

Mastio & Company's

Natural Gas Marketer Customer Value & Loyalty Benchmarking Study

27th Edition 2023

Metrics to Manage the “Customer Experience”



Natural Gas Marketer Customer Experience Study - 2023

OVERVIEW

MASTIO published its 27th Edition Natural Gas Marketer Carrier Customer Value & Loyalty Study in November 2023. This study identifies and quantifies the perceptions and needs of buyers of natural gas. The 2023 study is based on findings from 472 detailed telephone interviews with key decision-makers from major buyers of natural gas throughout the U.S. and Canada. Mastio conducts telephone interviews because it offers several advantages over other methodologies, including control over the sample to ensure that it is representative of the population(s) being studied, higher response rates and, therefore, more accurate results, and the ability to screen for the appropriate decision maker at each location. The opportunity for interviewers to probe for complete and meaningful replies to open-ended questions is another key advantage of a telephone interview.

The 2023 study also includes approximately 2,900 qualitative responses to ten open-ended questions about individual marketers/suppliers. The feedback was collected via telephone interviews with key decision-makers beginning in August and ending in November 2023.

SAMPLE OF THE ATTRIBUTES MEASURED

- Consistency of account management.
- Sales representatives who listen well.
- Responsiveness of sales representative.
- Knowledge of sales team.
- Easy to contact the sales rep.
- Frequency of communication from the sales rep.
- Open communication.
- Personnel empowered to service your needs.
- Problems are resolved in a timely manner.
- Knowledge of customer service personnel.
- Ease of initiating gas purchases.
- Speed of contract negotiations.
- Flexible contracts.
- Accurate nominations.
- Accuracy of invoices and statements..
- Ease of contacting back-office personnel.
- Capability of back-office personnel.
- Fairness of credit negotiations. Probe if 6 or below.
- Quality of information provided to help make energy decisions on company website.
- Has financial strength to back future commitments.
- Historically dependable in meeting commitments.
- Reliability of gas supply.
- Builds collaborative relationships.
- Supplier is honest and trustworthy. Probe if 6 or below.
- Ease of doing business. Probe if 6 or below.
- Overall customer experience working with each supplier? Probe if 6 or below.
- Overall Performance rating independent of price.

NATURAL GAS MARKETERS INCLUDED IN THE 2023 PRINTED

- BP
- Chevron
- CIMA Energy
- ConocoPhillips
- Constellation
- Direct Energy-NRG
- DTE Energy
- EDF Trading
- EQT Energy
- Gas South
- IGS Energy
- Koch Energy Services
- Macquarie Energy
- Sequent Energy Management
- Shell Energy North America
- Spire Energy
- Symmetry Energy Solutions
- Tenaska Marketing Venture
- Texican Natural Gas
- Twin Eagle Resource Management

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STUDY ANSWERS

Subscribers to **MASTIO's Natural Gas Marketer Customer Experience Study** learn customer perceptions of Performance, Value, and Loyalty by a multitude of data segmentations that will specifically answer questions such as,

1. How do customers make their purchase decisions? What factors are the most important drivers of customers' perceptions of overall value and loyalty? What key buying factors (attributes) customers consider to be the most important when selecting between suppliers both from a **stated** and **derived** basis? The key buying factors will be classified as a *Baseline Requirement*, *Conscious Differentiator*, *Latent Differentiator* or *Low Impact Factor* to make it easier to understand what is really most important to customers.
2. What are the factors that lead to **defection**? What are the factors that result in **retention** – a greater share of the wallet? I.
3. How do customers perceive your overall value and loyalty relative to **key competitors**? How competitive is your position in the marketplace? Where do you and your competitors fall on a value map - *inferior*, *economy*, *superior*, or *premium position*? Who should be losing or gaining market share? What are the biggest drivers of you and your competitors' position? What is required to change your position?
4. How do customers perceive your performance on the key buying factors? What do customers perceive as **strengths** and **weaknesses** relative to key competitors? Which factors should you target for improvement? Which factors will have the greatest impact on your ability to win and retain more business? What factors should be emphasized in marketing communications that will resonate with customers?
5. How large a role does price play in the purchasing decision? What performance factors will allow a premium?
6. Which competitors are the most vulnerable and which are strongest in their ability to gain and retain customers? How do customers perceive the performance of competitors on the key buying factors? How do you use this knowledge to have a direct impact on your growth and profits?

In short, the study will identify improvements and marketing actions that will make customers choose a specific Natural Gas Marketer more than its competitors.

DELIVERABLES

The comprehensive study will come with a printed report, a Microsoft Excel version of the raw data, custom tagging features of the data, and a proprietary segmentation software package that includes tools to conduct your own detailed analysis including a head-to-head comparison with key competitors. The segmentation software also allows subscribers to segment the data by demographics selected by you such as state, volume, strategic importance, etc. to see where you stand vs. the competition and thus be quickly underway with actions to improve performance.

MASTIO's software also provides clients with a custom tagging feature. The custom tagging is proprietary for each client. This feature allows the grouping of your customers, for example, by the key person responsible for each customer interaction, customer service teams, profitability, strategic importance, volume, etc. These options are virtually unlimited. This powerful feature allows additional in-depth analysis and customization of the data.

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METHODOLOGY

Our approach stands out from conventional customer satisfaction strategies as it is underpinned by concrete empirical evidence, ensuring that you receive actionable insights that can be effectively leveraged to enhance your business profitability. At MASTIO, we employ two pivotal methodologies, namely Customer Value and Customer Loyalty, both of which consistently reveal a robust correlation with a company's overall performance, including factors such as growth rate, market share, and profitability. These dual dashboard metrics offer managers a straightforward means of monitoring their progress toward achieving their customer relationship objectives, much like financial reports enable them to gauge their progress in attaining profit targets. To illustrate, empirical evidence demonstrates that leaders in Loyalty (measured by Net Promoter Score) experience significantly superior growth, often exceeding their competitors' growth rates by more than twofold.

BACKGROUND

MASTIO, commemorating a distinguished 34-year legacy in the industry, excels in delivering an impartial, third-party vantage point to discerning clients seeking a comprehensive evaluation of their corporate identity. Our expertise lies in uncovering the perception of their customer value, expanding their client base, gaining insights into the competitive landscape, and enhancing their market intelligence.

Our core competency lies in guiding clients to reevaluate established paradigms, mitigate internal biases, methodically gather, and scrutinize data, and convert market research into actionable strategies that yield superior business outcomes.

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