



# Growth in B2B Manufacturing

How the world makes supplier decisions

Jim Tincher, CEO | Heart of the Customer

Riccardo Porta, Global Director of Customer Experience | Dow

March 2025

## About the Authors

### Jim Tincher

As the nation's leading authority on B2B customer experience (CX), Jim Tincher stands as a visionary at the forefront of shaping its future. Jim's lifelong passion for CX led him to found his customer experience consultancy, Heart of the Customer (HoC), in 2013, and his insights continue to empower businesses in fostering more loyal and profitable customer relationships. He holds a Certified Customer Experience Professional (CCXP) certification, serves on the CXPA Board of Directors, and has served as an adjunct instructor at the Carlson School of Management at the University of Minnesota, where he previously earned his master's in business administration.

As an experienced customer experience keynote speaker, Jim frequently hosts workshops and addresses organizations across a variety of business sectors. He is the author of *Do B2B Better* and co-author of *How Hard Is It to Be Your Customer?*, and he also writes Heart of the Customer's popular CX blog.

### Riccardo Porta

With 24 years in industry at Rohm and Hass and Dow and with international experience in Operations and CX, Riccardo leads the strategy and execution of activities that align to Dow's ambition to be the most Customer-centric materials science company in the world.

Riccardo chairs the external Advanced Manufacturing CX Consortium, representing Dow at multiple conferences and industry CX gatherings.

During his tenure, Riccardo served in various roles of increasing responsibility in the manufacturing, supply chain and commercial organizations. He has led global supply chain teams for multiple Dow divisions and implemented several transformational programs with long lasting impact.

Riccardo holds a master's degree in industrial chemistry from Pisa University, Italy, and a master's in management from Scuola Superiore Sant'Anna in Pisa.

## The Growth Conundrum

### There is no argument that companies want to grow

In 2024, Gartner commissioned a study asking 416 CEOs to list their top strategic initiatives. Unsurprisingly, 60% answered that growth numbered among them. The next 3 were technology, workforce, and financial. Customer-based initiatives were far lower in priority, with only 8% of CEOs referencing them.

Yet, emotionally-targeted experience programs have masterfully driven unprecedented growth for B2C companies such as Nordstrom, Amazon, Zappos, Chewy, and Delta. Why do customer-based initiatives rank so low on the CEOs' list?

Similar to Gartner, the Advanced Manufacturing CX Consortium (AMCX), a global partnership of the world's top manufacturers, began discussing their own industry's belief that in the world of just-in-time supply chains, customers' decisions are driven only by rational items such as reliability and quality.

Can manufacturers win through customer experience? And if so, which factors lead to B2B customers wanting to grow their business with suppliers? What do "great" and "good enough" look like?

Knowing that customer experience has a role in growing business, AMCX set out to answer the manufacturing industry's growth conundrum:  
**Which has more influence on manufacturing customers' contracting decisions: emotions or rational thinking?**

Heart of the Customer analyzed the data collected by the AMCX Consortium and compiled the report on key findings, in collaboration with Riccardo Porta, Global Director of Customer Experience at Dow.



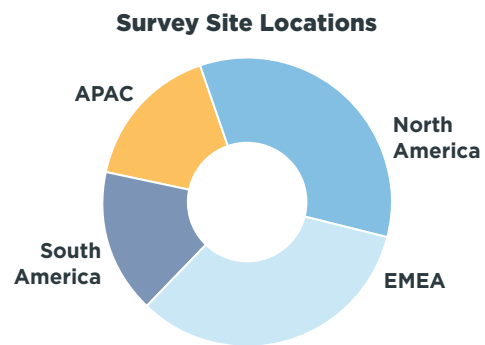
## Research Design & Distribution

**AMCX felt that customers were the best source of truth, so rather than asking CEOs, the organization took its survey to the world's manufacturing customers.**

The survey was organized around three categories of questions:

- Rational needs, such as the account relationship and supplier reliability
- Future intent, such as intent to grow and likelihood to recommend a supplier
- Emotional needs, such as feeling valued and understood

Sixteen AMCX Consortium members distributed the survey to their B2B customers around the globe, receiving over 7,200 responses from over 2,000 executives and 3,000 procurement customers.



