



Customer Satisfaction is a Journey, Not a Destination

Which mills get the highest marks from their service center customers?
Jacobson & Associates has the data on customer satisfaction.

T rue for both mills and service centers, achieving high levels of customer satisfaction takes constant attention and effort. Maximizing satisfaction is a matter of performing at ever-increasing levels in order to meet ever-increasing customer expectations. Some organizations are more effective than others in keeping customers satisfied.

Jacobson & Associates conducts a continuous census survey of more than 2,000 major steel customers in the United States and Canada, including service centers and end-users. The Jacobson Survey stands as an objective third-party measure of steel customers' satisfaction with their mill suppliers. Customers use a 10-point scale to indicate their level of satisfaction with supplier quality, delivery, price, service, inside sales, outside sales, and overall

performance. Jacobson produces separate reports on sheet producers, plate producers, minimill producers, stainless sheet producers, bar producers and beam producers. The accompanying charts are based on survey data for the 12 months ending Sept. 30, 2013.

To highlight one piece of data, Chart 2 shows which mills have achieved the greatest increases in customer satisfaction over the past year. "Most improved" does not necessarily mean best performance. Rather, it indicates which companies were above average in closing the gap between mill performance and customer expectations.

Among sheet producers, U.S. Steel had the most mills in the "most improved" category. Here is what some customers had to say about USS, clearly showing high levels of satisfaction:

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Chart 1 - The Leaders

Top-Rated Mills in Overall Customer Satisfaction by Product Category

Sheet – North Star BlueScope

Plate – Nucor Tuscaloosa

Bar/Structurals – SDI Roanoke

Beams – Nucor Berkeley Beams

Stainless Sheet – Allegheny Ludlum

SBQ – SDI Engineered Bar

Customers use a 10-point scale to measure their level of satisfaction with supplier quality, price, service, delivery, inside sales, outside sales, e-commerce and overall performance, where 10 is “very satisfied” and 1 is “very dissatisfied.” Data is for the 12 months ending Sept. 30, 2013. (Source: Jacobson & Associates)

■ “USS is our major supplier because they move things around well and their material gets here on short notice. USS has very good people who do everything they can to help me.”

■ “USS SteelTrack is very helpful. More user-friendly web-sites, similar to SteelTrack, is what I would like from mills.”

■ “USS does an overall great job, to the point that we are not looking at other suppliers.”

Other sheet mills among the “most improved” included Thyssen Alabama, USS-POSCO, ArcelorMittal, Steel Dynamics Inc. and The Techs. Following are customer comments:

■ “Thyssen Alabama has good people and fine customer service. Thyssen Alabama’s product is gorgeous and material quality is exceptional.”

■ “Thyssen Alabama is a mill that I love. Their website is so simple it can be figured out with a glance.”

■ “USS-POSCO Industries has solid people to handle relationships, excellent gauge control and now an enhanced product offering.”

■ “USS-POSCO is world-class. They have made significant strides with online order status. I would like to see that from all the mills.”

■ “ArcelorMittal Dofasco seems more interested than others in our big projects. They have many people who

care about our relationship.”

■ “ArcelorMittal Dofasco is our major supplier due to a good relationship, price competitiveness, great sales team and reasonable deliveries. They are a market leader in Canada.”

■ “SDI Flat Roll is outstanding. They are always quick to

Chart 2 - Most Improved Mills

Overall Customer Satisfaction by Product Category

Sheet Producers

USS Canada
Thyssen Alabama
USS Fairfield
USS Midwest
Severstal Dearborn
USS-POSCO Industries
Imports
USS Granite City
USS Gary
ArcelorMittal Dofasco
USS Mon Valley
SDI Flat Roll
Nucor Decatur
Nucor Berkeley
The Techs

Bar/Structurals Producers

ArcelorMittal Vinton
Nucor Kingman
Nucor Marion
Gerdau Tamco
Nucor Birmingham
Cascade Steel
CMC South Carolina
Gerdau Knoxville
Nucor South Carolina
Nucor Seattle
SDI Roanoke

Plate Producers

Imports
Evraz Oregon
Nucor Hertford
Nucor Tuscaloosa

SBQ Producers

SDI Engineered Bar
ArcelorMittal SBQ
Nucor Memphis
Alton Steel
Nucor Nebraska
Gerdau Midlothian

Stainless Sheet Producers

North American Stainless
Outokumpu Coil Americas
Allegheny Ludlum

Source: Jacobson & Associates. Data is for the 12 months ending Sept. 30, 2013.

The most improved mills are those with the highest percentage increase in overall customer satisfaction scores for the 12 months ending Sept. 30, 2013, compared with their scores for the same period the prior year. Companies are listed in order from the highest to the lowest in percentage improvement.

