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A case study on Key Account Management at Printo

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Executive Summary

Key Account Management (KAM) is considered to be the active contributor to the realization of the unique selling position of the firm and therefore it creates a competitive advantage that increases the performance of the firm, which leads to the shareholder holder value – the ultimate aim of doing business. As Cheverton describes KAM as is about managing the future of the business and Hellman describes it as a specific program that overcomes the barriers in business growth.

This management research project focuses on Key Account Management in the real business environment. KAM process in Printo Document Services Private Limited was studied and reviewed against various academic literatures which focused on business-to-business segments. There were few emerging themes that were analyzed in the business context and its impact on the business, especially balanced customer portfolio matrix, relationship management, value creation and delivery process and organizational orientation towards value creation. The correlation between these emerging themes and the business objectives was done throughout the research. The outcome of the research was that balancing the customer portfolio is as important as adding the customers in the Key Account quadrant. Relationships and managing the relationship with the customer is important in the Business-to-Business environment. Factors like customer satisfaction, customer loyalty, sales-person's involvement and constant review of the relationship with the customers have been found critical in relationship management. Customers do business with a vendor only if they see value addition to their business and hence, value creation is the key for the success of any product or service. Delivering value is as critical and important as creating one and it was found that organizational orientation towards customer focus and value creation to customers ensures customer satisfaction and loyalty.

This research project report concludes with the recommendations to the business considering the above mentioned themes in building their sales strategy to the B2B segment, which was the prime objective of this internship project.

Acknowledgement

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1.0 Introduction

Gosselin et. al (2006) says that "Key Account Management (KAM) contributes to the realization of a unique selling position; therefore, it creates a competitive advantage that increases performance, which ultimately leads to shareholder value creation". This project focuses on creating a sales process to identify and improve sales from the existing customers by applying the KAM frameworks and Value Creation Frameworks.

Key Account Management is one of the key areas of focus for companies serving corporate clients or Business-to-Business (B2B) clients. Some of the clients are classified as Key Accounts based on their value or volume of the business generated from these customers. A key account manager would be handling few key accounts based on the size and business from these customers. Key Accounts would generally provide orders regularly based on their requirements and demand. There could be possibilities for complacency developing on the managers and their tendency is to retain the existing orders and not focused on new products or new orders from other departments from the same organization. This could also be due to the pressure to achieve targets; they would be concentrating on creating new businesses.

KAM's success is mainly due to relationship management and value creation. It is difficult to develop new relations but it is equally difficult to retain them as the expectations would increase over a period of time. These expectations need to be met in order to strengthen the relationship to gain more business from these clients. Cross-selling is vital in KAM to gain more business from existing customers. But the challenge is to identify the potential for cross-selling. Organizational orientation is important in KAM, especially, in value creation and delivery process. This report reviews the literatures in KAM focusing on the contribution of customer portfolio management, relationship management, value creation and delivery and organizational orientation in the success of KAM.

This management research project was done at Printo Document Services Ltd, Bangalore, India as an Internship Project. I had spent around 10 weeks in the firm to collect data, meet employees, meet customers, analyze and make an action plans and give recommendation to improve the existing process. The aim

of the project was "To develop enterprise sales strategy targeted towards the existing B2B customers".

Printo's Retail segment contributes to 75% of the revenue; B2B enterprise segment contributes to 22% and online sales contributes to 3%. Printo is keen in increasing the share of B2B and online sales in the current year and has an ambitious target to achieve. B2B segment consists of corporate clients mainly for IT & ITES, Educational Institutes, Retail and others. This project was started by studying the current sales process of Business Solutions Team, meeting the customers to identify the potential business and areas of improvement and developing a sales strategy to increase the share of revenue generated from the existing B2B clients.

The project would look at answering the following questions for Printo:
- What are the issues faced by the firm in increasing the sale from their existing B2B customers?
- What does the firm needs to implement or change to gain more business?
- How to make a process for the sales which would help the organization to grow business from B2B regularly?

1.1 Scope of the project

The scope of the project was finalized subsequent to the discussion with the Head of Business Solutions are as follows:
- Identify 10 key B2B (Enterprise) customers
- Analyze the current sales from these customers and identify opportunities to get more business from these customers
- Analyze the potential growth from new initiatives
- Create a plan to capitalize these opportunities

1.2 Structure of the report

Literature Review: starts with the review of importance of the business strategy and key factors which affects or assists the organization to achieve its strategic goals. This is followed by the definitions of Key Account Management and various terminologies being used. Then, customer portfolio matrix is studied and reviewed and the importance of having a balanced customer portfolio is

being discussed. The impact of relationship management and factors that affects the relationship with the customer is reviewed, in Chapter 1. Frameworks for value creation and delivery process were studied, followed by the framework that reviews the organization's orientation towards value creation and delivery, in Chapter 2.

Research Methodology: starts with the research questions which emerges out from the literature review and then discusses the research methodology being used for this project. This discusses the qualities of qualitative research and various research instruments that could be used for data collection and methods for qualitative research. A list of questions that were used as data collection tool was provided for reference. This is followed by the limitations in doing this project and the extent of data collection and its relevance was discussed.

About the company: A brief summary about the company on which the project is based on.

Findings & Discussions: discusses all the points that were covered in the literature review, with reference to the data collected from the organization under study. Discussions and justifications with reference to the literature are provided wherever necessary and relevant. Arguments are made where the actual findings are contradicting to the literature review.

Conclusion: starts with a brief summary of the findings which would answer the research questions. This is followed by implications for managerial practice and recommendation for future research.

References:

Appendices: This section contains the tables, explanation for the frameworks, responses to the questionnaire, customer visit reports, customer feedback forms and sample responses. This forms the back-up data for the findings and discussions and provides additional information.

2.0 Literature Review

2.1 Business Strategy

A B2B product's strategy needs to include a clear definition of its target markets and points-of-difference from competitors that are compelling to customers. Hellman (2005) suggests firms need to expand their strategies to include pinpointing "*why potential customers aren't buying their products*", and "*then developing specific programs to overcome these barriers*". This question would provide a platform for the business to identify what makes their customers buy their products. A successful strategy must help the customer all the way through **being a loyal, repeat customer.**

According to Quinn et al. (1990), *true strategic focus means that a company can concentrate more power in its chosen markets than anyone else can*. Such companies develop sustained competitive advantage from exceptional understanding in selected human skills, logistics capabilities, knowledge bases or the other core strengths which cannot be reproduced by the competitors and that would provide opportunity to a greater deal of **demonstrable value** for the customers.

Business Strategies or sales strategies are the instruments for managing the future. As shown in the figure below, they seek to balance the three important elements of the business (Cheverton, 2005). The following model links the elements of business which are equally important in developing a winning business strategy.
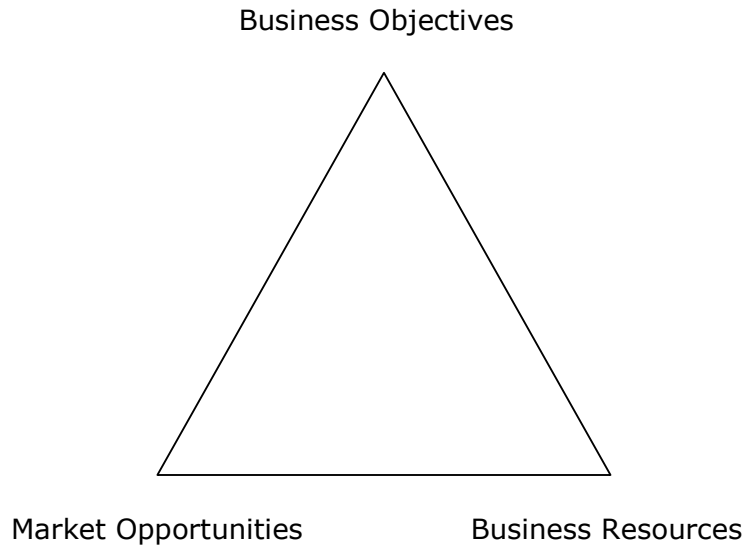
Figure 1: Managing the future

(Taken from Cheverton, 2005)

Business Objectives: Where does the business is trying to get to, what sort of business we would have in the future.

Market Opportunities: are the forces that would help or hinder the business, includes customers who will best help the business to get where it wants to be, and competitors who would challenge the capabilities of the business.

Business Resources: are those things that will support or constrain the progress of the business. These include capabilities, production, R&D, Logistics, Finance and People.

Managing the future must be a continual process of analysis, re-assessment and changing the above discussed elements. Businesses should be clear about these three elements which guide them to the future.

Cheverton (2005) defines Business Strategy as the outcome of three basic questions, each with its own issues and model to aid understanding (refer table-1 in the Appendix - 1). The questions are (i) "What to sell and where?" which discusses the issues related to Products, Markets and Risk (ii) "Why will people buy?" which helps business to identify their competitive advantage (iii) "What

makes your business hum?" which discusses the value drivers – Customer Intimacy, Product / Service Innovation and Operational Excellence.

Once the business identifies the above highlighted issues, it can take steps create an impact in the market and its customers through its value proposition. Cheverton (2005) identifies **Key account management** is about managing the future. KAM can be considered as the specific program to overcome barriers in business growth, as identified by Hellman (2005) earlier. It is also important to know "why people buy & what makes the business hum?" which would probably answer "why potential customers aren't buying their products?" to create a successful KAM strategy or sales strategy. **Chapter 1 discusses KAM in detail.**

CHAPTER 1

2.2 Key Account Management:

2.2.1 Definitions:

Cheverton (2005) defines Key Accounts are those customer who would take the business where it would wish to be in future. McDonald et al. (1997) explains "Key Accounts are customers in a business-to-business market identified by selling companies as of strategic importance". Identifying the key accounts is as important as choosing a portfolio of investments. Some might give a quick return, some are longer, while others are speculative, and a balanced portfolio will offer more certainty.

Key Account Management (KAM) is about managing the investment. It is about **managing the relationship** with the customer and implications of that relationship on the supplier's own business (Cheverton, 2005). KAM is an approach adopted by selling companies focusing on building a **portfolio of loyal customers** (key accounts) by offering a product or service package tailor made to meet their individual needs (McDonald et al. 1997). KAM by definition is a cross-functional activity designed to **deliver superior value** to the customer (Piercy & Lane, 2006). Gosselin et. al (2006) says that KAM contributes to the **realization of a unique selling position**; therefore, it **creates a competitive advantage** that increases performance, which ultimately leads to **shareholder value creation**.

According to Piercy et al. (2006), there seem to be an unprecedented attention give to KAM and was considered as the path to develop and nurture long-term relationship with the major accounts. The buyer-seller relationship depends on the balance of dependence, and the seller prefers to be strategic supplier to these key accounts. Piercy et al. (2006) says that "for many suppliers KAM is far more than a sales strategy for major accounts – it is a progression towards a form of **"partnership" or alliance with major customers**, characterized by joint decision making and problem-solving". Although a relationship between a supplier and a customer is commercial, it is a relationship and that requires a long-term view, mutual respect, a win-win strategy, and the acceptance of the

customer as a partner and coproducer of value and not just a passive recipient of a supplier's product (Gummesson, 1998). Customers benefit from KAM relationships not only through lower costs and/or increased customer growth but also in terms of **customization, consultancy, complexity management, consistency and harmonization and continuity & trust** (Ryals, 2007).

KAM Planning is about identifying which relationships to be developed, how resources are to be allocated to relationships and how benefits are to be delivered. KA planning involves extensive analysis from the customer's point of view to **identify the value added by a supplier through innovation** (Ryals & Rogers, 2007).

2.2.2 KA Planning:

Ryals & Rogers (2007) argues that the KAM plans provides the basis for better insights for the management in decision-making, visibility throughout the company for expectations concerning key account activities. KAM Planning provides better understanding of customer, new approach to thinking, sharing of information, getting customer involvement, guidance for implementation and better customer portfolio management. On the whole, KAM planning is a road-map for effective KAM implementation.

Refer Table 2 in appendix - 1 for the contents for key account plan. KAP discusses the summary of the business strategy and future growth plans, which is broadly based on the Business Strategy Section in the report. Environmental scanning of the accounts for potential benefits in terms of volume, value, reputation, etc., which would help the firms to decide upon identifying the account as "key". Customer portfolio matrix and the position of the accounts for the customer attractiveness matrix are discussed to allocate resources to those accounts. The plan contains the customer relationship management & implementation plan with detailed tactics and risks.

The following themes emerge while analyzing these definitions - **portfolio of customers; relationship management;** and **value creation & delivering value –** which are essential for successful KAM. These would be discussed in the following sections.

2.2.3 Customer Portfolio:

Cheverton (2005) explains that the supplier chases customers who would take them where they want to go and customer chases the supplier if they meet their needs. A combination of these two needs would lead to "key account" to the supplier and "key supplier" to the customer. Cheverton proposes a 2X2 matrix for identification and selection based on customer attractiveness and relative strength, which is similar to the Account Portfolio Matrix proposed by McDonald et al. (1997). (Refer Appendix - 2)

Customer attractiveness: What is it that makes customers, or potential customers, attractive to the supplier?

Relative strength: What is it that makes the supplier attractive to the customers, in comparison to their competitors?

- ***Key account:*** Supplier wants them, they like the supplier. These customers are critical for the supplier's future and deserve energetic attention from the KA team.

- ***Key development account:*** These customers could become key account, only if the supplier improves their performance in the customer's eyes. Such customers could be hard work. Success from these customers would come from applied effort, and not from starving them of resources or expertise.