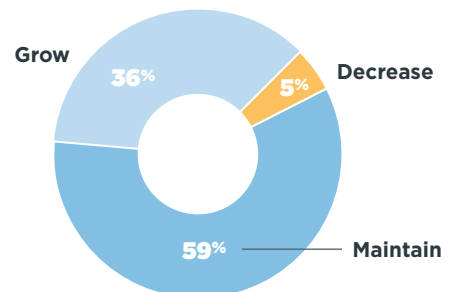
Roughly one-third each came from North America and EMEA, with the remainder evenly split between South America and APAC.

---

## Analysis

Analysis specifically centered around identifying the variances between those who intended to grow their supplier contracts and those who intended to maintain or decrease spending with their supplier. Because supplier reliability is such a big component of the manufacturing and distribution experience, this factor was closely scrutinized.

**Supplier Contract Intent**



## Key Finding: Do I trust my supplier?

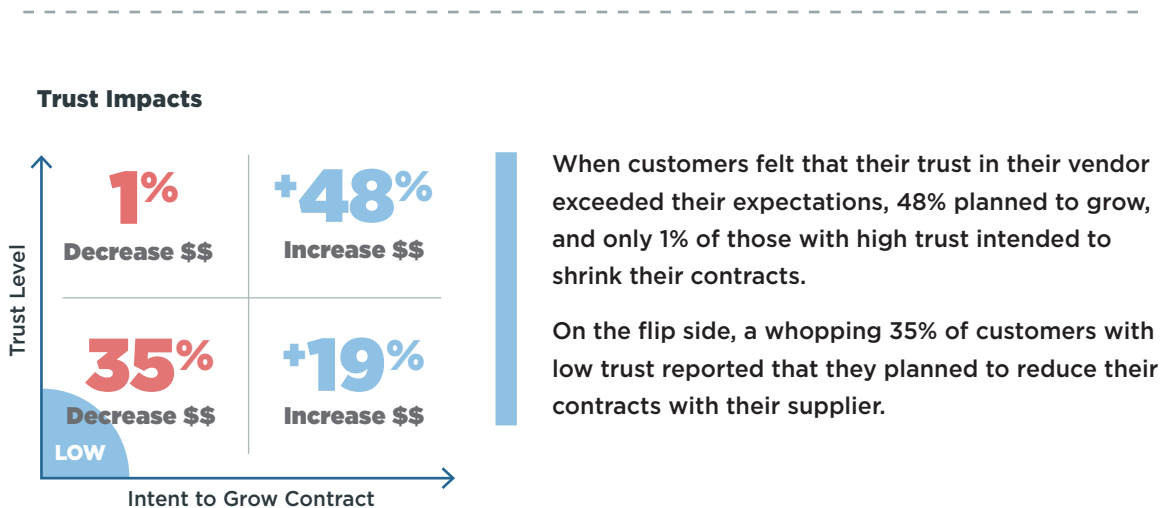
### Rational factors such as reliability mattered, as did each emotional factor.

No one factor was the clear winner in predicting growth among each group. Emotions played a bigger role than rational factors in customer decisions, with one emotion being especially significant.

### Trust in the provider

The one factor that best explained variances of intent was the level of trust customers had in their overall supplier experience. Rather than one rational or emotional factor over another, customer decisions are driven by the accumulated emotions over their entire experience.

### Is there a tipping point of positive emotions that accumulate into an outcome of trust?



Data also showed that when it comes to trust, suppliers have to *exceed*—not just meet—expectations, as the projected growth in contracts was significantly higher for those who said their supplier exceeded their expectations.

Rational factors had a lower threshold. When it came to price, reliability, and quality, suppliers only needed to meet expectations.

