



Customer satisfaction in procurement

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Procurement is undergoing a strategic evolution. Rather than focusing solely on minimising costs and managing vendor relationships, it is increasingly shaping customer satisfaction for internal and external stakeholders.

Procurement decisions influence customer touchpoints, from product quality and service reliability to speed to market and brand reputation. However, the 2025 Economist Impact survey¹ data reveals a shortfall in the perceived value and strategic impact of a procurement function whose decisions align with the customers it directly and indirectly serves.

Just 7% of respondents cite internal customer satisfaction as procurement's primary value to the organisation. Only 13% cite this as a strategic priority for procurement in the next 12–18 months, rising to 19% over a 3–5-year horizon. In the short term, chief financial officers (CFOs) and chief supply chain officers (CSCOs) prioritise customer satisfaction the most, owing to its link to business continuity and financial performance. Over the long term, this shifts to CFOs and chief procurement officers (CPOs), reflecting the impact of internal customer satisfaction on long-term business resilience, efficiency and productivity.

Procurement's influence on both internal and end customers is growing, driven by demand for ethical

and sustainable sourcing, faster lead times, more personalised services and competitive pricing. And yet, procurement often fails to acknowledge the role it plays in customer satisfaction. Recent research reveals that procurement does not regard customer proximity as a strategic consideration during contract negotiations; a crucial oversight in the planning process.²

A shift towards customer value

The core challenge is aligning procurement more closely with the organisation's business needs and value proposition. Whether an organisation's offering is centred on low prices, premium quality, fast delivery or sustainability, procurement's strategy can support and reinforce these targets.³

This is reflected in our survey data (Figure 1), where customer satisfaction is a higher priority in the consumer goods (23%) and automotive (16%) sectors, compared with other verticals, over the next 12–18 months. Over a 3–5-year horizon, this rises to 40% in consumer goods, 35% for banking and 33% in automotive. Leaders in consumer goods (31%) and automotive (17%) also assert that customer satisfaction is the primary value of procurement, mirroring the customer-centric perspectives registered among leaders from these industries in our 2024 procurement survey.⁴

1 Economist Impact. February 2025. "Economist Impact survey of C-suite executives on procurement 2025". Accessed July 16, 2025.

2 Art of Procurement. March 2025. "Realizing the Full Value of Services Spend Management". [<https://resources.artofprocurement.com/realizing-the-full-value-of-services-spend-management>] Accessed July 16, 2025.

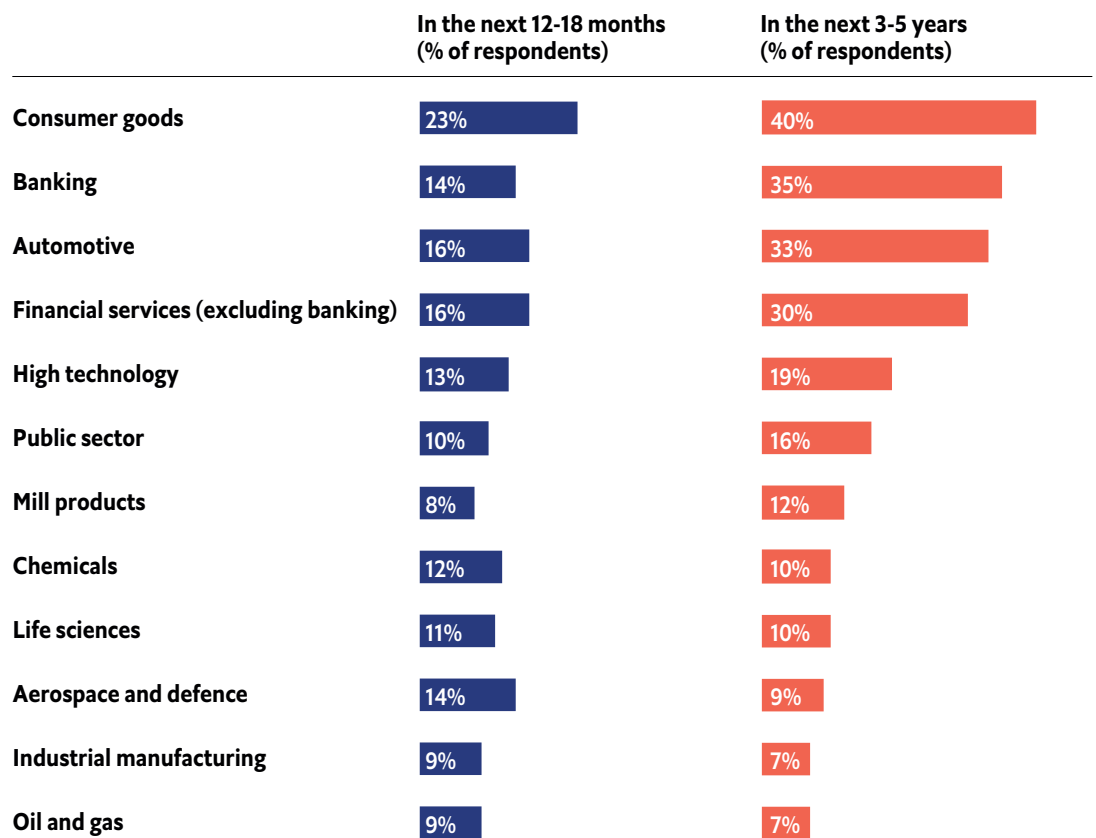
3 Oboloo. May 28, 2023. "Maximizing Customer Satisfaction: The Impact of Procurement Strategies on Service Management". [<https://oboloo.com/maximizing-customer-satisfaction-the-impact-of-procurement-strategies-on-service-management/>] Accessed July 16, 2025.