- ***Maintenance account:*** These are good customers, who have been loyal for years. The tough decision is to pull resources and energy back from such customers and put wherever it is need, especially for key development account. The objective should be to reduce costs and maximize sustained earnings, reduce the number of visits and implement efficient telephone ordering service or similar. It important to communicate to such newly identified maintenance accounts and the success lies in handling this transition.

- ***Opportunistic account:*** These are customers whom the supplier would willingly service and when it suits their priorities. The supplier should not treat them as nuisance, should make promises which they can keep.

Income from such customer would help to develop the key accounts and key development accounts.

According to Cheverton (2005), identification and selection of customers into these categories implies planned allocation of business resources. Any successful business will require a mix of customers, a balance across all four boxes of the matrix. The feasibility of maintaining the balance in the organization is to be studied and reviewed.

The portfolio helps to manage the flow of time, energy, resources and money. Time and energy saved by more efficient means of handling maintenance and opportunistic accounts can be invested in future developments and can increase the revenue and profits from those customers.

Cheverton (2005) provides a list of factor for Customer Attractiveness and Relative Strength. Customer Attractiveness factors include:

- Size – volume, value, profit opportunity
- Growth potential – volume, value, profit opportunity
- Financial stability – will the customer sustain in future and will they pay their bills?
- Ease of access – geography and openness
- Closeness of existing relationships
- Strategic fit – will they take the supplier where they would wish to be?
- Are they 'early adopters' – are they open to new ideas and products or do they wait until the market has tested them?
- Do they value your offer? Is it relevant to their needs?
- Level of competition – low being attractive
- Their market standing – industry leader, credibility, prestige, etc.

It is practically not possible to evaluate an account based on the points listed above. But a combination of two or three or even more parameters can be used to evaluate the attractiveness of the customer. When these parameters or factors are analyzed further, there seems to be contradiction between two or more of the factors. Eg. If an account is big in size i.e. volume, value or profitability, it is more attractive. Whereas, if an account has high level of competition, then the account is less attractive. Piercy & Lane (2006) argues

that it is unlikely, that an account is large in size & profitability and has less competition. The most attractive customers for a KAM strategy are likely to be customers where the competition is very aggressive and consequently the ability of the customer to substitute one supplier for another is highest. This could also make the customer deny strategic supplier status to any of the supplier and place all the suppliers in the price-based supplier category. This would eventually erode the profitability in supplying to such customers.

Let us take another example. If an account is "early adopters" and are open to new ideas and products, but they are not industry leaders and don't have credibility as the products they bring in are not proven in the market. So the above factors need to be scrutinized properly before taking the decision in identifying an account as "key".

McDonald et al. (1997) identified the following factors which companies use for selecting or defining the accounts as "Key Accounts" and called these as key account attractiveness.

- *Volume related factors:* Most selling company strategists examine the potential volume in addition to the current volume of business from the key accounts at any point of time. Companies concentrate too hard on the existing volume would miss out on new starts.
- *Potential for profit:* Companies have developed systems capable of accurate allocation of costs which will facilitate customer profitability analysis. Expectation of increasing profits is a criterion for key account selection.
- *Status related:* The credibility and prestige associated in doing business with well-known companies as customers is a motivation factor to win other businesses. Such reference account can assist in acquiring new customers indirectly.

Unlike Cheverton (2005), McDonald et al. (1997) identified three basic factors, if any one of the factors is bigger or more, the account can be classified as "key". Moreover the three factors are independent and are not contradicting each other. So this report will analyze the firm based on the above three factors

identified by McDonald et al., acknowledging the fact the exhaustive list by Cheverton could be classified under these three factors.

McDonald et al. (1997) identifies that the factors influencing the selection of a preferred vendor by the customer are also the factors influencing key account selection by the supplier.

- *Ease of doing business:* Quality processes that will make it easier for customers to do business would make the supplier to move a **strategic supplier relationship** into partnership. Purchasing decision makers would support suppliers who make it easy to do business with them.
- *Quality (Product / Service):* An attractive product or service offer could be a pre-requisite for the relationship between the buyer and seller. The product / service offer must consistently and continuously meet the customer's business criteria and **add value** to the buying company's customers.

From the above explanation, it is clear that **relationship management** and **value creation** are key factors.

Cheverton (2005) identifies relative strength factors are to be viewed through the customers' eyes, what they are looking for and what causes them to prefer one supplier above another? The more the supplier knows the customer would be better. It was found that the following factors can be mapped under value creation (V) or relationship management (R).

- Price - V
- Service – on-time-in-full measures, just-in-time, etc - V
- Quality - V
- Speed of response - V
- Relationships and attitudes - R
- Technical innovation - V
- Investment in the industry - V
- Value in use – value in the supply chain, total acquisition cost, etc - V
- Attitude to exclusivity arrangements - R
- Long-term sustainability - R
- Trust and confidence – ethical standards and behaviors – R

The above factors influence the buyer's decision for or against a given supplier. So it is important to understand the importance of these factors and identify ways to incorporate in the product or service being offered to the customers.

Based on the explanations given by both McDonald (1997) and Cheverton (2005), the report discusses relationship management and value creation in detail. Krapfel et al. (1991) proposes that sellers may find it desirable to structure consciously a balanced set of trading relationship, which would also avoid excessive dependence on any one trading partner will attempting to reap benefits of closer and better coordinated relationships, which is discussed in the earlier chapter. Cheverton (2005) says that Customer Portfolio Matrix identifies key accounts and highlights that the resources are to be allocated based on the customer attractive and the relative strengths of the business. So the following matrix is important for organizations to decide the customer contact matrix and manpower allocation to the identified accounts.

Figure 2: Customer Portfolio Matrix

(Taken from Cheverton, 2005)

2.2.4 Relationship Management:

According to Ravald & Gronroos (1996), "the focus is shifting from the activity of attracting customers to activities, which concern having the customers and taking care of them". They say that the core of the relationship marketing is relations, i.e maintaining of the relations between the company and its suppliers, market intermediaries, the public and most importantly the customers. These are called as the actors in its micro-environment.

They also identify **value** as an important factor in relationship marketing and the ability to create and providing superior value to its customers was considered to the most successful strategies in the 1990s, which means that **value creation** is the means for differentiation and competitive advantage. By adding value to the core product, companies tend to improve customer satisfaction resulting in strengthened bond between the customer and also higher customer loyalty. **Chapter 2 discusses the Value Creation in detail.**

Customer satisfaction is identified by Heskett et al (2008) as one of the most important criterion for improving *customer loyalty*, and customer loyalty drives *profitability*. Most suppliers would add technical product features or supporting services to the core solution, so that the total value of the offering is increased. But, too many companies alienate themselves from their customers and the value added does not mean anything to with the actual needs of the customers. Introducing "extras' are not driven to satisfy the needs of the customers can never be more than a short-term solution (Ravald & Gronroos, 1996). They suggest that if the company can provide value in terms of reducing the customer's perceived sacrifice, such that the relationship cost and transactional costs are minimize and the customer performance improved. This could prove to be successful in increasing the customer satisfaction and in turn loyalty.

Bosworth & Holland (2004) highlights the importance of salesperson in value creation and relationship management. An effective salesperson should be capable of positioning an offer to the customer in a way that would make the customer understand the benefits that resolve a problem or satisfy a need. A customer-centric salesperson should be able to converse situational and ask relevant questions to allow the customers or the decision makers to identify

ways that can solve their business problems, achieve their strategic goals and satisfy their unspoken needs. Incorporating **emotional brand values** into industrial brand strategies and salespeople who can build on the functional and affective needs of organizational buyers will be best placed to create the **psychological bonds** that inspire enduring buyer-seller relationships (Lynch & Chernatony, 2007). Sales person has the opportunity to build relationships by identifying and satisfying the emotional needs, which will increase the customer loyalty and trust with the sales person and in turn with the supplier organization.

Coe (2004) identifies that changes in the **salesperson coverage** would lead to breaking of the established relationship in B2B. In order to avoid this, he proposes that information regarding all the decision makers and influencers within a customer's organization shall made available in a database, and relevant communications are sent to each person based on the person's role and involvement with the purchase. This will enable the customer to relate to the supplier's organization than the supplier's sales person, i.e. the relationship will grow between organizations instead of individuals.

He suggests that all decision makers and influencers are familiar with your company, value proposition, and overall relationship as a supplier of products or services. This will be possible if the contacts are made at all levels instead of the gatekeeper alone, which is the traditional process. Customers shall have methods to contact or interface with supplier other than through the salesperson i.e. inside sales or customer service. This holistic view requires one database of information shared by all customer contact groups.

Coe (2004), based on his research suggests that the number of sales call will decline, but the frequency and total no. of contacts will increase, when an inside salesperson is teamed with the current outside salesperson for every account. This obviously is not a replacement of the outside salesperson but a supplement to the existing relationship that enhances the satisfaction of the customer. By doing this, the chances of the losing a customer due to change in sales person will be minimized.

According to Piercy & Lane (2006), the closer the relationship becomes to key account supplier status, the higher would be the risk for the supplier. Focus on a

key account creates a strategic vulnerability and increase business risk for suppliers, which may be uncontrollable and unattractive to the supplier. If the key account's end-use market brings about a change or new strategies, then the existing supplier base may be unsuitable to deliver the key account's new strategies or requirements. It is important to continuously monitor the status of the relationship between the customer and supplier to remain competitive and profitable. So, staying close to key customers, but reaching out to other customers groups as a route to reduced dependency on a few and enhanced profits. This could be achieved by having a balance customer portfolio, as discussed in section 2.2.3.

Sharma et al (2001) says that becoming **customer oriented** enables a company to focus its resources on the most profitable customers. Thus the supplier becomes less vulnerable to focused competitors who would "cherry pick" it's most profitable customers, and would also improve the profitability of the organization or business.

2.2.5 KAM Implementation Plan

Ryals & Rogers' key account plan highlights detailed tactics, budget and risk and contingencies. This section discusses the tactics in brief and risk and contingencies.

Coe (2004) highlights that most salespeople are not able to meet all the decision makers and influencers as frequently, listen to the key decision maker and develop a relationship with them. They would also need to meet and satisfy the different needs of the influencer. Keeping and growing the relationship is as important as getting the sale. Salespeople are the key players in penetrating the account with target messages addressing different functional needs of the customer. Two main concepts which will gain more revenues from existing relationships are Up-selling and Cross-selling, as suggested by Coe (2004).

Up-selling is selling more products or services to the same customer. These products or services are either the same or closely related to each other and do not represent a new category of purchase. Customers appreciate when the sales person suggest or recommends a slightly different product or service which would satisfy their needs than just selling what they want.

Cross-selling is selling a product or service which was developed for a customer to another customer. These products would be totally new category and unique attributes and value proposition may not necessarily transferable to all customers, since customers buy the products and services to satisfy their needs. But, identifying the right customer for cross-selling products is important for successful sales. This is where the understanding of the customers business plays an important role in suggesting the right product or service.

KAM strategy carries a substantial opportunity cost that management's focus on key accounts reduces the attention given to other customers, who in reality offer higher margins and lower risks (Piercy & Lane, 2006).

Piercy & Lane (2006) argues that when 80% or more of profits and / or revenue is from 20% or less of the customer base, which is the case with KAM, then business has already witnessed the failure of its business model. Because, it has led to such a high degree of dependence on a small number of customers, that the company's strategic freedom of maneuver has been undermined and the control of the supplier's business has been effectively taken over by the major customers. The eventual outcome of such situation is inevitable falling of prices, commoditization of their products, and progressively lower profits as major customers exert their market power.

The powerful customers will ultimately exploit that power to their own advantage, then their business carries a disproportionately higher risk than that of less powerful, less dominant customers, and it is less attractive as a result. If it is inevitable that major customers will demand more concessions and pay less, then it is likely they will also be substantially less profitable than other customers. Hence, continuous monitoring and careful scrutiny is required in managing the relationship with the client and the resources invested in building and nurturing a relationship.

CHAPTER 2

"A business that makes nothing but money is a poor business." – Henry Ford

A business should not only make money for itself but should add value to its customers and its environment. Hence, this report would discuss value creation as an important phenomenon for a sustainable business.

2.3 Value Creation:

Businesses are willing to pay more for "business solutions" that were developed specifically for their needs (Sharma et al., 2001) and exclusivity arrangement (Cheverton, 2005). This implies the need for one-to-one marketing with adaptive solutions for each customer. Sharma et al. (2001) highlights the shift in the market due to its innovative "business design" of offering "value" to their customers instead for the traditional product or service offerings. Such suppliers use superior customer selection, differentiate offerings, 'go to market' strategies, and configure resources to capture value in the market space. The buyer logic is straight forward: if the seller cannot bring added-value to the relationship by identifying new opportunities for the buyer to gain competitive advantage in the end-use marketplace, then the seller is no more than a commodity supplier, and can be treated as such (the product is likely to be bought only on price and technical specification) (Piercy, 2010). Heskett et al (2008) says that customers are strongly value oriented these days and value drives customer satisfaction.

Sharma et. al. (2001) proposes a framework that consists of two strategic processes: the management decision process and the value creating process: technology delivery process, product delivery process, and customer delivery process. (Refer Figure 3)

The management decision process in the value migration process is critical in terms of being more selective about customer and is attempting to serve a smaller group of customers. Suppliers are conscious about the fact that the costs to serve unprofitable customers are comparable or sometimes higher than the costs of serving the most profitable customers. The challenge has moved from sales and selling into **strategic customer management** (Piercy, 2010). The core responsibility of the strategic sales organization is to manage the customer

portfolio and its investment decisions at the centre of business strategy. Success in strategic sales also mandates customer knowledge both to inform decision makers but also to identify new areas of value addition working with the customers.

