

Websites Give

Which mills get the highest marks from their customers? Jacobson & Associates has the data on customer satisfaction, including which mills do the best job of e-commerce.

Every steel company has a website today, but some are much more successful than others at employing them to meet customers' needs. E-commerce is an area that offers tremendous opportunity for companies to gain competitive advantage.

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, e-commerce 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, 2014.

The Jacobson Survey also asks mill customers not only to rate each mill's e-commerce performance, but which website features they find most useful. While growth of e-commerce



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continues to be rapid, there are still many steel customers who do not use mill websites. As one stated: "Mill websites are not that important to me. I receive daily status reports, shipment notices, and acknowledgements automatically via email, which I prefer." Survey data indicates that only about 60-70 percent of sheet mill customers, 55-65 percent of bar/structural mill customers, 50-60 percent of SBQ mill customers, and 45-55 percent of plate mill customers are regular users

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Mills a Lift

Chart 1 - Customer Satisfaction of E-commerce

Top Ranked Mills by Product Category

These rankings show which mills have done the best job of satisfying customer needs via their websites and e-commerce. Companies are listed based on their satisfaction scores for the 12 months ending Sept. 30, 2014.

Carbon Sheet Mills

ArcelorMittal Dofasco
North Star BlueScope
USS-POSCO Industries
Steel Dynamics
Nucor Sheet Mills
California Steel Industries
ArcelorMittal USA Sheet

SBQ Mills

ArcelorMittal
Alton Steel
Imports
SDI Engineered Bar
Nucor SBQ

Plate Mills

SSAB Plate
Nucor Plate Group

Bar Mills

CMC Steel Group
Nucor Bar Mills

of their suppliers' e-commerce offerings. So there is clearly a big opportunity for mills to attract more service centers and end-users to their sites, streamlining commerce and enhancing customer satisfaction in the process.

Sheet Mill Customers

Survey data show that sheet mill customers look most frequently to mill websites for:

1. Order status
2. Documentation
3. Available inventory
4. Ease of use
5. Product capabilities
6. Real-time tracking

As sheet mill customers commented:

- "Mill websites need to be easy to use and have real-time portals to track orders."
- "Delivery and availability forecasts are where mills need the most improvement."
- "I would like more intuitive websites that include all available mill information so that I don't have to call. Time-ly order status and quotation communication is where mills need the most improvement."

Bar Mill Customers

Survey data show that bar mill customers most frequently look to mill websites for:

1. Availability of stock
2. Access to invoices and bills of lading

Chart 2 - The Leaders

Top-Rated Mills in Overall Customer Satisfaction by Product Category

Sheet – North Star BlueScope

Plate – SSAB Plate

Bar/Structurals – CMC South Carolina

Beams – Nucor Berkeley Beams

Stainless Sheet – Outokumpu Coil Americas

SBQ – Alton Steel

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, 2014. (Source: Jacobson & Associates)

Chart 3 - Most Improved Mills

Overall Customer Satisfaction by Product Category

Sheet Producers	Bar/Structurals Producers	Plate Producers
AM/NS Calvert	ArcelorMittal LaPlace	SSAB Plate
Severstal Dearborn	Nucor Nebraska	ArcelorMittal Burns Harbor
Severstal Columbus	Nucor Utah	Imports
California Steel Industries	Nucor Jackson	ArcelorMittal Coatesville
NLMK Pennsylvania	CMC Steel South Carolina	
Gallatin	SDI Roanoke Bar	
SDI Flat Roll	Nucor Auburn	
		SBQ Producers
		ArcelorMittal SBQ
		Alton Steel

Stainless Sheet Producers
Outokumpu Coil Americas
AK Specialty Steels

The most improved mills are those with the highest percentage increase in overall customer satisfaction scores for the 12 months ending Sept. 30, 2014, 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. Note that as of Oct. 1, Severstal Dearborn and Severstal Columbus changed to AK Dearborn and SDI Columbus. (Source: Jacobson & Associates)

About Us

Jacobson & Associates has been the benchmark for measuring customer satisfaction in the North American



Steel Industry Consultants

steel industry since 1994. Annually, we conduct thousands of in-depth interviews with a broad range of steel buyers from six vertical markets in the United States, Canada, Mexico and Europe. Thanks to our long-term relationships with steel buyers and sellers, virtually every steel mill in North America has benefited from our objective and actionable customer feedback. We are proud to be the voice of the North American steel buyer and an enabler of continuous improvement in the steel industry.

3. Rolling schedules
4. Simplicity of navigation
5. Accurate information
6. Mill test reports

As bar mill customers commented:

- “CMC’s website is really nice. I like how it shows our Accounts Receivable.”
- “I particularly like Nucor’s website because it shows all of the information for all locations in one place.”
- “Gerdau is a mill I would not recommend due to their computer system.”

