

Customer Loyalty in the Oilfield: Experience



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Gelb
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Customer Loyalty in the Oilfield Experience

Overview

To build and maintain customer loyalty, it is necessary to maintain high service standards and consistently provide customers with an exceptional experience. To increase customer volume, you need customers who become advocates because they are enthusiastic about their exceptional experience. This paper discusses consistent experience in the oilfield industry and how you can utilize consistent experience ratings to build and maintain your brand equity.

Why Consistent Experience Matters

Consistent experience can be explained as how well your brand delivers on its promises. Every time customers do service with you, they interact with brand “touchpoints.” A touchpoint is the interaction between an organization and its customers; this is how customers recognize the promise of your organizations’ brand. Like a door enables one to access a room or a building, a touchpoint enables customers to access an organization.

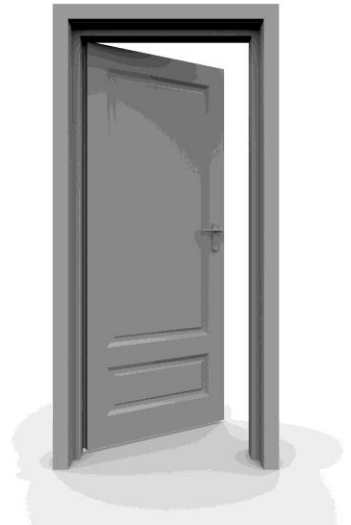
Touchpoints include:

- Human interactions – sales team, account managers, call centers
- Written communications – billing statements, letters
- Physical and digital environments – facilities, websites

Customer satisfaction results from the total customer experience:

- Customers’ expectations and attitudes about your brand
- How well you deliver on your promise
- Their prior experiences with your organization and competitors
- Influences from other sources

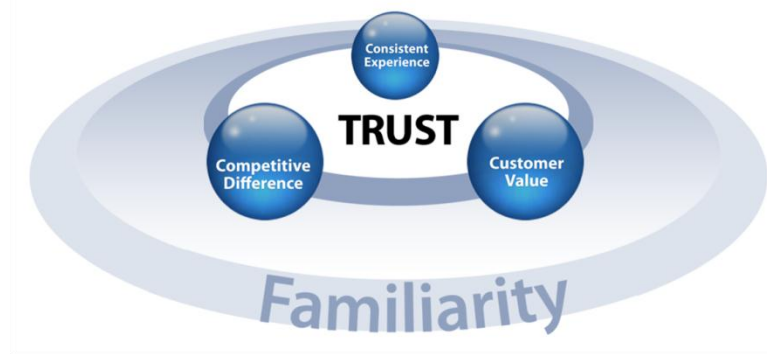
Often times, customer loyalty is more a result of how customers feel about the overall experience they receive from you than what they rationally think about your individual products and services. For this reason, consistent experience plays an important role in building brand equity.



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Building Brand Equity

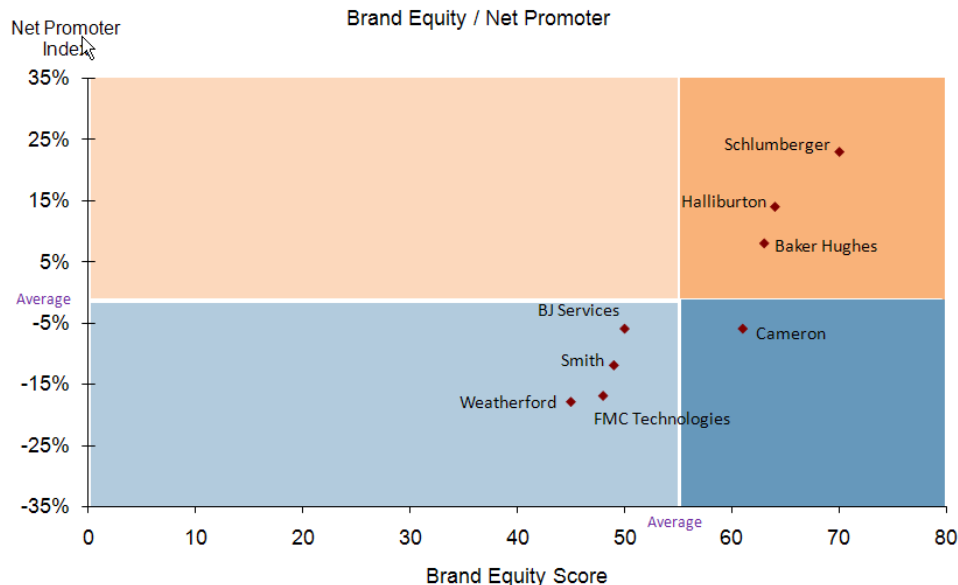
In our Gulf Research studies we measure the brand equity of oilfield industry leaders.



- **Familiarity** is defined as the awareness and knowledge targeted buyers have with your brand; it is based on experience with your brand
- **Customer value** is how options are evaluated and decisions are made; it drives your pricing structures
- **Competitive difference** is how brands are distinguished; it drives your reputation
- **Consistent experience** is how well your brand delivers on its promises; it drives your customer satisfaction

In our Gulf Research oilfield brand equity studies, we have consistently found that brands with the highest brand equity scores, calculated according to our proprietary brand trust model, also have higher customer loyalty scores.

