure D2: Time/need and their role in the reduction of mistrust.