Chart 3 - Overall Customer Satisfaction

By Product Category, End-Users and Service Centers

Top Sheet Mills

As Rated by End-User Customers

The Techs
Nucor Decatur
USS-POSCO Industries
Nucor Arkansas
Nucor Crawfordsville
Gallatin
Nucor Berkeley
North Star BlueScope
SDI Flat Roll
USS Fairfield

Top Plate Mills

As Rated by End-User Customers

Evrax Oregon
Nucor Tuscaloosa
Imports
SSAB North American

Top Specialty Steels Mills

As Rated by End-User Customers

AK Specialty Steels
Allegheny Ludlum

Top Beam Mills

As Rated by End-User Customers

SDI Structurals
Nucor Yamato
Nucor Berkeley

Top Bar/Structurals Mills

As Rated by End-User Customers

CMC Texas
SDI Roanoke
Nucor Texas
CMC South Carolina
CMC Arizona
CMC Alabama
Nucor Kingman
Nucor South Carolina
Nucor Birmingham
Gerdau Whitby

Top Sheet Mills

As Rated by Service-Center Customers

North Star Bluescope
Nucor Decatur
Nucor Berkeley
SDI Flat Roll
Nucor Arkansas
Imports
The Techs
Gallatin
Nucor Crawfordsville
ArcelorMittal Dofasco

Top Plate Mills

As Rated by Service-Center Customers

Nucor Tuscaloosa
Nucor Hertford
SSAB North American
Evrax Oregon

Top Specialty Steels Mills

As Rated by Service-Center Customers

North American Stainless
Allegheny Ludlum

Top Beam Mills

As Rated by Service-Center Customers

Nucor Berkeley Beams
Nucor Yamato
SDI Structurals

Top Bar/Structurals Mills

As Rated by Service-Center Customers

Nucor Birmingham
Nucor Seattle
Nucor Auburn
Nucor South Carolina
CMC South Carolina
SDI Roanoke Bar
Nucor Utah
Nucor Jackson
CMC Alabama
Cascade Steel

Source: Jacobson & Associates, Data is for the 12 months ending Sept. 30, 2013.

Chart 4 - Loyalty Index Ranking

Highest Ranked Mills in Customer Loyalty by Product Category

Sheet Producers

North Star BlueScope
 ArcelorMittal Burns Harbor
 USS Great Lakes
 ArcelorMittal Dofasco
 Nucor Decatur
 ArcelorMittal Cleveland
 Nucor Berkeley
 SDI Flat Roll
 ArcelorMittal Indiana Harbor
 USS Canada
 Gallatin
 ArcelorMittal Riverdale
 The Techs
 Nucor Arkansas

Bar/Structurals Producers

Gerdau Sayreville
 Nucor Utah
 CMC Texas
 Nucor Nebraska
 Gerdau Whitby
 Nucor Texas
 CMC Alabama
 Nucor Jackson
 Nucor Kankakee
 Nucor Seattle
 SDI Roanoke
 Nucor South Carolina

Plate Producers

Evrax Oregon
 SSAB North America
 Nucor Hertford
 Nucor Tuscaloosa

Beam Producers

Gerdau Virginia
 SDI Structurals
 Gerdau Cartersville

Stainless Sheet Producers

Allegheny Ludlum
 Outokumpu Coil Americas

SBQ Producers

Nucor Memphis
 Imports
 Nucor Nebraska
 Alton Steel
 Gerdau SBQ

*Source: Jacobson & Associates.
 Data is for the 12 months ending
 Sept. 30, 2013.*

Customer loyalty is one of the most important gauges of future success. In each Jacobson Survey, mill customers are asked to rate the likelihood they will be using each supplier in 12 months. Companies that develop the most trust and loyalty with their customers stand to fare best in the future.

answer and provide good material and pricing.”

- “SDI Flat Roll is our major supplier because it can handle our volume and keeps us competitive.”
- “The Techs are outstanding. Their strength is their commitment to overall customer service, whether it is expediting, pricing or changes. They will do what it takes to help the customer.”
- “The Techs are excellent. They are our major supplier due to good quality and good people.”

Among bar/structurals producers, Nucor had the most mills in the “most improved” category. Here is what some satisfied customers had to say about Nucor Bar:

- “Nucor is our major supplier due to proximity, very consistent deliveries, and great service and price. Nucor is very customer oriented, and we have a great relationship with them. Nucor has a great product, is very easy to work with, and has done a great job supporting us.”
- “Nucor acts responsibly and gets what it means to “Take Care of the Customer.” If you hang with eagles, you are going to fly. Nucor will always be our mill of choice.”

Other “most improved” bar/structurals mills included

Commercial Metals Co. and Steel Dynamics Inc., whose customers commented:

- “CMC is our major supplier due to their available stock and producing to our specifications. They are excellent and have a lot of potential. They changed their website, and I like it.”
- “CMC is our major supplier because it has the quickest delivery and most competitive price. They are a great company.”
- “SDI Roanoke is exceptionally good. They are very responsive. When we need something recertified, it takes them five minutes, not the four to five days it takes other suppliers. It is hard for us to be very pleased with our other suppliers after we receive the exceptional service from Roanoke.”
- “SDI Roanoke is a good mill with very good service to the customer. They are quick to respond and are doing a good job.”

Satisfaction leaders tend to display common characteristics that make customers want to do business with them, including their dependability, quality, reliability, helpfulness, service orientation and product availability. Those that are the most persistent in monitoring customer satisfaction tend to be the most successful in the long run. ■