In the end, the best predictor of a customer's intent to grow can be measured by assessing their level of trust in their supplier.

## The Trust Factor

### Emotions play a critical role in shaping future intentions.

When trust with a supplier is low, a customer will naturally migrate business towards another with higher trust. So, what does having trust buy you? Forgiveness.

The 2024 report, “How Success, Effort, and Emotion Affect Customer Loyalty” by the XM Institute, found that a positive emotional experience creates a confirmation bias. Customers who report a positive emotional experience have a higher forgiveness tolerance when rational factors are unmet, forgiving errors 64% of the time. For those with just a neutral experience, forgiveness drops to 25%.

**In short, suppliers are given a longer runway when positive emotions are at play.**

**Takeaway** Higher levels of positive emotions and trust will give suppliers a longer runway when it comes to rational mistakes and challenges.

**Take Action** Elevate account management to the same level as operations. Define practices and hold teams accountable.

## Deep Dive on Customer Executives

### Doing business the right way.

Being more detached from the day-to-day journey, executives have a different perspective than those in other roles. While these daily issues can obviously impact their perceptions, their decision-making is driven by different factors.

### Predictor of Future Size Contracts

**63%**  
**Plan to Grow  
w/Supplier**

Trust does a good job of predicting an executive’s likelihood to grow with a provider, as did one other factor: **Doing business the right way.** When an executive says that their supplier exceeded expectations in doing business the right way, 63% say they plan to grow with that supplier.

A frequently asked question among executives is: Are we partnering with the right suppliers for our long-term success? When an executive feels that their purpose is aligned with that of their supplier in terms of values, sustainability, and other factors, that leads them to consider that provider for future opportunities.

### Contract renewals and the relationship with account management are key.

The aspects of the customer journey that most closely aligned with executives’ growth intentions were contract renewals and the relationship with account management. These two areas offer the best opportunities for suppliers to show that they conduct business properly, paving the way for a stronger partnership.

## Where to Focus to Drive Growth

### **Reliable supplies of quality products and efficient resolutions are fundamental needs.**

Upon analysis of the different aspects of the customer experience, the account relationship emerged as particularly significant. This aligns with the overall theme that emotions are the best predictors of growth, as positive emotions are usually generated through the account relationship.

Positive or negative emotions result from multiple experiences that customers have along their journey, and whether their rational needs are being met. The data and the experience of Consortium members show that a reliable supply of good quality products and efficient resolution of issues are the most fundamental rational needs for a positive B2B manufacturing customer experience. Consistent positive experiences at those touchpoints, coupled with strong account relationships, is the ticket to increase trust and emotional connections, thereby improving customer retention and driving growth.

### **Supplier Reliability**

One way to build trust is through consistent behaviors and nowhere is that more critical than in supplier reliability. Research in manufacturing CX has shown that some of the best predictors of both customer experience and growth are the availability of products (often measured by Available To Promise [ATP] or Order Fill Rate) and on-time delivery. Unlike emotions, where exceeding expectations drives growth, it's often more important to meet expectations rather than exceed them in these rational items. Said differently, you don't win because of your supplier reliability, but you can certainly lose customers through repeated poor experiences.



### **Putting the Results into Play**

**Dow, a global materials science company and founding member of the AMCX Consortium, leveraged the research and findings of the benchmark study to continue to advance their CX program and deepen their understanding of what drives customer buying decisions.**

**Specifically, Dow was able to connect the experience on product supply reliability to the impact it has on *Trust and Confidence* (two very important emotional needs), and to then quantify the impact on customer loyalty and likelihood to**

**grow (based on actual sales data at the customer level rather than intent to grow from survey results).**

**Supporting hypotheses with operations data and using benchmark information to help prioritize where to focus (high importance, below-benchmark performance vs peers), were powerful factors for Dow in driving internal alignment and urgency. Benchmark findings were also instrumental for Dow to refine their approach and measurements around loyalty.**