Value Creation Process

Management Decision Process

Customer Selectivity

- Diversity
- Information

Differentiated Offering

Technology Delivery Process

- Research and Development
- Technology Integration
- Efficiency, Effectiveness, Learning

Product Delivery Process

- Concept to Launch
- Manufacturing Process

Customer Delivery Process

- Supply Chain
- Distribution
- Infomediation

Value-Based Strategies
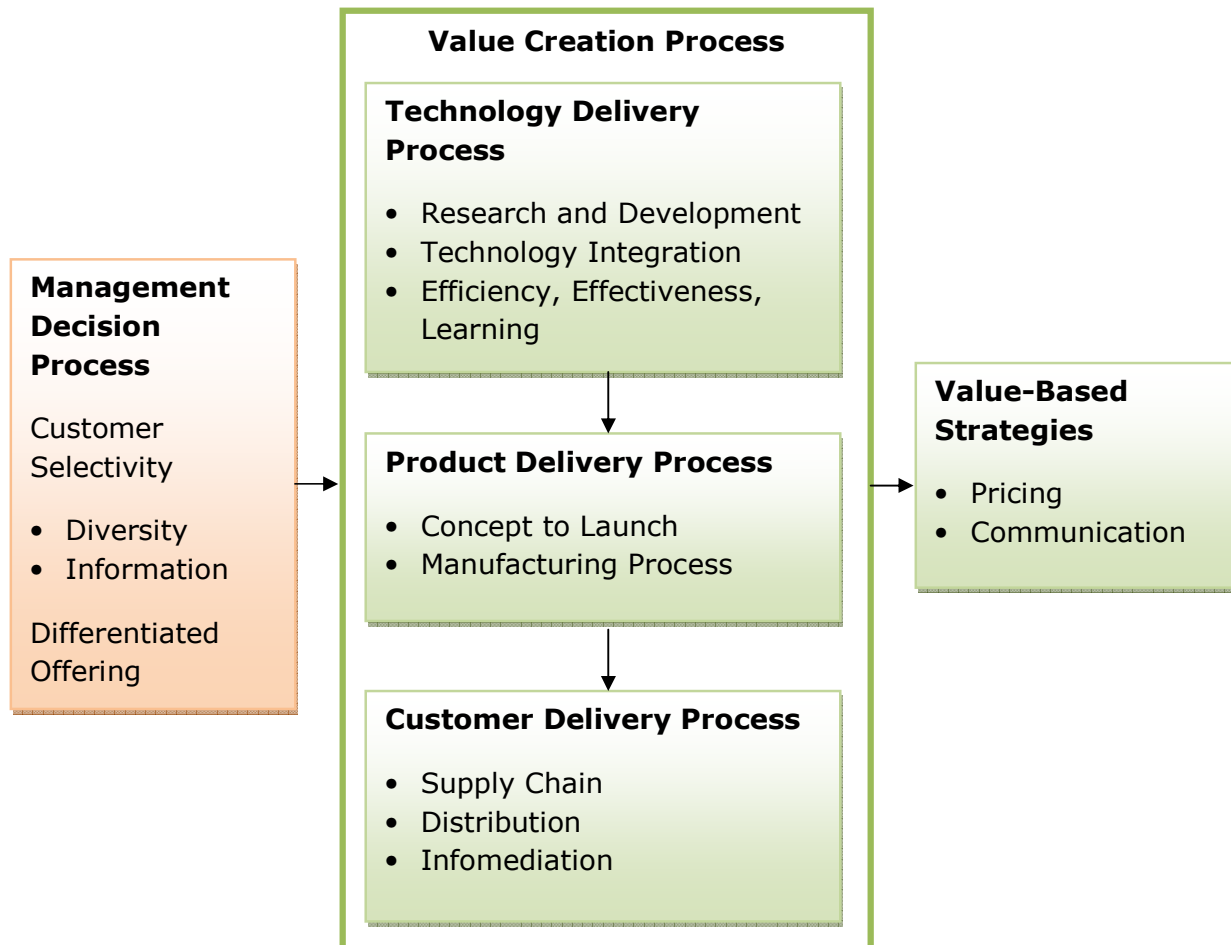
- Pricing
- Communication

Figure 3: Framework for value creation

(Taken from Sharma et al., 2001)

According to Piercy (2010), major customers require a highly specific value proposition built around "unique value" for the customer. As costs of dealing with major customers continue to increase, companies face important choices in where they choose to invest resources in developing a customer relationship, and where they choose not to invest. With large customers, the risks in investment or disinvestment are high and it likely that the intelligence-gathering and market sensing capabilities of the sales and account organization will play a

growing role in influencing the strategic decisions about resource allocation in the customer portfolio. Appropriate sales force strategies will be, and should be, substantially different between key and major accounts. The distinction between major accounts and strategic accounts underlines several strategic choices.

So it is important that each customer is scrutinized using various factors and selected according to their attractiveness. Allocation of resources is an important aspect in B2B marketing design and value creation processes. Management Decision Process has been discussed under Customer Portfolio Matrix and hence not been discussed here. Value creation process and value creation strategies are discussed in detail below.

2.3.1 Value creation process:

Sharma et al. (2001) explains that companies can create value through their technology delivery, product delivery, and customer delivery process, and allocating them to selective customer segment.

Technology delivery process: is about delivering value through the process of technology transfer from research and development of the product development process.

Product delivery process: is about delivering value through product development and delivery tasks to make sure that products meet customer requirements and meet internal commitments to quality, cost, delivery and speed-to-market.

Customer delivery process: generates values through effective supply-chain management, covering sales, fulfillment and service of products.

Generally, all suppliers can create value through their Technology & Product Delivery Processes, provided they have enough resources dedicated. Whereas customer delivery process is the attitude to serve customers better which could be gained just by investing money, time & manpower, but needs to be nurtured right from the Top management to the bottom of the organizational structure.

2.3.2 Value creation strategies:

Value-based pricing: Most customers believe that quality is no longer a sufficient condition to demand price premium. Value has been migrated from quality to cycle time reduction, cost savings, and customer service. Companies cannot use price to create and communicate value of the product or services.

Vargo & Lusch (2004) argues that customers do not buy goods or services; they buy offerings which render services that create value. They disagree with the traditional definition of goods and services; which are activities render services and things that render services. This means that the customers are willing pay premium for personalized services than superior quality products.

Value-based communications: The value created by companies is to be communicated effectively to their selected customers.

Vargo & Lusch's "service-centered view of marketing implies that marketing is a continuous series of social and economic process that is largely focused on operant resources with which the firm is constantly striving to make better value propositions than its competitors". Vargo & Lusch (2004) suggest that suppliers need to identify and develop core competences, the fundamental knowledge and skills that would be their potential competitive advantage. This does not restricts the firm with the products or services only but also the process of delivering value to customers, as discussed by Sharma et al. (2001).

Vargo & Lusch proposes to identify potential customers, who could benefit from these competences and implement the skills like up selling and cross-selling communicating the value of the products and services. This could improve the revenues generated by the existing or newly developed competences.

They identify that service-centered view, which is being **customer-centric**, means more than simply being customer oriented; but collaborating with and learning from customers and being adaptive to their individual and dynamic needs. Here the customer becomes primarily an operant resource (coproducer) rather than an operand resource (target) and can be involved in the entire value

chain and service chain. Eventually, marketing would become a customer-consulting function. Vargo & Lusch (2004) says that marketing would become the buying agent to source, evaluate and purchase the skills that the customer needs, wants or desires on a long-term relational basis. This would eventually form a barrier for other entrants to capture the account, as the customer considers the supplier as a partner providing solution to their problems.

According to Moller & Torronen (2003), value created or provided by the supplier for a business customer could be classified in to efficiency, effectiveness and network dimensions.

Efficiency is getting more from the resources being used. This would result into lower production and transactional costs. Efficiency can be achieved by fine-tuning the business processes of both the supplier and customer, and the exchange process linking them. A supplier with a large capacity and capability of forecasting demand fluctuation scores highly on both the volume and the safeguard functions.

Effectiveness is the ability to create and produce solutions that would add value to their customers and markets compared their existing offers. Such creation of new resources is increasing through coproduction between firms and research institutions. Through the innovation function, a specific supplier-customer team can produce new product and process solutions, which could form new industry standards. Vargo & Lusch (2008) proposes suppliers to focus on increasing efficiency through effectiveness instead of making efficiency as primary.

Supplier network function describes the network connections of a specific supplier, which includes its linkages to next-level suppliers, research and government agencies, and other customers. These linkages could provide customers access to the network resources for enhancing the customer's business process, which could range from R&D partners, to channel actors, etc. This indicates the supplier's capability to develop innovative solutions which forms the backbone for the evaluation of the suppliers' value potential.

Piercy (2010) highlights that the ability of companies to achieve competitive superiority and enhanced business performance through the way they manage

customer relationships is a core capability. It is evident that relationship management is important factor for value creation potential of the supplier.

2.3.3 Creating & Delivering Value

Piercy (2010) proposes that the cross-functional role of the strategic sales organization will be integrating functional and partner-organization contributions to the processes of **creating and delivering customer value**. The infrastructure in many organizations was created for a different role and function, and attention must be devoted to realign the structure and process around the customer strategy.

Most importantly, delivering superior value to demanding and powerful customers needs efforts to achieve full integration of the company and partner efforts around customer priorities and the 'internal marketing' of the customer to executives and employees in the company and its partner organizations.

The following framework suggests the imperatives for management focus, which would help to meet the above expectations of the customer. (Refer Appendix -3 for detailed explanation)
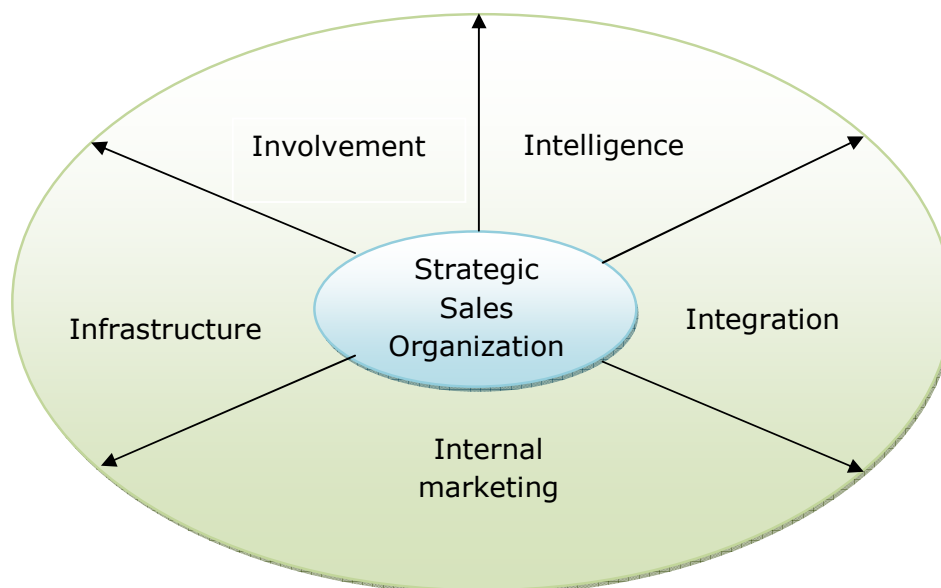

Figure 4: Imperatives for the strategic sales organization

(Taken from Piercy, 2010)

Involvement of the organization in the Business Strategy level and Intelligence of the customer's profile, attractiveness, and requirements have been discussed in detail in the earlier sections. This section will focus on Integration, Internal Marketing and Infrastructure for implementing customer value creation strategy and delivering value.

Integration: of various functions in the organization is necessary to lead processes which define, develop and deliver superior value propositions to customer that cut across the functional interfaces to build real customer focus. The challenge of strategic customer management mandates effective approaches to cross-functional integration around value processes. Rather than managing only the interface with customer, the strategic sales force must cope with a range of interfaces with internal functions and departments, and increasingly with partner organizations, to deliver value seamlessly to customers.

Internal Marketing: is positioning and selling customer value strategy inside the organization across functional and divisional boundaries, and with the partner companies to achieve seamless value delivery. If the internal departments are not communicated effectively then the value may not be delivered as committed by the sales person. The challenge to the sales person is to understand customer priorities and importance of meeting needs to be communicated continuously inside the organization, in addition to the conventional sales and marketing efforts of the strategic sales team. (Refer Figure 5)

Infrastructure: It is important to develop the structure and processes need to manage sales and account management organizations to match customer relationship requirements to build competitive advantage. The shift from traditional sales to team-based selling around large customers requires new infrastructural requirement in the organization. This includes the process of "reinventing" the sales force to meet the challenges of new markets and next strategies are likely to require attention to several critical issues:
- Focus **on long-term customer relationships**, but also **assessing customer value** and prioritizing the most attractive prospects
- Creating **sales organization structures** that are **nimble and adaptable** to the needs of different customer groups.

- Gaining greater ownership and commitment from salespeople *by removing functional barriers within the organization* and leveraging team-based working
- Shifting sales management from "command and control" to *"coaching and facilitation"*
- Apply *new technologies* appropriately
- Designing salesperson evaluation to incorporate the full range of activities and outcomes relevant to new types of sales and account management job

Based on the above discussions, value creation has been a key factor in building long-tem relationship with the key accounts. By re-structuring, the processes are aligned across the organization to create and deliver value to the customers. More importantly, the need for organizational orientation towards customer-centric selling or behavior has been highlighted in this section.

