

Mastio & Company's

Midstream Services Customer Value & Loyalty Benchmarking Study

9th Edition 2024

Metrics to Manage the “Midstream Customer Experience”



3300 Dale Ave., Suite 109, St. Joseph, MO, 64506 USA
Tel: 816-364-6200 • Fax: 816-364-3606

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OVERVIEW

MASTIO recently published its 9th Edition Midstream Customer Value & Loyalty Study in June 2024. This study identifies and quantifies the perceptions and needs of companies throughout the U.S. and Canada that utilize Midstream Service Providers. The 2024 study findings are based on interviews with 126 customers, which provided approximately 340 total observations. There were 63 midstream service companies rated of which 12 had a sufficient number of ratings to be included in this 2024 report. The electronic edition allows the inclusion of all rated companies for additional analysis. The 2024 study also includes approximately 1,700 qualitative responses to ten (10) open-ended questions about individual companies. The telephone interviews with key decision-makers began in March and ended in May of 2024.

PERFORMANCE ATTRIBUTES MEASURED IN THE MASTIO MIDSTREAM STUDY

Representatives who listen well.	Proactively responds and fixes operational problems.
Easy to contact the right person for help.	Timely well connections.
Personnel respond quickly to requests.	Adequately provides the agreed upon service.
Expertise of personnel.	Flexible and easy to use scheduling system.
Timely and fair resolution of problems.	Provides timely notice of scheduled downtime events.
Ease and flexibility of contract negotiations.	Appropriately allocates capacity during downtime events.
Timely and accurate invoices and statements.	Overall system reliability.
Equitable contract terms.	Builds mutually beneficial relationship.
Clarity of the contract.	Supplier is honest and trustworthy.
Willingness to support your long term expansion and growth plans.	Historically dependable in meeting commitments.
Knowledge of my business.	Scheduled projects completed on budget.
Eagerness in reaching out to capture my business.	Scheduled projects completed on time.
Availability of system capacities.	How would you rate each midstream company on Overall Performance?
Measures and/or reports on reliability performance.	Competitive fees for service.
Completes scheduled maintenance events timely.	Value received for the money paid to the midstream company.
Willingness to make modifications to handle your volumes i.e. construction, adding compression, etc.	How likely would you be to recommend this company to a colleague (Scale: 1 - 10 with 10 being the most likely)
Takes steps to minimize downtime.	

LIST OF MIDSTREAM SERVICE COMPANIES INCLUDED IN THE PRINTED REPORT

Midstream Provider	
DT Midstream	MPLX
Enbridge	ONEOK
Energy Transfer	Phillips 66
EnLink Midstream	Targa
Enterprise	Williams Midstream
Kinder Morgan	

WHY A MASTIO STUDY?

Successful organizations collect competitive customer metrics because they understand that it is the customer who has the money, and without customers, they don't have a reason to exist! Organizations succeed by offering a "package" that wins more loyal customers than the competition. This is not to say that it does not take great executives, directors and managers to set the tone, articulate the corporate culture, see the vision, and empower employees, foster innovation and integrity, and all of the other things that make good companies successful. But in the end, if you do not have customers who want to do business with you, especially in tough times, you are destined for failure. Possessing competitive customer metrics that approximate the market instead of relying on hunches or just talking to your customers alone allows organizations to align their strategy, processes, structure, people, and rewards to deliver maximum value to customers and shareholders.

STUDY ANSWERS

Subscribers to **MASTIO's Midstream Services Customer Experience Study** learn customer perceptions of Supplier Performance, Value, and Loyalty by a multitude of data segmentations (i.e. geographic, volume, service, etc.) that will specifically answer questions such as,

Customer Purchase Decisions and Key Drivers: What truly drives customers to make a purchase? Identify the most critical factors that shape customers' perceptions of overall value and loyalty. Uncover the key attributes they consider when choosing between suppliers, both stated and derived. These factors will be categorized into Baseline Requirements, Conscious Differentiators, Latent Differentiators, or Low Impact Factors, providing a clear understanding of what matters most to your customers.

Defection and Retention Factors: What causes customers to switch to competitors, and what keeps them loyal, increasing their share of wallet with you? This deep dive will refine our understanding of customer needs, prioritizing key buying factors influencing defection. Implementing a real-time monitoring system post-study will help track and address potential defections promptly, ensuring minimal loss.

Competitive Positioning: How do customers view your value and loyalty compared to key competitors? Assess your competitive stance in the market—are you seen as inferior, economy, superior, or premium? Determine who should be losing or gaining market share and the main drivers behind these positions. Identify what changes are necessary to enhance your market standing.