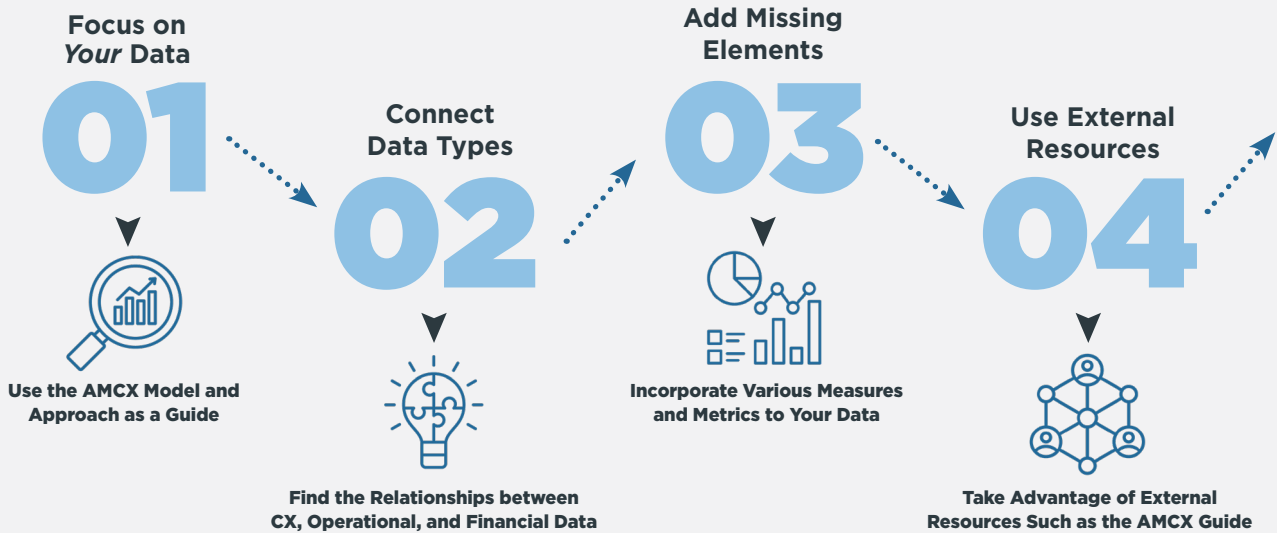
## How to Activate Results

By integrating customer experience metrics and measurement mechanisms with operational, financial, and organizational data, businesses increase their ability to predict future behaviors of customers and their spending levels. CX data can be the early warning signs of stagnation and/or shrinkage that can give businesses a longer runway to course correct.

Here are four key steps to create this connection.

1. Focus on *your* data, using the AMCX model and approach as a guide
2. Connect CX, operational, and financial data to model success
3. Add missing elements to your data
4. Use external resources as needed

### Proving the ROI of CX: 4 Steps to Show Its Financial Impact







## 1. Focus on *Your* Data

While the benchmarking data is powerful, nothing is more persuasive to your executives than seeing how it plays out with your data and your customers. Use the Consortium model as a guide for what matters, focusing first on which accounts are growing or shrinking. While the nature of this consortium study required the use of Intent to Grow to indicate success among providers, use actual financial data in your analysis. Compare customers increasing their spending with you to those who are spending less.



## 2. Connect CX, Operational, and Financial Data to Model Success

This analysis requires multiple types of data. Use the AMCX Consortium results to guide you in which data to consider. The entire survey is available to Consortium members. Incorporate four types of data:

### Financial

Start with the data your executives most care about: How much and how often are customers ordering from you? Are they ordering multiple products or purchasing from multiple business units? How much margin are they responsible for? Then use the other data to explain these outcomes.

### Operational

Incorporate on-time delivery performance, availability, and other operational data to assess factors that influence customer growth. For example, this study found that supplier reliability is a key to building trust and growth. Don't just rely on survey data—bring in the actual performance data for your operations.