External marketing processes

Internal marketing processes
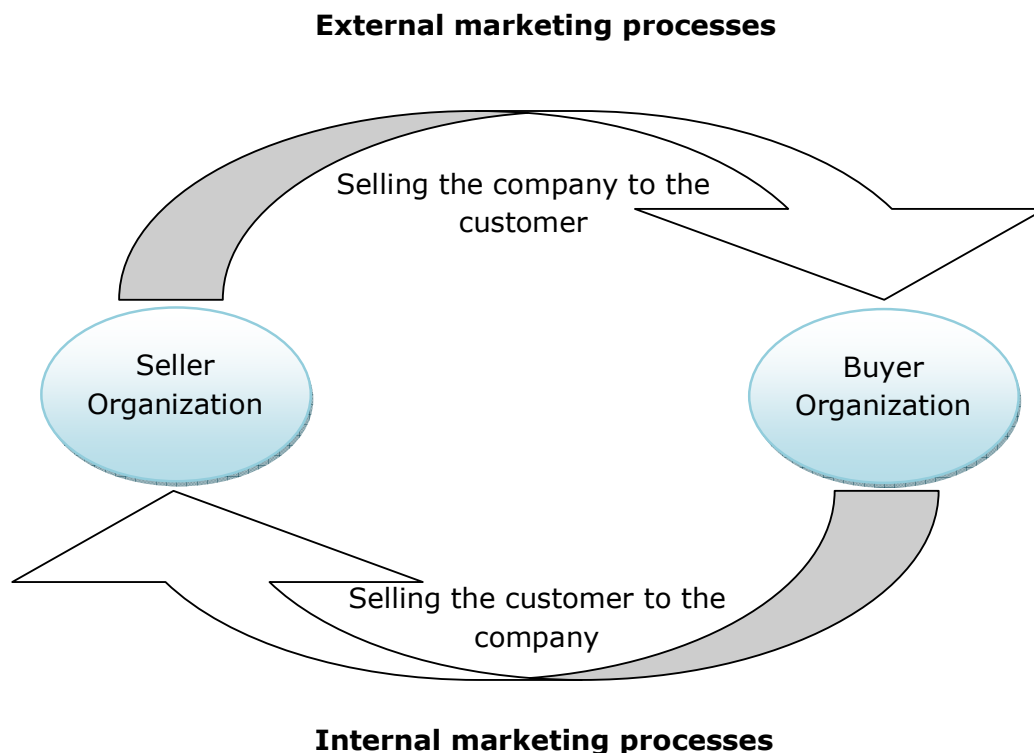
Figure 5: Internal Marketing

(Taken from Piercy, 2010)

2.4 Emerging themes

From the discussions in Chapter 1 and Chapter 2, the following themes can be identified as the key for successful KAM implementation:

- ***Identifying & creating a balanced customer portfolio***
- ***Managing customer relationship***
- ***Value creation and delivery***
- ***Organizational orientation towards value creation and delivery***

The above factors will be analyzed on the organization under study and would be validated in this report.

3.0 Research Methodology

3.1 Research Purpose:

The purpose of the project is to develop a sales strategy to increase revenue from the existing clients for the firm, especially the business-to-business clients. During the Literature Review, KAM was identified as the right approach for companies focusing on B2B clients. The research will help identify the factors which impacts the success of KAM which would help organizations to evaluate themselves against those factors. This would also assist organizations to monitor their relationship with their clients and be competitive and profitable, as suggested by Piercy & Lane (2006). From the literature review, it is also established that value creation and delivery (Piercy, 2010; Sharma et al., 2001), exclusivity arrangement (Cheverton, 2005), offerings that render services that creates value (Vargo & Lusch, 2004) are important for customers to continue business with a supplier. So the research will focus on the impacts of value creation on both the customer and the supplier, and how value creation can be included in the product and service offerings to customers.

Hence, this research would answer the following questions:

Q1. How does identifying and creating a balanced customer portfolio and managing customer relationship influence KAM practice in the organization?

Q2. How organizational orientation towards value creation and delivery impacts the success of meeting customer expectations?

These questions would lead the research to identify what are the factors which needs to considered or implemented by the organization while developing a successful sales strategy in B2B context.

3.2 Methodology

According to Barnham (2010), qualitative research is seen as more 'in depth' or more 'psychological', whereas quantitative research is more objective measurement of specific attributes. According to Glenn (2010) Qualitative researchers are keen to gain in-depth understanding of human behavior and the reasons that govern such behavior. Glenn (2010) states that qualitative research

investigates "the *why* and *how* of decision making, not just *what, where, when"*. Hence, it would sufficient to have a small, focused sample instead of have large random sample size. Qualitative research is more focused in generating new hypothesis, while quantitative research is about testing those hypotheses. Moreover, quantitative research measures how phenomena are actually linked together by counting observed incidences of the factor or attribute, and then the connections are analyzed using statistical methods.

Auerbach & Silverstein (2003) explain qualitative research as research that involves analyzing and interpreting texts and interviews in order to discover meaningful patterns descriptive of a particular phenomenon. Some methodologies included in qualitative approach are: participant observation, fieldwork, ethnography, unstructured interviews, life histories, textual analysis, discourse analysis and critical cultural history.

The research was conducted using some of the above mentioned methods i.e. interviews - structured and unstructured, participant observation from meetings & discussions, sales presentations and website, as a part of qualitative research.

3.3 Approach

Wilkinson (2000), in his compilation Researcher's Toolkit, lists survey, case study and experiment as approaches for research. He explains that case studies draw data on a specific environment such as school, institutions, organizations, etc. and helps to explore the research topic or questions in relation to the environment i.e organization of interest. Patton & Appelbaum (2003) says that "case study offers the opportunity for a holistic view of a process". He says that case study contributes to the knowledge of individual, organizational, political and complex social phenomena. "The case study allows an investigation to retain the holistic and meaningful characteristics of real-life events" Patton & Appelbaum (2003). The unique strength of case study approach is its ability to collect, analyze and interpret a variety of evidences and research instruments like documents, artifacts, interviews and observations.

The research questions focus on understanding a complex relationship with customers and it varies from customer to customer and cannot be generalized for all firms or organizations or suppliers. Moreover, the research studies the

organization's understanding of value creation and orientation towards to value creation. Case study approach is found to be well suited to the situation under study.

Based on Hamel's work, Patton & Appelbaum (2003) states that research should start with the literature review on the subject. And it must be validated through the study of the specific object or social problem. This research focuses on KAM as a subject of study and studies the various factors highlighted in the literature review based on organizational context under study. It identifies the key factors which impacts the effectiveness of KAM in the organization. These factors are compared with the literature review and would be validated. The research would also look for the other factors which are important for successful implementation of KAM in organizations which are not highlighted in the literature review.

3.4 Research Instruments

The research would mainly focus on interviews with the key clients & employees (especially KAM team, Top-Management & Operations team), sales reports, sales presentations, website & observations of the researcher based on the non-verbal communications around the organization.

Since, interviews are the key source of data for the research, two different questionnaires is prepared.

1. For Client – Focus on what the clients feel about the products & services offered, value created, service quality and feedback on areas of improvement. This will also try to evaluate the client's position in the customer portfolio matrix and its future potential.
2. For KAM Team & Operations Team – Focus on what the employees feel, why customers buy their products? What are customer's expectations from a supplier? Is the company and its employees are geared up to meet the expectations? How to measure the performance of the company against the client's expectations?

Questionnaire 1 evaluates the customer's expectations and the satisfaction levels. This would help to answer the research question Q1 on identifying the importance of customer portfolio and relationship with the organization. This also lays a platform to evaluate the customer expectation in the value creation

process of the organization. Questionnaire 2 evaluates the value creation as perceived by the employees of the organization, and organizational orientation towards meeting customer expectations in delivering the value.

3.4.1 Questionnaire

Each question in the questionnaire is mapped to the research questions to ensure the relevance to the research objectives.

3.4.1.1 Customers:

1. What are the printing needs which are currently serviced by Printo? – Q1
2. What are the other printing needs which are not currently service by Printo? & Why? – Q2
3. What does Printo needs to focus / do, to serve you better (other needs)? – Q2
4. Are you aware of various printing solutions Printo is offering? – Q1
5. What are the positives & negatives of Printo? – Q2
6. Based on your experience with Printo, what would you rate Printo on a scale of 0-5? Why? – Q1
7. What are the issues you are facing currently with your existing vendors? - Q2
8. What is your annual budget for printing? – Q1
9. What are the other departments which orders prints? – Q1

3.4.1.2 KAM (Outside / Inside sales) team & Operations team

1. What is your value proposition according to you? – Q2
2. How different is Printo from other vendors? – Q1, Q2
3. Why, according to you, customer is ordering with Printo? – Q2
4. How do you track your performance against customer expectation?– Q1
5. How can you improve the service / performance levels to satisfy B2B customers? – Q1, Q2

The process of selection of the clients for interview is based on the customer portfolio matrix, which is discussed in the Chapter 1 of literature review. 10 clients are identified based on the customer attractiveness factors and discussions with the Head – Business Solutions and interviews are conducted to get the answers for above indicated questions. These questions would also help

to take decision on whether to continue the Key account status and resource allocation for the selected clients.

All members of the KAM team (6) are interviewed, since each person's understanding on the customer's requirement is important, as it will have a direct impact on the quality of service to the customers. A small sample of employees (5) from the operations team and top management are interviewed to understand their understanding of B2B sales or KAM. This is would help to answer whether the customer is getting the expected value from the supplier and to develop a customer-oriented organization for future, based on its current position.

Sales report for the previous year was studied to identify the key accounts which are generating good revenue, and map the clients under the customer portfolio matrix, as discussed in the literature review. Sales presentations and customer visits were made along with the sales people to understand the dynamics of the sales team and the value proposition, as perceived by the sales team and organization.

Internal training programs & manuals were studied to evaluate the process of imbibing the company culture and orientation of employees towards the customers. This would include retail, online and B2B customers. I had attended the management team meeting on the changes in the organization structure especially on sales & marketing. The observations were discussed in the Findings and Discussions chapter and recommendations are made keeping the changes in mind.

3.5 Data Analysis & discussions

All information collected from various data collection methods used were reviewed and grouped under the major themes which are emerged during the literature review. During the analysis of the data, focus was in identifying new themes and relationships which might give better insights to KAM in organizations, as highlighted based on the works of Normann (1984) by Patton & Appelbaum (2003), the importance of identifying the interaction between various parts of a system in generalizing the findings. Based on the analysis of the data collected, the report discusses the outcome with reference the organizational

context and would identify the reasons for the outcome. This would help to provide suggestions and recommendations would be provided to the organization under study for improving the KAM process which would eventually result in increase in revenue from their key accounts.

3.6 Limitations

According to Patton & Appelbaum (2003), the greatest limitation of the case study approach is that it is subjective and is highly influenced the researcher. They identify that the access to the valuable information and the preunderstanding of the researcher on the subject influences the quality of the research done, since preunderstanding can bring in bias on the part of the researcher. Further more, this research uses one-to-one interviews as the primary technique for data collection and would rely on the respondents view on the topic of discussions and questions. The responses could vary person-to-person and the kind of organization the respondent is associated with and his / her personal understanding of the subject or the relationship with the organization under study. The outcomes or the views may not be the same as the organization's view. The facts and figures given by the clients could not be verified due to administrative reasons. The results of suggestions and recommendations on the areas of improvement, provided in the report may not be validated or reviewed due to time constraints.

4.0 ABOUT THE COMPANY

The company chosen for the case study approach was Printo Document Services Private Limited, in Bangalore, India. Printo was founded in late 2005 and is headquartered in Bangalore. Printo's first store was launched in 2006, in Koramangala, Bangalore. Since then, Printo has launched stores in Bangalore, Mumbai, Pune and Hyderabad, intending to dot the Indian landscape with over 250+ Printo stores. Printo has a simple mission: put a smile on the customer's face by making his/her printing experience extremely "easy" (Printo.in). Printo serves its customer through three different channels – Retail, Online and Business Solutions (Corporate or B2B), each targeting different set of customers. The expectations of corporate clients are totally different from Retail & Online customers and need to be serviced specially. Hence, the business solutions team was formed to focus and grow the B2B stream of the business. The report is based on the study conducted as a part of the Business Solutions team and the term "organization" or "firm" refers to Printo in most of the cases or any supplier organizations, in general.

5.0 FINDINGS & DISCUSSIONS

5.1 Business Strategy

As discussed in the literature review, Hellman (2005) suggested that firms need to know **why potential customers aren't buying their products**, and **then developing specific programs to overcome these barriers**. Cheverton (2005) proposed a model linking **Business Objectives, Market Opportunities and Business Resources.** The model helps to answer the following questions (i) what to sell and where? (ii) Why will people buy? (iii) What makes your business hum?

Based on the discussions with the Head of Business Solutions Team (KAM team), the *Business Objective* of the organization is to increase the share from B2B business in the current financial year, which is close to two times the business last year. This could be either by increasing the business from the existing B2B clients or by acquiring new clients, but the focus will remain on the existing clients.

Interviews were conducted with selected clients to identify *Market Opportunities* which would help the organization to achieve its Business Objectives. The questions were focused to bring out the expectations of the customers in terms of **value creation and delivery process.**

Business Resources are designed to meet their expectations and deliver the value to their clients. Interviews were conducted to evaluate the current status of the service levels and **organizational orientation** towards **creating and delivering value** to their key clients.

Based on the analysis of the interviews and other resources, the Business Strategy was revisited which would help the organization to realign its Business Resources.

Chapter 1

5.2 Key Account Management

McDonald et al (1997) defines KAM as an approach of building a portfolio of loyal customers and offering a product or service tailor made to meet their individual needs. The following key accounts are identified based on the attractiveness factors as identified by McDonald et al. (1997).