Performance Perception and Improvement Areas: How do customers rate your performance on critical buying factors compared to competitors? Identify your strengths and weaknesses as perceived by customers. Target specific areas for improvement that will significantly impact your ability to win and retain more business. Highlight the factors that should be emphasized in your marketing communications to resonate with customers effectively.

Role of Price in Purchase Decisions: Understand the significance of price in customers' purchasing decisions. Identify the performance factors that justify a premium, allowing you to strategically position your offerings.

Competitor Vulnerability and Strength: Determine which competitors are most at risk and which are strong in gaining and retaining customers. Gain insights into how customers perceive competitors' performance on key buying factors. Leverage this knowledge to impact your growth and profitability directly.

In short, the study will identify improvements and marketing actions that will make customers choose a specific Midstream Service provider 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 region, volume, strategic importance, etc. to see where you stand vs. the competition and thus be quickly underway with actions to improve performance.

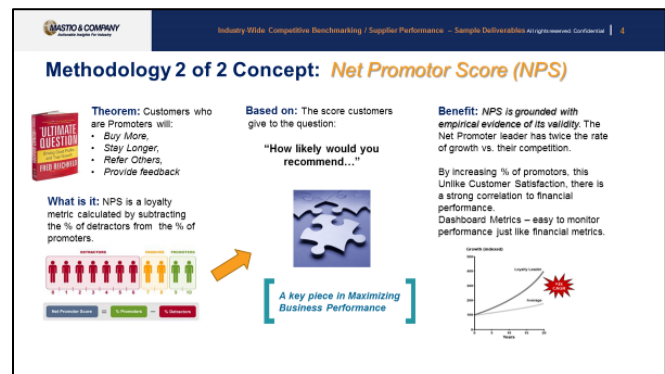
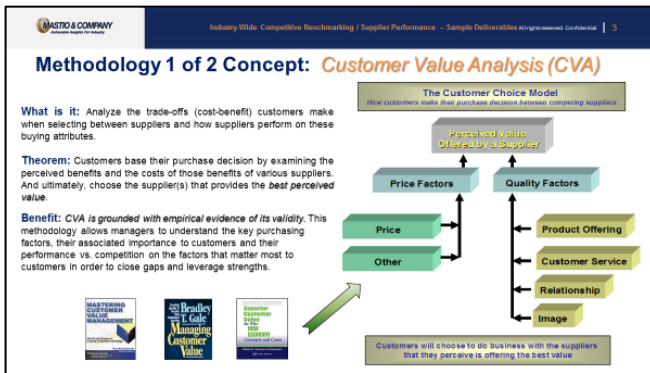
MASTIO's software also provides clients with a custom tagging feature. The custom tagging is proprietary for each client. This feature allows the grouping of your customers, for example, by the key person responsible for each customer interaction, customer service teams, profitability, strategic importance,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

ANALYZE PERFORMANCE ACROSS CUSTOMER SEGMENTS

CATEGORY	SEGMENTS COVERED
Overall Industry	<ul style="list-style-type: none"> All respondents
Gas Volume	<ul style="list-style-type: none"> 0 - 2.499 Billion CF/year 2.5 - 9.999 Billion CF/year 10 - 49.999 Billion CF/year 50 - 100 Billion CF/year Over 100 Billion CF/year
Primary Market	<ul style="list-style-type: none"> Large Integrated E&P Independent Producer Marketer Industrial Midstream Services
Primary Midstream Service Utilized	<ul style="list-style-type: none"> Gas Gathering Gas Transportation Gas Processing Gas Marketing NGL Transportation
Primary Gas Producing Region	<ul style="list-style-type: none"> Bakken Haynesville Shale Marcellus Shale Mid-continent - OK, KS, TX Panhandle West Texas - Permian Basin, SE New Mexico

METHODOLOGY

Unlike customer satisfaction, our approach is grounded with empirical evidence of its validity; thus, you are ensured actionable results that can be implemented to win more business profitably. MASTIO utilizes two key methodologies - **Customer Value & Customer Loyalty**. Both methodologies show, on average, a strong correlation between a company's performance i.e. growth rate, market share, profitability, etc. and their respective Customer Value or Loyalty Scores. These two dashboard type of metrics allow managers an easy way to track performance in achieving customer relationship goals just as the use of financial reports allows managers to monitor whether they are meeting their profit goals. For example, empirical evidence shows the Loyalty (Net Promoter) leader has superior growth - averaging more than twice the rate of growth vs. their competition.



BACKGROUND

Mastio has accumulated over 35 years of experience in delivering actionable insights and impartial data, having successfully executed more than 900 projects and served over 350 clients across a spectrum of commodity-centric sectors. These include but are not limited to energy, utilities, transportation, logistics, plastics, chemicals, manufacturing, and service industries. Notably, Mastio maintains collaborative partnerships with numerous Fortune 100 and Fortune 500 enterprises.