4 Economist Impact. February 2024. "Economist Impact survey of C-suite executives on procurement 2024". Accessed July 16, 2025.

In 2023, respondents claimed human capital was a more important driver of the procurement user experience than technology. Last year, the emphasis shifted towards technology with “user experience” cited as the leading driver of digital transformation by 53% of banking leaders, 42% of automotive leaders and 39% of consumer goods leaders. Customer satisfaction is critical in these industries

as procurement decisions directly affect the quality of the customer experience, and therefore brand reputation. Multi sourcing in the automotive sector, for instance, can affect the supply of critical components,⁵ while in banking the customer experience is increasingly guided by the quality of various interactive third-party technology platforms and customer support services.⁶

Figure 1: Customer satisfaction as a top strategic priority for the procurement function (by industry)



Source: Economist Impact 2025 survey of C-suite executives on procurement

⁵ Capgemini Research Institute. August 2023. “Automotive Supply Chain: Pursuing Long-Term Resilience”. [<https://prod.ucwe.capgemini.com/wp-content/uploads/2023/08/Final-Web-Version-Report-Supply-Chain-in-Automotive.pdf>] Accessed July 16, 2025.

⁶ Reuters. July 9, 2024. “Global Regulators Tighten Rules on Banks Outsourcing Services”. [<https://www.reuters.com/business/finance/global-regulators-tighten-rules-banks-outsourcing-services-2024-july-09/>] Accessed July 16, 2025.

Confidence to change

Across other industry verticals, customer satisfaction is a relatively low priority, but confidence in procurement's ability to deliver customers' needs is high. Over 97% of respondents express confidence in their teams' category management capabilities- a key driver of procurement strategies that reflect customer needs, with industries such as banking, the public sector and aerospace and defence reporting particularly high levels of trust (99%). Formal feedback mechanisms can help assess the accuracy of this confidence, ensuring procurement's confidence in delivering customer value is not an overestimation that diverges from the reality of the customer experience.

Cross-functional collaboration is a key driver. Executives from banking (42%), consumer goods (39%) and automotive (35%) report meaningful gains in customer satisfaction as a result of enhanced collaboration between procurement and external stakeholders over the past year. Across these customer-facing industries, procurement leaders acknowledge the role their team plays in maximising customer retention, brand loyalty and market share.

From silo to strategy

Despite the confidence expressed in procurement's ability to meet customer needs, several challenges remain. Siloed working can leave teams disconnected from the needs of their customers.⁷ Performance measurement shortfalls can compound the sense of detachment. Moreover, silos prevent organisations from reaping the benefits of cross-departmental cooperation.

Nearly three quarters of executives (74%) cited increased cost savings and 61% highlighted improved digital adoption as the two biggest benefits of increased collaboration between procurement and internal stakeholders.

Overcoming organisational silos can be achieved by positioning procurement as a strategic business enabler, linking procurement metrics to business outcomes and establishing robust cross-function governance models to avoid internal tensions. This, together with more innovative use of customer feedback tools can boost agility, which is paramount when employing procurement processes that prioritise value over cost efficiency.⁸

⁷ Procurious. September 8, 2024. "Are You Suffering from a Silo Mentality?". [<https://www.procurious.com/procurement-news/are-you-suffering-from-a-silo-mentality>] Accessed July 16, 2025.

⁸ Infrastructure Global. June 22, 2023. "Traditional Procurement and Collaboration Methods Are No Longer Enough". [<https://infra.global/traditional-procurement-and-collaboration-methods-are-no-longer-enough/>] Accessed July 16, 2025.

Standard procurement practices often focus on customer satisfaction (CSAT)⁹ surveys that can be infrequent or imprecise. Procurement leaders are often apprehensive of feedback that challenges existing performance narratives. According to a survey by the Hackett Group,¹⁰ nearly half of procurement respondents (46%) do not know their organisation's CSAT score. Of those measuring CSAT, only 8% report a score of 95 and above (satisfied and very satisfied). This suggests that CSAT is being drastically overlooked.

More robust indicators, such as customer effort scores, call resolution rates, procurement processing times, spend management tracking or client advisory group feedback can help identify service gaps and pinpoint areas for improvement.^{11,12,13}

Redefining the purpose of procurement

One way for procurement to address these gaps is to weave customer-centric thinking into its fundamental goals. Aligning procurement strategy with the organisation's broader value proposition ensures that supplier selection and risk management are undertaken early in the planning process, with procurement's role equal to that of marketing, finance and product development.

Achieving this requires deeper collaboration with sales, marketing and IT, keeping procurement attuned to customer requirements. Agile processes and regular feedback are key to this cooperation, enabling stakeholders to elevate brand reputation and loyalty and to drive cost savings and increased digital adoption. Ultimately, in a world of rising expectations and competitive differentiation, customer value remains central to a cohesive procurement strategy.

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9 CSAT is a crucial mechanism by which procurement teams can understand the needs of their customer base.

10 The Hackett Group. 2024. "Next-Generation Procurement Operating Models and Agile Orchestration". [https://lp.ziphq.com/rs/195-QFD-187/images/HackettGroup_Next%20Generation%20Procurement%20Operating%20Models.pdf?version=0] Accessed July 16, 2025.

11 Ivalua. November 18, 2024. "What Is Spend Management? A Comprehensive Guide". [<https://www.ivalua.com/blog/spend-management/>] Accessed July 16, 2025.

12 Onecom. February 4, 2025. "Improving First Contact Resolution (FCR) Rates with Sentiment Analytics".

[<https://www.onecom.co.uk/blog/improving-first-contact-resolution-fcr-rates-with-sentiment-analytics>] Accessed July 16, 2025.

13 IBM. October 3, 2024. "What Is a Customer Effort Score?". [<https://www.ibm.com/think/topics/customer-effort-score>] Accessed July 16, 2025.