- I1   -   Status related
- I2   -   Volume related
- I3   -   Potential for profit
- S1   -   Status related
- S2   -   Volume related
- S3   -   Potential for profit
- E1   -   Potential for profit
- E2   -   Volume related
- R1   -   Potential for profit
- M1   -   Potential for profit, Status related

Where I – IT / ITES, S – Services, R – Retail, M – Multi-national companies.

McDonald (1997) identified *Ease of doing business* and *Quality* as the factors influence customers to decide on preferred vendor status for their suppliers. But Cheverton's list identifies the relative strength to be viewed from the customer point of view. The client interviews are analyzed to identify which of the factors are important for the customer to offer preferred vendor status for their clients.

From the discussions and interviews conducted with the selected clients, the following were the factors which are important for customers (Refer Appendix – 4, for detailed Visit Report)

- Price - V
- Quality - V
- Service – On-time-in-full, just-in-time - V
- Speed of response - V
- Relationships and attitudes - R
- Trust and confidence – ethical standards and behaviors - R
- Attitude to exclusivity arrangements - R

(V – Value creation, R – Relationship management)

As discussed in the literature review, the above factors are mapped against Value Creation and Relationship Management as key concepts emerging out of the discussions. These factors are discussed in detail below:

Price **–** Almost all customers have highlighted that price is one of the deciding factors for placing orders on any vendor. Few customers have mentioned that price is the only factor of discussion once the quality and service levels are being matched by all the vendors. Customers do agree that quality & service comes at a cost, but they are not openly willing to shell out extra money for the premium quality & service. The prices of the products offered by the organization are expensive for the technology being used and professional service levels. All customers do feel the pinch of being expensive compared to their other vendors. One customer (I2) was willing understand the break-up of the cost and give reasonable margin on the cost and a price for additional value-added services like managing the logistics and warehousing part, but preferably at a price lower or equal to its existing vendor.

Quality **–** All customers appreciate the quality of the products offered. A few customers have highlighted occasional quality issues they have faced in the recent times and inconsistency. One division of I2 was totally dissatisfied with the quality of samples supplied and hence decided not to place order with the organization for her future requirements. But, no customer has said that they are doing business only because of the superior quality. This implies quality is probably the qualifying factor for further discussions of doing business with any vendor and not the deciding factor, hence quality cannot be neglected or compromised for low cost or price.

Service **–** All customers appreciate the service levels offered by the organization. Some companies (I2, S2) expect exclusivity arrangements in terms of managing inventory and delivery of the products at various locations across the country. These customers are willing to place orders on vendors from different locations even though they don't offer the same services levels compared to Printo, but they offer much lower prices. Delivery period and timeline are important factors for customers to go for a particular vendor. Few

customers appreciated the commitments in meeting the deadlines and delivery requirements in executing orders. It is observed that some customers do compromise on service levels, provided they get considerable reduction in the cost of the product or service.

Speed of response - Speed of response has been highlighted by a few clients as important factors but not among the deciding factors. Customers (E1, M1 & R1) appreciated the speed of response for their enquiries, service calls, meeting urgent requirements, etc. It is noticed that speed of response increases the confidence levels of customers and increase customer loyalty. So, speed of response is an important factor in B2B segment.

Relationships and attitude – One customer (E1) was very much impressed with the dedication by the inside sales person (X3), delivery person's commitments, patience, and deliverables. In short, they appreciated the attitude towards customer satisfaction in all aspects of delivering quality services. This helped to the extent that all their printing needs are being serviced by Printo. The relationship is being maintained by the inside sales person setting high standards of expectation for the customer, which needs to maintained if a new person takes over this account in future. Similarly, R1 has openly commented that they do business with Printo because of the outside sales person (X1) and his commitment in delivering quality products & services on time. M1 has appreciated the improvement in service levels after joining of the outside sales person (X2) and the relationship he has developed with the client. These are clear examples of individual's attitude, dedication and contribution in building and maintaining relationships, for increasing customer satisfaction levels and loyalty. During a discussion with the CEO on relationship, he said that "customers do business with a vendor only because of the relationship with the sales person and the trust and confidence, that this person would do whatever it takes to meet his customers' requirements".

Trust and confidence – One customer (S3) has appreciated the open and clean business practices which are unique to Printo in this industry. Based on the discussions with various employees it is observed that customers are generally cheated upon in terms of quantity, quality of paper and unrealistic timelines by almost all vendors across the industry, hence they are able to offer cheaper

products or services. But, all clients are not able to appreciate the value of transparent and clean business, as it carries a price to it. It is the trust and confidence on the sales person and the supplier which wins business; because customers believe that the sales person can deliver what he commits on behalf of his company. The confidence level grows over a period as the company consistently delivers as committed, and prefers vendors who don't need follow-up calls to execute orders.

***Attitude towards exclusivity* –** Customers are found to expect exclusivity arrangements in terms of logistics and inventory management. One customer (S2) did expect a packaged solution which would eliminate their involvement in managing the vendor and minimize inventory and delivery. But they fail to appreciate the value created by such arrangements, in terms of saving manpower and inventory carrying costs, and they are continuing with their existing vendor. So, exclusivity arrangements are valuable to those who feel the pinch in managing the inventory, logistics, multiple vendors, etc., and hence these value propositions need to be targeted towards selected customers only.

Based on the analysis of the responses from the customers it is evident that price and service levels are two important deciding factors. Though good quality doesn't ensure business but bad quality or inconsistent quality does ensure no-business at all. As pointed out by few customers, good quality, faster delivery, adhering to commitments at prices lower or same as the competitors would win orders. This means, price is the ultimate deciding factor in this industry for considering a vendor as preferred vendor.

The identified clients are mapped on Cheverton's customer portfolio matrix based on customer attractiveness and expected returns to understand the dynamics of the customers.

- ***Key account:*** Supplier wants them, they like the supplier. These customers are critical for the supplier's future and deserve energetic attention from the KA team.

  I2, I3 & M1 have accepted Printo as their preferred supplier and Printo agreed to extend special support in terms of manpower, service levels,

exclusivity arrangements, etc to meet their expectations. These accounts are serviced with dedicated KAM & inside sales person.

- **Key development account:** These customers could become key account, only if the supplier improves their performance in the customer's eyes. Such customers could be hard work. Success from these customers would come from applied effort, and not from starving them of resources or expertise.

I2 & S3 have considered Printo as their printing partners, Printo needs to put in dedicated efforts to gain confidence as a preferred vendor and delivery products & services as committed.

Relative Strengths

High

Customer
Attractiveness

Low

Key Development Account (S3, I2)	**Key Account (I2, I3, M1)**
Opportunistic Account (E2, S2)	**Maintenance Account (E1, R1)**

Allocation of
resources
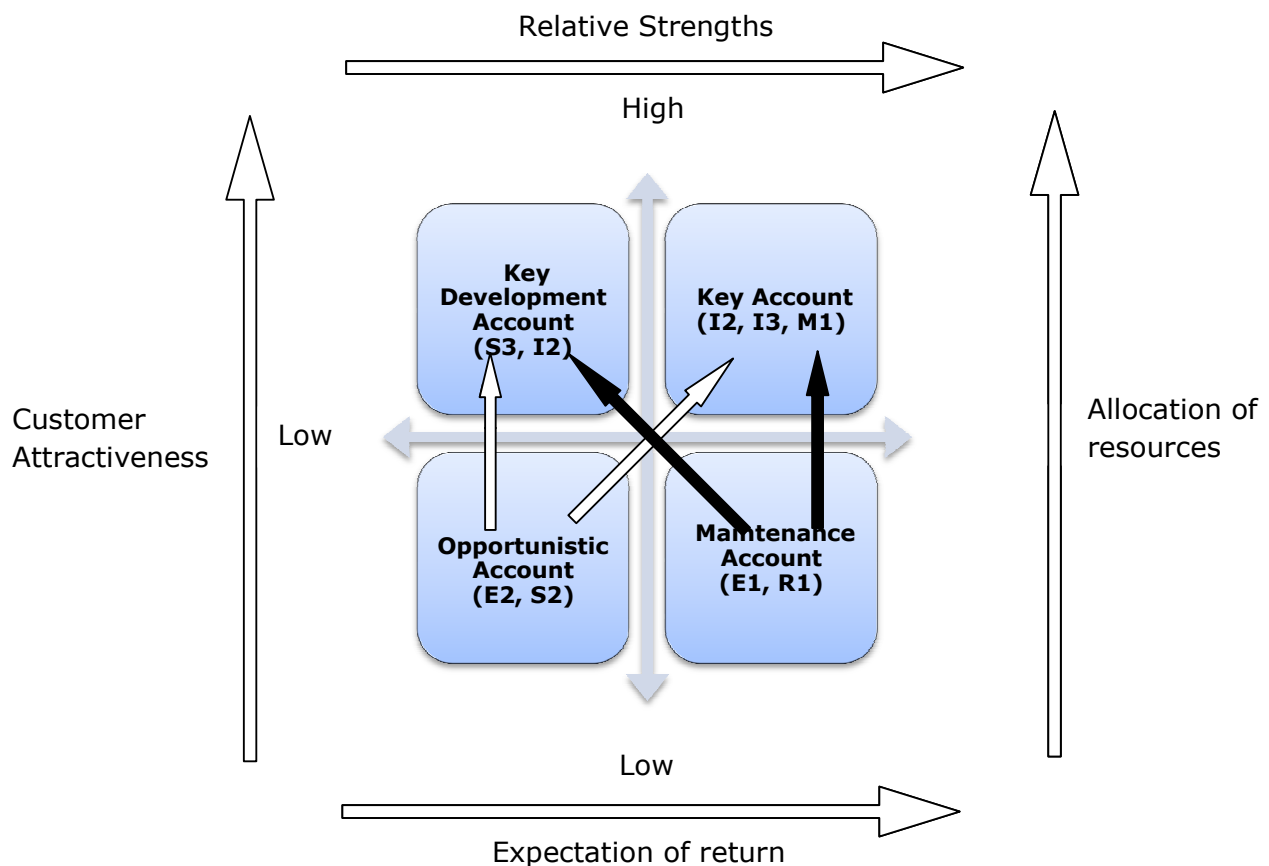
Low

Expectation of return

Figure 6: Customer Portfolio Matrix mapped with customers

(Taken from Cheverton, 2005)

- **Maintenance account:** These are good customers, who have been loyal for years. The tough decision is to pull resources and energy back from such customers and put wherever it is need, especially for key

development account. The objective should be to reduce costs and maximize sustained earnings, reduce the number of visits and implement efficient telephone ordering service or similar. It important to communicate to such newly identified maintenance accounts and the success lies in handling this transition.

R1 & E1 are happy and loyal customers who will continue to give business based on their past experience and confidence levels. These accounts can be serviced by inside sales person and occasional visits by outside sales person.

- **Opportunistic account:** These are customers whom the supplier would willingly service and when it suits their priorities. The supplier should not treat them as nuisance, should make promises which they can keep. Income from such customer would help to develop the key accounts and key development accounts.

E2 & S2 are customers who would not mind to work with Printo if situation & priorities permits. Hence, Printo should continue to serve these customers at its best to capitalize the opportunities which may arise in the near future. Eventually we can move these customers to key development or key account quadrant.

Looking at the spread of the sample of identified clients on the portfolio matrix, it seems that the organization seems to have balanced customer portfolio answering the question raised in the literature review, *whether it is feasible for organizations to have a balanced customer portfolio.* This doesn't mean that the organization is consciously looking at balancing the portfolio, but a detailed analysis considering the rest of the customers would give a holistic picture about the customer mix which would keep the organization from the potential pitfalls of KAM and help Printo to manage the portfolio consciously. During the discussion with sales team, it was noticed all new customers are evaluated against the potential business per annum, growth potential and reputation to qualify the customer as a key account. But these criteria does not helps the organization to balance the customer portfolio but it increases the dependence on key accounts as it adds more and more key accounts. The firm needs to add few more criteria based on it can consider the customer as a Maintenance

Account or Opportunistic Account which would help to have balance customer portfolio.

5.3 Relationship Management

From the above discussions and based on the feedback from the customers, it is evident that customers do value relationships and attitude to serve them better. So managing the relationship is a key factor in retaining the customer and to do more business with them. When I studied the importance of relationship management in the organization, it is evident from the outset that the organization is more focused in maintaining the relationship with its existing clients and serve them better, thus generating more revenue from the clientele, as mentioned by Ravald & Gronroos (1996). The interviews with the clients were designed in a way to identify new avenues for the doing business or increasing the revenue from these identified clients. This would help the organization to decide whether they need to invest more resources in nurturing the relationship or to maintain the relationship with the existing resources and service levels. The customer portfolio matrix, in the previous section, was made based on the business potential and expected returns found during the interviews.

Heskett et al. (1994) said that customer satisfaction is an important criterion for customer loyalty. It is observed during my visit to the retail outlets; Customer feedback forms are available and are widely used to capture the customer's mind, which provides an opportunity for the customers to give feedback about the product and services. In the interview with the online marketing team, it was noted that the online sales executive sends out the online feedback form to customers after execution of the orders. The CEO, in his interview mentioned that, "we have conducted a customer feedback survey last year for B2B, but it is not a regular process". The same response was received from the other members of the KA team. On further discussion with the members of inside sales, it was found that Printo has taken feedback for various users of I2 only. Head of Business solution responded in his interview that "Since this is a need based business and the interaction with the clients is on a regular basis the performance is tracked on every order; whether the same was delivered On Time and To Spec (OTTS)".