### Behavioral

Include behavioral data—such as the number of complaints, the number of top-severity complaints, and usage of your digital tools—as another form of Voice of the Customer.

### Sentiment

Some data, such as the relationship with your account management, isn't found in your operational data set. Incorporate your survey and text analytics data to flesh this out. Focus on causal items such as trust and satisfaction with account management over outcome metrics such as the Net Promoter Score. Concentrate your analysis on the financial outcomes, using the sentiment data to explain the variances in your customers' ordering behaviors.



## 3. Add Missing Elements to Your Data

Few manufacturers and distributors measure Trust and Doing Business the Right Way—use this as an opportunity to update your surveys to reflect the overall customer journey. Continuously fine-tune the model. Which metrics, when improved, result in increased customer spending? Dow used journey mapping to understand customer needs, then updated their surveys to measure its performance against those needs. Don't rely only on relationship surveys; implement transactional surveys to measure specific experiences such as complaint resolution.



#### 4. Use External Resources as Needed

The Advanced Manufacturing CX Consortium (AMCX) is a wonderful resource—and it's free! Consider joining via email. For more information on how to build your own model, please contact Heart of the Customer.

#### What about NPS?

**This study also measured the Net Promoter Score, a common metric used to measure customer experience based on a customer's likelihood to recommend a provider. The average score across the sixteen companies was 31, which can be used as a benchmark.**

**The likelihood to recommend question was correlated with intent to grow, but does not serve**

**as a predictor, as recommending a company is an outcome of that company's customer experience. Emotions were the best causal predictor of likelihood to grow in this data set and have been found to also be the best predictor within multiple manufacturing companies, so a strong recommendation is to focus on emotions as the most important factor in customer experience.**

## About the AMCX Consortium

**Reliable supplies of quality products and efficient resolutions are fundamental needs.**

The [Advanced Manufacturing CX Consortium](#) (AMCX) aims to help prove the ROI of customer experience (CX) by benchmarking and improving CX across advanced B2B manufacturing.

The consortium's primary objectives include assessing current CX performance, identifying key drivers of CX, and proving with data and at scale that improving CX is both beneficial to customers and profitable to suppliers.

The methodology involves administering a standard benchmark survey to gather data, providing detailed and aggregated reports to members, and offering facilitation and technology enablement. The consortium aims to provide a competitive advantage by helping members understand their CX performance relative to peers, share industry best practices, and help members demonstrate that CX drives growth.

Participation in the consortium is free. All data is anonymized to ensure confidentiality and in full respect of all antitrust and data privacy requirements.

If you want to be part of the journey, want to learn more and/or want to join the Consortium, please [Contact Us](#).

## About Heart of the Customer






At Heart of the Customer, we know that delivering remarkable value goes beyond insights and recommendations—it requires action. As a customer experience management consultancy, we empower B2B enterprises to implement CX strategies for a competitive edge.

Rooted in decades of research and Fortune 500 applications, our executions align customer emotions and behaviors to business outcomes through maturity, governance, change management, coaching, tech stacks, metrics, and data analysis strategies. Our singular goal? To break through corporate silos to ensure operational decision-making drives enterprise impact and fuels bottom-line growth.

### Let's Transform Your Customer Experience

Your business is transforming and innovating, and Heart of the Customer is right there with you, activating your teams and focusing your strategy. Connect with our team of experts to discuss how we partner with companies like yours to harness customer insights, improve customer experiences, and create business value.

[heartofthecustomer.com](https://heartofthecustomer.com) | [info@heartofthecustomer.com](mailto:info@heartofthecustomer.com)

 <b>CX Consulting Program</b> Build your CX roadmap, incite change, and drive CX ROI	 <b>Customer Journey Mapping</b> Empower your teams to make customer-focused change	 <b>Journey Health Score</b> Show the health of the journey and measure improvements	 <b>VOC Programming</b> Embed customer insights into organizational dashboards	 <b>Emotional North Star</b> Measure and design experiences for emotion
---	--	---	--	--