

Driving Digitalization with DAT iQ Building better CX with data

Unlocking customer loyalty with analytics

Today's customers are more connected and discerning than ever before — and they're quick to pump the brakes on contracts and purchases when brands can't keep up. Luckily, the tools that keep internal operations on track can also help these businesses keep customers informed and satisfied.

One-third of consumers will abandon a brand after just one bad experience.

<u>PWC</u>

Businesses that deliver exceptional experiences can increase overall sales revenue by as much as 7% and shareholder returns by up to 10%.

McKinsey

More advanced, more demanding

Automation, cloud-based systems, artificial intelligence (AI), the Internet of Things (IoT), edge computing, and other cutting-edge tools have changed business operations over the past five years faster than most people see in a lifetime. This shift in how we interact with technology has spilled over into every part of modern life, from homes and workplaces, to shopping malls, hospitals, museums, and even public spaces like parks.

As a result, customer expectations for brands have shifted. Technological advancements — like real-time tracking, automated reporting, and always-on service — have become the norm. Once viewed as impossibilities, then as "nice-to-haves," these capabilities are now considered among the basic services any business should offer.

Shipping and freight have been slower to adopt the technologies that enable these tools than some other sectors. Put frankly, the technology available 10 (or even five) years ago wasn't advanced enough to connect networks from coast-to-coast and integrate with the tools carriers and consignees were using to boot. Most carriers felt they couldn't justify the costs.

Thanks to emerging connected tools and analytics suites, shippers of all sizes finally have the tools they need to support effective digital supply chain logistics programs. Now, the adverse effects of forgoing these investments — in the form of lost merchandise or customers — outweigh the upfront costs.

What customers want

Although most available data on customer experience (CX) looks at the habits of individual shoppers, B2B businesses can draw parallels between the preferences of consumers and organizational decision-makers. After all, people are still people, and the same issues that frustrate consumers at home can put cross-organizational contracts at risk.

To put the current landscape into perspective, consider a recent consumer study from Marigold which found that — despite claims that today's customers are harder to please — consumers are getting more loyal to their favorite brands. This increased loyalty stems from improvements to:

- The variety of products and services (81%).
- Product availability (80%)
- Product or service quality (77%).
- Customer service experiences (77%).

Faltering in any of these areas can lead to significant consequences for brands. Marigold's research also found that the number of consumers willing to walk away from a favored brand also grew in 2022.

The good news is businesses can win these customers back if they make the right changes. The above study found that 77% of consumers surveyed would switch back to a brand they abandoned given the right incentives.

The elements of exceptional CX

For shippers, delivering those incentives will rely on investments in deep insight that takes the guesswork out of their supply chain logistics, allowing them to build programs that support the pillars of good CX:

Quality

For shippers, keeping quality high means:

1. Ensuring deliveries are on time.

Although carriers are the ones delivering goods, shippers' reputations and revenue are what's <u>ultimately on the line</u> when delays lead to missed pick-ups and out-of-stocks. People cannot buy your product if it's not at the store, and retailers can't sell empty shelves. For those supplying goods directly to users, the brand damage can be just as severe, as delayed supply shipments to hospitals or stadiums may mean losing a large account with just one wrong move.

2. Ensuring inventory is intact.

Traffic, weather events, and equipment failures can damage products, particularly for shippers handling things like food and

other perishables, when an extra day can make all the difference for the end user. Non-perishable shippers aren't in the clear, though, as prolonged exposure to environmental factors like cold or moisture can affect the integrity of various products.

Custom analytics can help sales reps and logistics managers cross-reference information about the impact of weather patterns, equipment maintenance, market rates, and other factors to model more realistic shipping timelines before giving quotes. Furthermore, teams can use this data to develop contingency plans for anything that may arise on the journey.

Transparency

For shippers, customer satisfaction is as much about the journey as it is about the merchandise. Consignees, like individual purchasers, are now invested in the entire process. They want to watch deliveries every step of the way.

The same digital tracking tools that improve shippers' own logistics and planning processes can help them create comprehensive customer dashboards that keep consignees up to date on their orders' progress. This helps empower clients with everything they need to plan for unexpected hiccups in fulfillment and pivot alongside the shipper.

This simple offering can boost satisfaction significantly among customers of all kinds — and that's been true since at least 2018, when 88% of customers shared that they consider real-time tracking crucial to good experiences. Now, it's even more impactful. A 2022 study from Verte found that 91% of consumers actively track their packages with over one-third (36%) saying the check tracking information at least once a day.

Interactive, data-based customer dashboards can do more for shippers than offer tracking, also helping shippers solicit real-time feedback from customers to guide decisions and identify opportunities for improvement. Additionally, giving customers direct access to order details can reduce service demand, freeing up service associates to focus on the most complex customer issues.

Shippers that decide to offer even more insight

— like information about market rates or industry
benchmarks — may even see client trust ratings
rise thanks to the increased transparency.

Service and response

For customers, how a business responds when things go wrong is often more important than whether everything goes right. In fact, the majority of consumers say that a bad customer service interaction has a bigger impact on their view of a company than a delay does.

It's important that shippers pursuing digital transformation make their customer service programs a part of the journey — and that means doing more than developing a tracking portal.

Companies should make data from their digitalized operations available to customer service teams so they are ready and able to help customers when issues inevitably arise. Giving reps access to both market and customer data ensures they have everything they need to understand concerns and find resolutions. Shippers can use enterprise data to build internal service hubs that include:

- Customer records with past interaction logs, insights about current orders, and persona profiles so they can anticipate callers' needs.
- Real-time reporting of weather, traffic, and other factors that may affect customers.
- Historical data related to past issues and how they were resolved so reps are prepared to troubleshoot with customers.

Most importantly, though, shippers should empower service representatives to make decisions based on the data available to them in the namely of timely resolution. This alone can make a big difference in satisfaction as studies show that long hold times and frequent call transfers were among consumers' top contributors to poor service experiences.

Two steps ahead

DAT iQ's <u>full suite of freight market intelligence</u> <u>offerings</u> empowers shippers to take charge of their customer experience programs and meet customers' rising expectations.

Even better, these insights can help shippers develop more transparent, trusting, positive relationships with clients to promote customer longevity, anticipate future needs, and stay two steps ahead of their customers' expectations and the competition.

If you're ready to put dynamic freight market intelligence to use to deliver better CX, contact us today or visit our website.

To learn more about starting your digital transformation journey and building better CX with analytics, connect with one of our experts.

data.dat.com/empower_iq