On analysis of the sample responses from the retail and online customers, there seems mixed response on the quality and service. The following are some sample responses "It is just fine", "the application is useless", "I have got a very excellent service from your part...I didn't expect such an excellent customer support from your outlet", "Your service is a disaster", "Your website is incomplete", "Service is great. Keep continuing the same"; "It is fine after complaining the first time" and "AMAZING SERVICE!!! Really happy got the work done so quickly & aptly". (Refer Appendix – 6, for the detailed feedback). These feedbacks give insight about the inconsistency in the service levels at various outlets and online channel, which was considered by the top management and attended to complaints promptly. This also provides opportunity to update the services like better software, website and new products.

Similarly, a formal feedback or survey shall be taken from the B2B customers, which would help to measure or evaluate the customer satisfaction levels. This would not only help Printo to understand the customer loyalty, but to understand the expectations of the customers and areas of improvement which would increase the customer satisfaction levels.

Ravald & Gronroos (1996) stated that companies should offer value which reduces the perceived sacrifice by the customers; transactional cost and relationship cost are minimized; and improved customer performance would lead to increased customer satisfaction and loyalty. Based on the study and interviews with the customers, it is observed that customers view perceived sacrifice in terms of money spent for the product or service. I2 appreciated the value proposition of Printo i.e. one-stop printing for all printing needs which eventually reduces the transaction cost in terms of time spend in following up with different vendors, documentations like placing purchase orders, incoming inspection, following up on payments and receipts, but said that "Price is a constraint". I2 even said that, "If Printo can match their current vendor's prices and offer value added services like inventory management and logistics, then we would be keen to discuss further". Though some customers do believe that transaction cost and relationship cost in doing business with an organization do influence decision making, but these could not be directly measured in terms of money saved, which is the perceived gain. S2 was another customer who

responded that value addition is that they get the above highlighted services at a price lower than what they are paying to their current vendor; they don't consider the reduction in the transaction cost as value addition. The challenge for firm remains in monetizing the benefits which their customers would be getting in terms of money saved by using the products or service, which could eventually increase customer satisfaction and loyalty.

As mentioned in the literature review, the importance of sales person in value creation and relationship management was evident during the study. It was observed the sales person's ability to offer solution (e-commerce platform for business products) which was a requirement or problem for the customer (S3) to empower their agents across the country to order co-branded marketing collaterals online. This would increase S3's visibility to its customers and agents, improving their business (help S3 achieve their goals). The sales person (X1) said that "S3 was discussing with me of an innovative proposition to their agent using their website to place orders for marketing collaterals, and I shared that we are developing a new website for ordering business products. And that's how the discussion started and now we are offering our website as a backend platform for their online ordering system. It was not a sales pitch where they had a requirement and we had product or developed a product for them". This solution has not only created a satisfied & loyal customer but has created a permanent entry barrier to its competitors by extending their e-commerce platform to customer's website (front-end).

Another customer (S1) who was doing business last year has stopped the business with Printo. When probed into the reasons for stopping the business, it was noticed that the sales person who was handling this account has quit the organization. The sales person has built a relationship with the client (or decision maker in the organization) and could get good business last year. The sales person has taken the account with him when he quit the organization and he continues to get the business for his new organization, because of his relationship with the purchaser (decision maker).

As discussed earlier with customer E1, the inside sales persons commitments and dedication was fetching all the business from this customer. During the interview, the customer said "X3 (inside sales person) is awesome" and would

rate 9.5 / 10 for the overall experience with Printo. Moreover, the bench mark was set by the inside sales person, which needs to be matched by the outside sales person to maintain the relationship with this customer. With these three cases, it is evident that the sales person has the opportunity to build relationship by identifying and satisfying the emotional needs, which increases customer loyalty and trust with the sales person and the supplier organization.

Coe (2004) identifies the importance of creating relationship with the supplier's organization than the supplier's sales person. He also suggested that the customer's decision makers and influencers should be familiar with the organization and value proposition, which could be made possible but making contacts at all levels in the customer's organization hierarchy and the supplier's hierarchy. Multilevel contacts could have prevented the loss of business due to change in the sales person, as seen with customer S1. He even suggests that teaming up inside sales person with the outside sales person for key accounts would improve the relationship with the customers at organizational level. Printo has implemented the process of mapping an inside sales person and an outside sales person for each customer. This helps both the customer and the sales persons to be aware of the various contact points in the organization at different stages of order processing. Moreover, customer can be assured of a response even if the outside sales person is not able to take customer calls or mails while he is out of office. This was observed to be working well for the organization as the roles and responsibilities have been clearly demarcated and communicated to the customers as well. This also enables to establish multilevel contacts with the customer and dependence on the single person (outside sales person) is reduced or eliminated to some extent, which will not affect the relationship with the customers even if the sales person leaves the organization.

Piercy & Lane (2006) highlighted that closer the relationship to a strategic supplier, higher would be the risk for the supplier and would turn out to be unattractive to the supplier. Printo wants to be a strategic supplier for customer I2, by serving all their printing needs across the organization (at various locations in Bangalore). One requirement from the warehouse of I2 was to supply all stationery printing for their pan-India requirements including delivering at various locations in India, which means Printo needs to invest in

partnering with lowest cost vendor(s) (as Printo doesn't have the capability to print in its facility for this requirement (offset printing)) and managing the logistics. During my presentation to the management team about my findings, it was discussed that both offset printing and managing logistics are not their core strengths and needs to be outsourced. This means that the margins will be thin and would need a separate team of people to manage both the vendors and logistics, which would not only eat away the margins but also will take time and dedicated efforts to ensure smooth operation. More importantly, if there happens to be an issue in executing this requirement, the chances of losing business from other locations are very high. Looking at the business opportunity with I2 and business objective of improving the profitability (margin), it makes sense for Printo to stay away from developing a closer relationship or strategic supplier status. This would not only reduce the dependency on few customers and but would challenge the organization to reach out other or new customers, who would steer the organization to reach its business or strategic objectives, as mentioned by Sharma et al (2001).

The CEO of Printo said that "B2B customers give orders to a vendor only because of the relationship and trust, he or she has with the sales person", during my presentation to him. So it is extremely important that the organization is consciously is looking at various possibilities to strengthen the relationship with their existing customers and grow stronger relationships with their new customers by identifying and satisfying their emotional needs and build a balanced portfolio of loyal customers, as mentioned by McDonald et. al. (1997).

5.3 KAM Implementation Plan

Piercy & Lane (2006) challenged the concept of KAM which by definition means, 80% or more of profits and / or revenue is from 20% or less of the customer base. They argue that such business has already witnessed the failure of its business model. When analyzed the customer portfolio of the organization, it was found that approximately 70% of the revenue is generated from 12% of the customers. And the business is looking for opportunities to grow the revenue generated from these customers, increasing the share above 70%. It was noticed that increasing dependency on these few customers has lead to

commoditization of the products and eroding margins, as the customers exert their power showing higher volumes (economies of scale). As discussed in the literature review, continuous monitoring and careful scrutiny is required in managing the relationship with the client and the resources invested in building and growing a relationship. This was evident from the earlier discussion on I2, that Printo is continuously monitoring status of the relationship with its key clients and is ready to lose business if it impacts their business strategy (especially, the margins), and invest its resources in developing new customers who would assist in meeting their targets.

Piercy & Lane (2006) discussed the substantial opportunity cost on focusing on key accounts, reducing the attention given to other profitable customers. Printo's management has identified this and has decided to focus on the key accounts positioning their flagship products using the core technology – Digital Printing, which means they would be moving away from being a strategic supply partner or preferred vendor for all printing needs to their customers, which was a result of the review of their existing relationships and potential opportunities in hand. In the Management Team Strategy Meeting I attended, where the discussion was on restructuring the Sales & Marketing function and improving the operations functions, it was discussed that they would be focusing more on Small and Micro Business clusters which are located around the retail outlets and stores. This would not only help to re-align the resources but also to meet the business objective of maintaining or maximizing the profit margins.

CHAPTER 2

5.4 Value Creation:

In literature review, it was seen that businesses are willing to pay more for "business solutions" and "exclusivity arrangement" that were developed specifically for their needs (Sharma et al., 2001; Cheverton, 2005). Sharma et al. (2001) also highlighted the shift in offering "value" to their customers instead of traditional product or service offerings. The value creation strategies were analyzed on the organization.

Technology delivery process: On studying the website, sales presentation and training programs it is observed that Digital printing technology is being used for creating value for customers especially providing personalized or customized printing solutions. The organization develops new designs, templates, etc., which can be used to provide innovative offers to their customers, but as such there are not much of research & development or product development being carried out. Few customers have highlighted that they would be keen to see new products in their offerings.

Product delivery process: The products are majorly standardized in terms of gifting products, business stationeries, marketing collaterals, etc. But, many of the customers have appreciated the efforts in developing new & innovative products or solutions specific to the customer's requirements. One of the value proposition of the organization is "You provide Final Product specs, Budget & Timeline only, Printo takes care of everything else", which goes by the definition of product delivery process – delivering products that meet customer requirements and meet internal commitments to quality, cost, delivery and speed-to-market. One customer R1 has appreciated this value proposition, as they need innovative products for their marketing team and found that the products developed were meeting their expectations (exceeding at times).

Customer delivery process: The customer delivery process is studied in the organization and the following are the highlights from the sales presentation file for their customers. Printo's tagline is "easy, one-stop printing", which they believe would add value to their customers. Printo is India's first professional print solutions company which is "a one-stop provider of all print requirements",

"capable of addressing all small and large volume requirements". These are not mere statements, but are being delivered by having "centralized, high-volume and large-format print facility" and an "extensive network of vendors". The challenges in delivering the above commitments are (i) cost control – poor visibility on total print costs (process + print + logistics) (ii) quality & consistency – in terms of branding guidelines, delivery schedules, paper quality & quantities, and (iii) vendor management – managing multiple vendors for different types of prints (offset, screen & flex printing). (Taken from the sales presentation file)

Value-based pricing: It was noticed during the customer interviews, they expect personalized services. As discussed in the earlier sections, S2 & I2 wanted customized services in terms of delivering the prints across various locations in India. They wanted to offload the consolidation and logistics part of the printing needs to Printo, which Printo was ready to accept to do for these customers. Vargo & Lusch (2004) stated that customers are willing to pay premium for personalized services than superior quality products. It is also logical to expect a premium for the services offered as it included additional manpower and customized process to ensure consistency in the services. But, both these customers have explicitly mentioned that they want all this services at the same price as their current vendor, where the customer themselves have to manage the logistics part. This contradicts to the above Vargo & Lusch's statement. When looked at why Vargo & Lusch's statement is not true in this context, it was found that the customers are not in need for services i.e. they are currently happy with the way they have been working with their existing vendor. But when a new supplier wants to do business with them, they are ready with work with the new vendor but at the same prices which they are already paying to their existing vendor even if the vendor offers additional services.

R1 is another customer who is getting this service (delivery at various locations), has been paying premium for the services. While analyzed the difference between S2, I2 & R1, during the discussion with the CEO it was found that R1 was getting this service from another vendor, but the vendor has not delivered or met the expectations of the customer. So, they wanted another vendor who

could deliver and Printo was one, and paid premium for the service as this was satisfying their needs & requirements which the other vendor couldn't do. Here, Vargo & Lusch's statement is found true. So, organizations need to look for customers who need their services and target them, instead of going with their value proposition to all potential customers without understanding their needs or knowing whether they see the value doing business with the vendor.

Value-based communications: In line with the above discussion, it is challenging to communicate the value created by companies to their potential customers. Vargo & Lusch (2004) suggests that organizations need to be collaborating with & learning from customers and being adaptive to their individual and dynamic needs. The customer becomes an operant resource (coproducer) rather than an operand resource (target) and would be involved in the entire value chain and service chain. This was visible in the organization especially with customers like R1 & S3 where the customer is being involved right product conceptualization stage till the delivery of the product. This boosts the confidence levels of the customers and willing to give strategic or preferred vendor status to the organization. So, we can say that the challenge is not about *communicating* the value created by companies to all their customers but is about identifying a few *select customers* who would require these services or value the services offered and communicate to them effectively. By selecting the right customers, the organization's resources can be realigned to serve these customers better who value their offerings rather than spending time in convincing customers who don't see the value in their services.

5.5 Creating & Delivering

Piercy (2010) proposed that the cross-functional role of the organization contributes to the process of creating and delivering customer value. This was studied in the organization and analyzed for the orientation of the organization towards creating & delivering value.

Piercy & Lane's framework was used to analyze the organization, as discussed in the literature review.

Integration: As seen in the literature review, the strategic sales force must cope with a range of interfaces with internal functions and departments, and

increasingly with partner organizations, to deliver value seamlessly to customers. In order to evaluate this, the outside sales person's role was observed and studied by visiting customers along with the sales person. The sales person's role starts with visiting customers spread across Bangalore on deciding the technical specifications of the requirements. Once, the technical specs are cleared, designing of the product is completed and sent to customers for approval. This happens mostly on email. A sample is being made for customer's approval. At times, new vendor might be required to make the product, so the sales person takes the lead in identifying the right vendor and take samples for customer approval. Once the product is approved, he hands over the vendor to the production team (outsourcing manager) for further coordination for future requirements. The sales person also takes the responsibility of ensuring the timely delivery of the products as committed during the negotiation process, which also forces them to coordinate with design, inside sales, production and logistics team. I could observe evidences of inter functional or departmental integration and with partner organizations in meeting or delivering customer expectations by the sales force, hence they can be called as "strategic sales force" as described in the literature review.