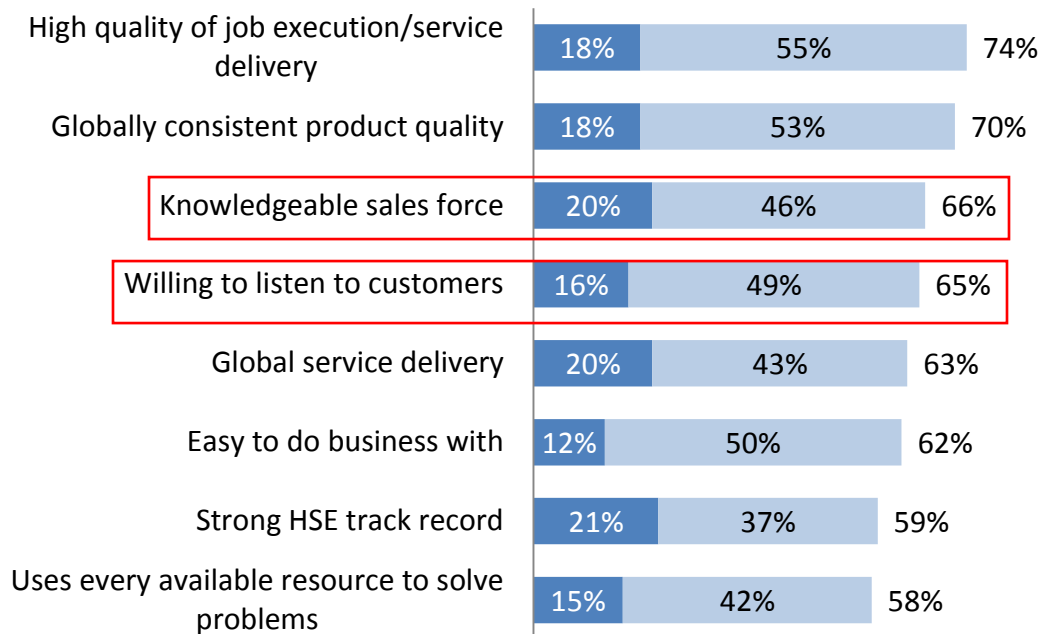
In this example, the Net Promoter Score is the result of subtracting those who will recommend you to others from those who chose not to (detractors). This chart highlights a positive relationship between customer trust and brand equity scores. Those organizations with the highest brand equity scores also have the largest numbers of customer advocates.



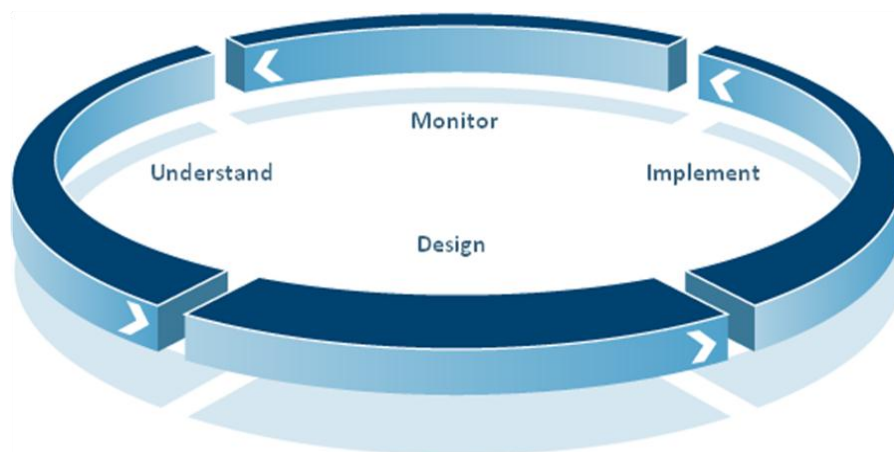
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Measuring Consistent Experience

The chart below indicates variables that are used to measure consistent experience in our Gulf Research oilfield surveys. Although all of the variables are important, we have found that having a “knowledgeable sales force” and “willingness to listen to customers” is what distinguishes brand equity leaders.



Measuring customer experience is the first step in understanding your customers’ experiences. If you determine that your customers are having unsatisfactory experiences, additional research may be required to clarify which touchpoints need the most improvement. After understanding the experiences that customers have with your organization, you can begin to design, implement, and monitor experiences.