SBQ Mill Customers

Survey data show that SBQ mill customers most frequently look to mill websites for:

1. Tracking current open order reports
2. Posted lead times and viewing inventory
3. Ease of navigation
4. Searching for order by heat number
5. Online access to paperwork
6. Technical support

As SBQ mill customers commented:

- “I prefer mills that have an interactive website that is current, particularly on order status. We would like to be

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Chart 4 - Overall Customer Satisfaction

By Product Category, End-Users and Service Centers

Top Sheet Mills

As Rated by End-User Customers

Nucor Crawfordsville
 Nucor Berkeley
 Nucor Decatur
 North Star BlueScope
 Gallatin
 SDI Flat Roll
 The Techs
 USS Fairless
 AK Steel

Top Sheet Mills

As Rated by Service-Center Customers

North Star Bluescope
 The Techs
 Gallatin
 SDI Flat Roll
 ArcelorMittal Dofasco
 California Steel Industries
 USS-POSCO Industries
 Nucor Decatur
 Nucor Crawfordsville
 USS Fairfield

Top Plate Mills

As Rated by End-User Customers

Nucor Tuscaloosa
 Evraz Portland
 SSAB Plate

Top Plate Mills

As Rated by Service-Center Customers

SSAB Plate
 Nucor Tuscaloosa
 Nucor Hertford

Top Specialty Steels Mills

As Rated by End-User Customers

AK Specialty Steels
 Allegheny Ludlum

Top Specialty Steels Mills

As Rated by Service-Center Customers

Outokumpu Coil Americas
 Allegheny Ludlum

Top Beam Mills

As Rated by End-User Customers

Nucor Berkeley
 Nucor Yamato
 SDI Structurals

Top Beam Mills

As Rated by Service-Center Customers

Nucor Berkeley
 Nucor Yamato
 SDI Structurals

Top Bar/Structurals Mills

As Rated by End-User Customers

CMC Arizona
 Nucor Texas
 CMC South Carolina
 Nucor Jackson
 CMC Alabama
 CMC Texas
 Nucor Marion
 Nucor South Carolina
 Nucor Auburn
 Nucor Nebraska
 Cascade Steel

Top Bar/Structurals Mills

As Rated by Service-Center Customers

SDI Roanoke Bar
 CMC Texas
 CMC South Carolina
 Nucor Seattle
 Nucor Auburn
 Nucor Utah
 Nucor South Carolina
 CMC Alabama
 Nucor Texas
 Nucor Birmingham
 ArcelorMittal LaPlace

Source: Jacobson & Associates. Data is for the 12 months ending Sept. 30, 2014.

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able to see everything live and know where our material is in the process.”

- “Visibility of order status is very important. Understanding if the mill has excess inventory would be useful.”
- “I don’t use mill websites much, but would like them to be more user-friendly.”

Plate Mill Customers

Survey data show that plate mill customers most frequently look to mill websites for:

1. Production status
2. Product and specification info
3. Inventory availability
4. Documentation, MTRs
5. Online ordering

As plate mill customers commented:

“ Service centers and end-users are becoming more reliant on e-commerce and they have strong feelings about it, especially when it fails to work well.”

■ “Data management is where mills need the most improvement. We would like them to make our entry of their data easier.”

■ “I would like to see more technical data and product information on mill websites.”

■ “Websites are where mills need the most improvement. Typically, plate mill websites are not user friendly.”

■ ArcelorMittal’s and Nucor’s websites are very, very good with all of the information that I need.”

Other customer comments included criticisms of specific websites too numerous to include here. What that indicates is that service centers and end-users are becoming more reliant on e-commerce and they have strong feelings about it, especially when it fails to work well. When done right, e-commerce can be an effective complement to the work of all mill professionals in their pursuit of customer satisfaction. ■

Chart 5 - Loyalty Index Ranking

Highest Ranked Mills in Customer Loyalty by Product Category

Sheet Producers

Nucor Berkeley
 ArcelorMittal Riverdale
 Nucor Decatur
 Nucor Crawfordsville
 ArcelorMittal Burns Harbor
 USS Gary
 ArcelorMittal Dofasco
 ArcelorMittal Indiana Harbor
 The Techs
 California Steel Industries
 USS Midwest
 USS-POSCO Industries
 NLMK Pennsylvania
 Severstal Columbus

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 12 months in the future. Companies that develop the most trust and loyalty with their customers stand to fare best in the years ahead.

Bar/Structurals Producers

CMC South Carolina
 SDI Roanoke
 Nucor Marion
 Nucor Utah
 Nucor South Carolina
 CMC Alabama
 CMC Texas
 Nucor Auburn
 Nucor Seattle
 Nucor Birmingham
 CMC Arizona
 Nucor Kankakee
 Gerdau Sayreville

Plate Producers

SSAB Plate
 Nucor Tuscaloosa
 Essar Algoma
 Nucor Hertford

Beam Producers

Nucor Berkeley
 Nucor Yamato
 Gerdau Virginia

Stainless Sheet Producers

Allegheny Ludlum
 Outokumpu Coil Americas
 AK Specialty

SBQ Producers

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

Source: Jacobson & Associates. Data is for the 12 months ending Sept. 30, 2014.