Internal Marketing: We have seen in the literature review that if the internal departments are not communicated effectively then the value may not be delivered as committed by the sales person and this remains a challenge. In order to evaluate this, interviews were conducted with outside sales, inside sales & operations team to evaluate their understanding of value creation to customers and what makes customers buy from Printo, the sample responses are provided in the Appendix - 5. It was observed that the inside sales and outside sales believe that one-stop printing solution, systems & processes in executing the orders, professional approach, transparency are the value proposition by the team & the organization whereas the operations team believes quality, on-time-to-specs (OTTS), consistency and customer service are factors which brings customers back to Printo. There is a visible disconnect between the understanding of value from each other's perspectives, hence the sales team has to put in efforts to communicate what matters most to customers, what customers perceives as value, and the need to deliver what customer expects than what we feel customer wants, without neglecting the fact

OTTS, quality & consistency are important to be in the business. As a participant observer in the training program for the Junior Sales Consultants, I could observe the importance of the customer satisfaction being driven to the new joinees as their prime objective in their new roles in the retail outlets. I have also observed that the retail customers are encouraged to contact the Operations Director for any complaints and the complaints are being resolved on top-priority to ensure customer satisfaction. But, this feel for customer satisfaction is observed to be lacking in the B2B operations. On observing some recent cases of not meeting customer expectations in terms of quality and time-lines, it could be said that the sales team's efforts in communicating value could be effective if the customer satisfaction (or customer orientation) is the focus for the whole organization and would do what it takes to satisfy customers, which are nothing but the value proposition and commitments by the sales team as seen in the retail operations.

Infrastructure: According to Piercy (2010), the infrastructure in many organizations was created for a different role and function, and attention must be devoted to realign the structure and process around the customer strategy. Based on the observations and discussions with employees and managers at various levels, it was found that the organizations growth towards B2B segment was seeded by the retail segment. Printo started its first retail outlet in Koramangala, Bangalore, India in 2005-06. After year long struggle in setting up processes and delivering quality services to their customers, Printo started to expand to various locations in Bangalore subsequent to the investment from financial institutes. Today, Printo has 17 retail outlets in Bangalore with unique brand image created for itself as a first Professional Printing Retail Chain. This brand image and satisfied customers came back to Printo for their printing needs for the companies they work for. As the demand from corporate customers started growing, Printo decided to concentrate on B2B segment as separate business function and started Business Solutions Team. This team started focusing on B2B companies taking the leads from the Retail Teams and started giving customized solutions and product offerings. The most important factor which corporate or B2B clients would expect is the credit facility which was not available in retail sectors, and Business Solutions team offered credit facility to their clients.

Now, Printo has a dedicated team of outside sales and inside sales handling all the B2B clients in Bangalore. The outside sales team does bring new clients to their B2B portfolio and inside sales team supports in getting samples made for these customers and approved. Thus creating a strong sales force capable of delivering its commitments to their customers. They improved their vendor network to meet their customer demands especially for offset and screen printing requirements for B2B segments. This was a clear example of the Piercy's statement that the infrastructure of many companies was created for a different role and function i.e. the organization was started focusing on retail business and slowly moved into B2B segment.

In a recent management team meeting, the management has decided to re-align their resources to the strategy which focuses on meeting the target profit margins for the current year. This is in line with the discussions we had in the KA implementation plan section; though there is visible potential of revenue from I2, S2, the organization would decide to stay away from such low margin high efforts contracts which would require new skill sets like efficient vendor management and logistics management. This means, Printo would focus on Micro Small Business which requires the services like corporate clients but with low volumes and would help Printo to meet its target margins. Market Development team would be created to focus on increasing the footfall for the retail segment, increasing traffic on the new website and more importantly visiting, raising awareness among the SMB segment (B2B) capitalizing the brand awareness created through retail outlets and serving the needs of the big corporate accounts. The management team would work on finalizing the evaluation criteria for customers to be serviced by the Market Development Team. Another initiative would be develop their existing Production Hub as Center of Excellence which will have the state-of-the-art production facilities, technical support team and commercial support team to deliver superior value to their customers, supporting the Market Development Team.

The challenge for the management would be communicating the new market strategy which would deliver the organization's target KPI – Margin, to all levels in the organization and re-align the resources across the organization to create and deliver value to customers, as perceived by customers, as discussed in the

literature review. This means that there would be changes in the roles and responsibilities of the employees, more importantly the outside sales team has to be trained for catering to all three streams of customers – Retail, Online and SMB.

6.0 Conclusion

This section starts with the summary of findings with reference to the research questions; implications for managerial practices would help the organization to use this research for improving their business and recommendations for future research which will help future researchers with the area of focus.

6.1 Summary of findings

The research started finding out whether *Ease of doing business* and *Quality* are the factors influencing customers for deciding on a vendor, as identified by McDonald (1997). It was found that there were other factors which were listed by Cheverton (2005) were more appropriate in deciding the preferred vendor status. Out of which **Price** was the critical most factor which emerged to be final deciding factor for most of the customers. Almost all customers do agree that **Ease of doing business** and **Quality** are the key factors which qualifies a vendor to be considered for evaluation and would be invited for further discussion and negotiation. Other factors like Service, Speed of response, Relationships and attitude, Trust and confidence and Attitude towards exclusivity are well appreciated by the customers, but these factors alone does not ensure business or preferred vendor status from their customers. So, it is important for firms to constantly work on reducing the prices by controlling their costs, and provide superior and quality products and services which would help their customers do their business better.

With **Price** being the critical most factor, it becomes important for firms to identify and add customers who would rather pay premium prices for the quality and exclusivity arrangements to satisfy their needs. Hence, increasing the share from opportunistic account and maintenance account turns out to be as important as adding new key accounts to the portfolio to create a balance which ensure the targeted profit margins are achieved. We then looked at evaluating the *feasibility for organizations to have a balanced customer portfolio.* Based on the sample customers identified for conducting the research it was observed that there seem to be a balance or in other words, the customers could be mapped in the customer portfolio matrix and were spread in all four quadrants of the matrix. Moreover, the firm seems to have evaluation criteria to qualify a new

customer as a key account or account to be served by the business solution team. But the criterion does not ensure that the balance could be established as it only evaluates the annual business potential from the customer. It seems to be difficult to ensure a well balanced customer portfolio, but it looks **feasible** provided focused efforts are taken.

Subsequent to building a balanced customer portfolio, the relationship with the customers needs to be maintained and nurtured for maximum returns in future. Managing the relationship with customers was found to be extremely important in B2B environment. The impact of the factors that affects the relationship with the customers was studied. Firstly, **customer satisfaction** was found to key in growing **customer loyalty** towards a supplier. Secondly, **creating and delivering values** to customers which reduces the transactional cost and relationship cost was said to be important for customer satisfaction. But, creating values which are required by customers and **communicating the perceived benefits** was found to be critical in maintain long-term relationship. Thirdly, a **sales person's ability** to foresee the business potential with their customers and develop customized solutions found to help build strong relationship with the customers. A sales person can take away the customer along with him when he leaves the organization. In summary, customers place orders with a particular vendor only because of the **relationship and trust** the customer has with the sales person and / or the organization, and hence, relationship management is very important in building a balanced portfolio of loyal customers in B2B environment. The above discussions answers the research question *Q1. How does identifying and creating a balanced customer portfolio and managing customer relationship influence KAM practice in the organization?*

Value creation was identified as an important factor in building relationships or doing with business with the vendor. Customers are not willing to pay premium prices for superior quality or services unless they see a need for such product or service which satisfies their requirement or provide solution for an existing problem. Customers often value products or services which are **developed exclusively** for them and they are **involved in the development** of the product or service. Such customers would appreciate the value created during

the process and by the product and would be remain loyal to the vendor. Delivering value to the customers is as important as creating one. It was observed that the organization has employed its resources to ensure the delivery of its commitments. The **integration** of the sales force with the **internal functions and partner organizations** was found to be important in delivering the value committed by the sales force.

Customer focus was found to be an important factor in creating and delivering value to the customers. An organization which has its resources oriented towards customer focus will ensure superior quality of service levels which will increase the customer satisfaction levels. As we have seen customer satisfaction increases loyalty and trust, customer satisfaction should be the prime focus for all the employees of the organization. It was noticed that the organization's infrastructure were created for retail operations and eventually restructured to meet the requirements of the corporate customers. This was one reason for the lack of customer focus in the organization which causes dissatisfaction with the corporate customers. The organization has decided to **restructure the organization** again to meet its strategic goals, and serving their target customers better. They have decided to focus more on SMB around the retail outlet instead of big corporate customers which erodes the profit margin due to larger volumes of business. This decision would help the organization to increase the growth in all three segments of the business – Retail, Online and Corporate (SMB). This means that the **organizational orientation** towards **customers focus** is important and would eventually assist in value creation and delivery process. The above discussion answers the research question *Q2. How organizational orientation towards value creation and delivery impacts the success of meeting customer expectations?*

6.2 Implications for managerial practices

This section discusses the recommendations to the managers of the organization on the factors to be focused to improve their business in the B2B context.

The **business objective** or the *strategy of the business* shall be communicated to all the employees of the organization, which will ensure everybody is in the same platform and have the same understanding of the business needs or

targets as that of the top management. This is critical at this juncture when the organization has decided that they would concentrate on maintaining their profit margins even though this wound mean that they might not meet the original sales or revenue targets. This needs to be driven into each and every employee and they should buy-in the justification for the change in the top management's decision on restructuring of the existing teams and departments. Moreover, this would have an impact on the incentive structure for the sales teams and other teams (if applicable).

Printo's tagline "one-stop solution for all printing needs" would need to be revisited in line with the business strategy of focusing on digital printing technology, since Printo would not to be focusing on large volume printing needs of customers which needs to be serviced by offset printing. This means the organization would need to channel their resources to add small volume large number of customers who would need digital printing to meet their needs, especially small volume. This would reduce the growing dependency on the few key accounts or big corporate accounts.

The **market opportunities** are to be evaluated along with the retail, online and business solution teams, as they would be working together in the new marketing structure or the market development team. The target customers need to be identified and an evaluation criteria needs to drawn upon which shall also help the organization to ensure a balanced customer portfolio identifying opportunistic account and maintenance account.

The **business resources** are being realigned by the organization to achieve the newly emerging strategy. The challenge would be identify the bottlenecks which are affecting the service levels of the customers and rectify those first, especially in terms of the quality of the products, consistency in the quality, and meeting the deadlines or the commitments by the sales team. These seem to be due to lack of customer focus or customer orientation which could be visible in the retail operations. A refresher training program to the operations team along with the business solution teams could help to drive the importance of **customer satisfaction** and **customer focus.**

Now that we understand the importance of customer satisfaction, it needs to be measured regularly by conducting **customer satisfaction survey.** These surveys not only give customer satisfaction rating, but also give an insight on the expectations of customers which would help in developing new products and services. Customer satisfaction levels would increase when their feedbacks are being taken into account while developing products and offers, and increases customer loyalty.

Development of new and innovative products would attract new customers both from retail and corporate segments, and was found to be lacking at present. Customers would be ready to pay premium pricing for new and innovative products and more importantly if it is being developed along with the customers, as **co-producers.** All customers do not accept all that we offer as value added services unless they really want the service or the product. Identifying and targeting the customers with the value propositions which improve the customers business is a challenge. Printo should focus more on **identifying the emotional needs** of the customer and offer solutions which they want.

We discussed the importance of the **internal marketing** of the customer expectations and commitments by the sales force to the other departments are important in value creation and delivery process. The efforts of the sales force to communicate this would be minimal if the **whole organization is customer oriented**. We can see that the products or services or value creation or delivering value revolves around the customer and his needs, **customer focus** shall be the **prime area of interest for any business**.

6.3 Recommendations for further research

Based on the classic definition for KAM, Piercy & Lane (2006) argued that when 80% or more of profits and / or revenue is from 20% or less of the customer base, the business has heading towards failure of its business model. In such cases, what should be ideal case scenario when the business wants to continue KAM serving its major and key customers? What shall be the ideal percentage spread of customers who would fall in different quadrants of the customer portfolio matrix? If we have to consider that KAM itself is a failure model, then

what is the best suitable model for companies or businesses that would focus on business-to-business clients?

We have discussed about the sales person's role in relationship management and value creation and delivery process in this report. We have also discussed about the operation team's contribution and organizational orientation in value creation process. Vargo & Lusch (2004) discussed in the service-centered view of marketing that marketing would become a customer-consulting function. But, there seem to be not much of evidence of marketing's role in the KAM literature and value creation process, in specific. Moreover, one of the users from I3 during the interview said "Printo should market themselves better". It would be interesting to know, how does marketing department influences relationship building with their clients (new and existing clients)? And how does marketing department impacts the value creation and delivery process in organizations?

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8.0 Appendices

8.1 Appendix - 1: Tables

Table 1: Analyze the business strategy of a company

(Taken from Cheverton, 2005)

Questions	Issues	Model
What to sell and where?	Products, markets and risk	The Ansoff matrix, The Product Lifecycle
Why will people buy?	Competitive Advantage	Michael Porter's Competitive Advantage
What makes your business hum?	Leading business system or driver	Treacy and Weirsema's Value Drivers

Table 2: Contents of a key account plan

(Taken from Ryals & Rogers, 2007)

Sl. No.	Section	Subsections/detailed content
1	Relationship overview / Executive summary	Current performance analysis Current initiatives with the key account Financial targets Planning assumptions
2	Key account overview	Key account's business environment (sector analysis, competitive situation, major challenges, key account's SWOT analysis)
3	Objectives and strategy	Identify and prioritize the key opportunities with the key account Its position on the customer portfolio matrix Top-level strategy
4	Customer alignment	Customer's critical success factors and supplier relative performance Strategies to manage the relationship
5	Relationship management	Customer's decision-making unit Contract mapping (who talks to whom; warmth of the relationship)
6	Implementation plan	Detailed tactics Budget Risks and contingencies

8.2 Appendix – 2: Account Portfolio Matrix

Based on their research McDonald et al. (1997) proposes Account Portfolio Matrix which would to identify the key accounts base on the attractiveness of the account and Business's strengths to service the demands of the customers.