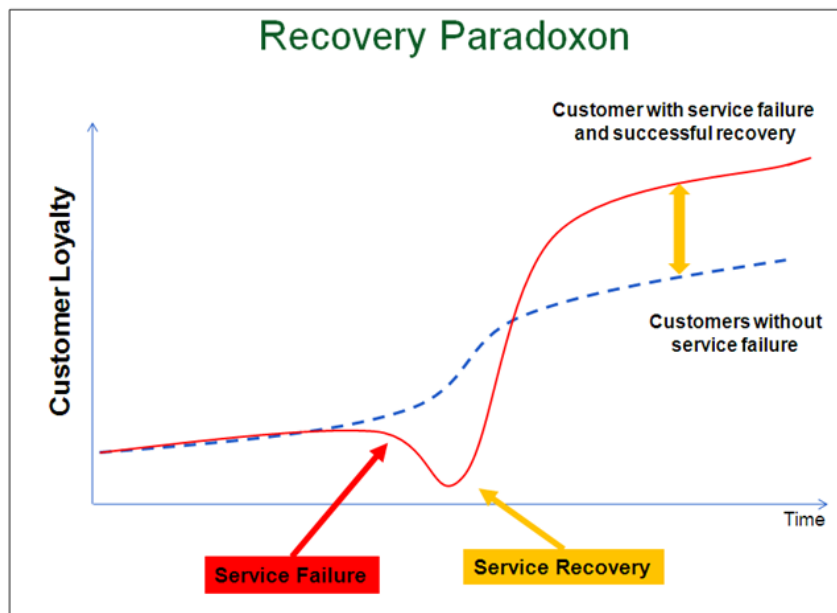


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Designing the ideal customer experience enables you to create an action plan for each touchpoint. With your leadership team, you determine the ideal experience you want every customer to have when they interact with your company. For example, if your customers are not feeling listened to, you may develop tactics to ensure each experience steward (i.e. sales team, call center, technical experts) is trained in customer relations and listening.

Once you develop and implement the ideal service standards, it is important to ensure they are being adhered to effectively. One way we continually measure consistent experience is through dashboards. Dashboards allow customers to provide feedback as a part of their experience; results are then tabulated in Gelb's system in real-time. As soon as results are entered, they are tabulated and "at-risk" responses are escalated immediately via e-mail.

As shown in the chart below, a good recovery can turn angry and frustrated customers into loyal customers; for this reason, dashboards are particularly effective for increasing your consistent experience ratings.



Bernhard Schindlholzer, The Customer Experience Labs, based on research in

Taking Action

Armed with the insights for your specific brand, you can better organize your brand strategy to improve customer loyalty. Experience measures translate into strategic guidance from market segmentation to brand promise development.

As shown in our Gulf Research studies, there are few companies who can claim to have top scores in each of the brand equity measures. Measuring your brand equity will give you insight to strong areas and areas for improvement.

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Metric	Company Index	Average of 8 Brands
Familiarity	89	93
Price Premium Index	35	35
Reputation	61	73
Satisfaction	72	73
Brand Equity Score	50	56

Managing the Customer Experience

Trusted brands in the oilfield provide exceptional customer experiences consistently. This improves their brand equity score and ultimately increases volume and allows them to charge premium prices for their products and services. To build your brand from a customer experience perspective, it is crucial to set service standards and ensure brand touchpoints deliver the promise offered by your brand.

Gelb uses Experience Mapping to help our clients develop an in-depth understanding of customers’ functional and emotional needs. Experience Mapping is an in-depth qualitative research technique that utilizes a visual cue (the experience map) to help customers recall specific events within their experience.

The experience map reviews the total experience including expectations prior to the first encounter with the organization, multiple activities, multiple touchpoints (e.g., materials, conversations, website), and recognizes changes in attitudes, if any, through each stage of the customer experience.

For analysis, the experience map provides a way to conduct meaningful interviews with respondents at key steps in their journey with their team to understand roles and needs and with a variety of episodes to build a composite view of the customer experience.

The experience map provides a framework for action. Each step has assigned experience stewards (e.g., DM, SSM, Engineering, Drafting, Manufacturing, Business office) who are responsible for delivery. Every steward can appreciate the relationship of their actions to the remainder of the customer journey because they see it holistically. And interactions or “touchpoints” are categorized at each step.

Based on the creation of an ideal experience, your teams will identify resource requirements for changes in how the experience is delivered through touchpoints. As authors of the process, employees will demonstrate a higher level of commitment to affect change. This culminates in the creation of an ideal experience map which provides a common orientation for global organizations. Each local area can specify the actions they will take.

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About Endeavor

Endeavor Management, is an international management consulting firm that collaboratively works with their clients to achieve greater value from their transformational business initiatives. Endeavor serves as a catalyst by providing pragmatic methodologies and industry expertise in Transformational Strategies, Operational Excellence, Organizational Effectiveness, and Transformational Leadership.

Our clients include those responsible for:

- Business Strategy
- Marketing and Brand Strategy
- Operations
- Technology Deployment
- Strategic Human Capital
- Corporate Finance

The firm's 40 year heritage has produced a substantial portfolio of proven methodologies, deep operational insight and broad industry experience. This experience enables our team to quickly understand the dynamics of client companies and markets. Endeavor's clients span the globe and are typically leaders in their industry.

Gelb Consulting Group, a wholly owned subsidiary, monitors organizational performance and designs winning marketing strategies. Gelb helps organizations focus their marketing initiatives by fully understanding customer needs through proven strategic frameworks to guide marketing strategies, build trusted brands, deliver exceptional experiences and launch new products.

Our websites:

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