Business Strengths

High

Key Account
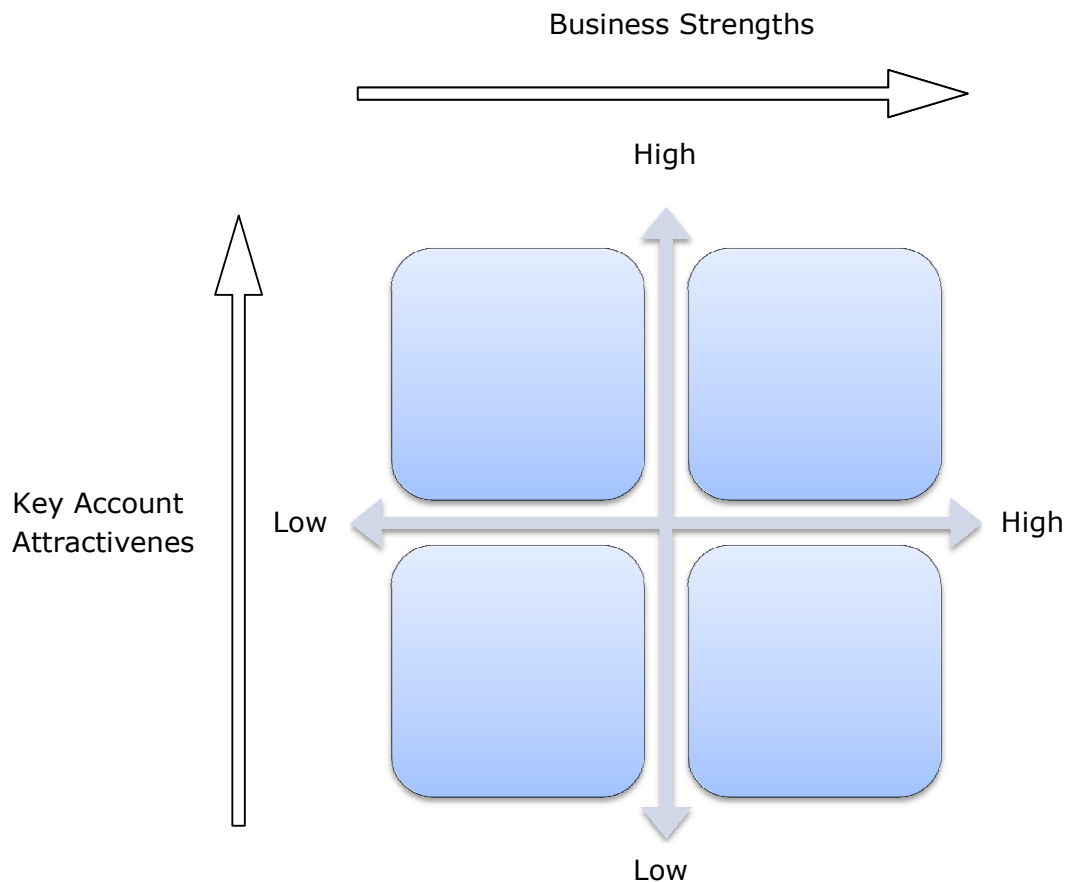Attractivenes

Low   High

Low

Fig: Account Portfolio Matrix

This is further developed by Cheverton (2005) by adding expected returns from the account and allocation of resources to account and called the matrix as Customer Portfolio Matrix.

8.3 Appendix – 3: Strategic Customer Management
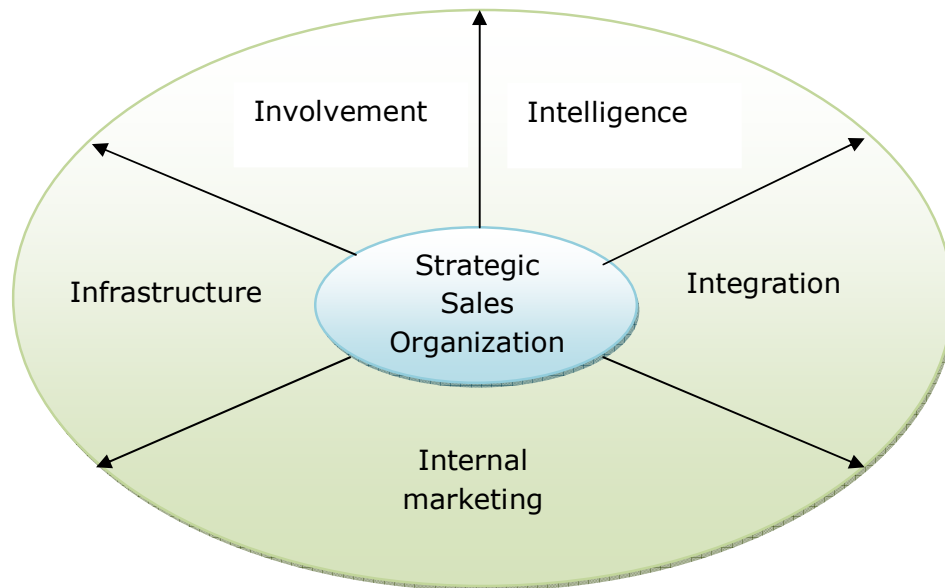
(Taken from Piercy, 2010)

Fig (i): Imperative for the strategic sales organization

- Involvement – placing the sales organization in the centre of the business and marketing strategy debate in companies and aligning sales operations with strategic direction

Major customers require a highly specific value proposition built around "unique value" for the customer. As costs of dealing with major customers continue to increase, companies face important choices in where they choose to invest resources in developing a customer relationship, and where they choose not to invest. With large customers, the risks in investment or disinvestment are high and it likely that the intelligence-gathering and market sensing capabilities of the sales and account organization will play a growing role in influencing the strategic decisions about resource allocation in the customer portfolio. Appropriate sales force strategies will be, and should be, substantially different between key and major accounts. The distinction between major accounts and strategic accounts underlines several strategic choices.

- Intelligence- building customer knowledge as a strategic resource critical both to strategy formulation and to building added-value strategies with major customers

External marketing processes

Selling the company to the customer

Seller Organization

Buyer Organization

Selling the customer to the company
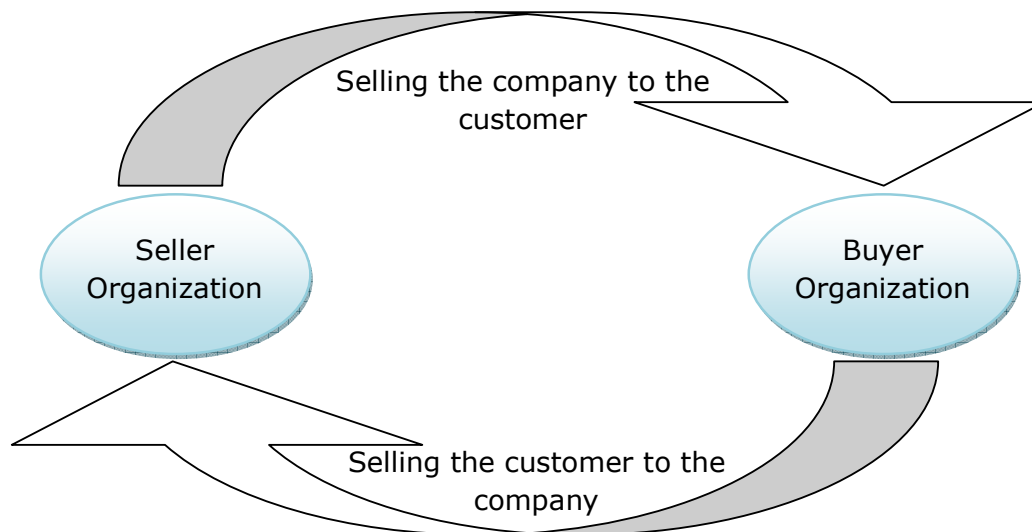
Internal marketing processes

Fig 5: Internal marketing

The buyer logic is straight forward: if the seller cannot bring added-value to the relationship by identifying new opportunities for the buyer to gain competitive advantage in the end-use marketplace, then the seller is no more than a commodity supplier, and can be treated as such (the product is likely to be bought only on price and technical specification). The alternative is to face growing commoditization and declining margins, Meeting this challenge with major accounts and key accounts is a central element of strategic sales choices. The corresponding challenge for the reformed sales organization is to develop, deploy and sustain new skills and capabilities in market sensing.

- Integration – establishing the cross-functional relationships necessary to lead processes which define, develop and deliver superior value propositions to customer, managing the interfaces between functions and business units impacting on service and value as it is perceived by customers.

Success in new marketplace increasingly demands the integration of a company's entire set of capabilities into a seamless system that delivers superior customer value – what we have called elsewhere "total integrated marketing". The challenge of strategic customer management mandates effective approaches to cross-functional integration around value processes. Rather than managing only the interface with customer, the strategic sales force must cope with a range of interfaces with internal functions and departments, and increasingly with partner organizations, to deliver value seamlessly to customers.

- Internal marketing – using sales resources to "sell" the customer across functional and divisional boundaries within the company and across organizational boundaries with partner companies to achieve seamless value delivery

A strategic approach to the role of sales in managing customer value will simultaneously impose the problem of positioning and "selling" to the customer vale strategy inside the organization.

One role of the strategic sales is likely to be "selling" the customer to employees and managers, as a basis for understanding customer priorities and the importance of meeting them, as an activity that parallels conventional sales and marketing efforts.

- Infrastructure – developing the structure and processes need to manage sales and account management organizations to match customer relationship requirements to build competitive advantage.

The process of "reinventing" the salesforce to meet the challenges of new markets and next strategies is likely to required attention to several critical issues:
- Focus on long-term customer relationships, but also assessing customer value and prioritizing the most attractive prospects
- Creating sales organization structures that are nimble and adaptable to the needs of different customer groups.

- Gaining greater ownership and commitment from salespeople by removing functional barriers within the organization and leveraging team-based working
- Shifting sales management from "command and control" to coaching and facilitation
- Apply new technologies appropriately
- Designing salesperson evaluation to incorporate the full range of activities and outcomes relevant to new types of sales and account management job

8.4 Appendix – 4: Customer visit report

<u>**R1 – 24th June @ 5.30 - 6.15 pm**</u>

Person(s) met – Mr. N. Sr Manager - Marketing

Mr. N was personally happy with Printo in terms of quality, timely delivery and service levels in developing innovative products and offers. He appreciated the efforts and solutions in providing a package offer when they give a target price or budgets for the event or initiatives R1 was coming up with. He showed interest to work with Printo for all his requirements, but pricing is an area of concern. He and his team have been giving regular business on new developments, but they go for some other print partners due its cost for repeat businesses. R1 deals with 25 different print partners for their requirements. Another area of concern highlighted is the strict credit terms. He points out the rapport developed by the sales person S1 and appreciates the level of commitment in meeting the deadlines. He complains about the color cut-off (He says that Printo could not achieve the exact shade on the logo for some products). His other colleagues who order prints didn't want meet us and conveyed that Printo is expensive.

<u>Opportunities:</u>

Printing on

- Cartons (3 or 5 ply), Bill books & pads, Designing of packaging for their products, Foil printing, Embossing, Tissues, Glasses, Cake box, paper cups, cup holders, paper plates & trays, labels, etc.

Interested to place orders online, give redemption schemes to their customers, etc.

<u>**S2 – 27th June @ 10.30 - 12.00 pm**</u>

Person(s) met – Mr P1, Head of Administration, Mr P2,

P2 listed out the various printing requirements in S2. Printo is mainly catering to their needs in terms of Biz. Cards & diaries. He identified that the delivery and quality is better than other vendors, but since their focus is on cost reduction, they look for the cheapest. They get most of their printing done from a vendor at Sivakasi and transport it to Bangalore; they find Printo expensive by 10-20%,

even if it offers free delivery. They order prints required for 1 month consumption due to changes expected from RBI and other authorities on a regular basis. Mostly, their printing requirements are single color.

I would be meeting Ms M, Operations Head & Change Manager to understand their print needs and Mr Premkumar on 29th, to discuss further.

Opportunities:

- Pamphlets, Customer Profile forms, Loan application forms, Registers, Brochures, Corp. stationeries, Annual reports, Vouchers, Loan Cards, ID cards (Staff & Customers) and Marketing communications.

They are currently working a project for colored application forms with bar-codes, which would eliminate manual entries (hand-written data) and can be scanned instead of manual data entry process. Based on the feasibility study and cost, the colored application forms would be rolled out by December 2011. This could be a good opportunity to look for, partnering in developing the product for S2.

M1 – 29th June @ 2.00 - 2.45 pm

Person(s) met – Mr M, Manager - Facilities & Admin, Ms L.

They are happy with the services & solutions provided by Printo, especially after they have started interacting with the sales person S2. Earlier they were getting jobs done through the retail outlet at Hoodi road and faced some issues in terms getting the contact persons who could support them in terms of delivery. They are interested in making Printo as their single print vendor. They requested a list of services which Printo is currently offering with tentative rates. They were concerned about the delivery terms and delivery charges being charged, which needs to be discussed during negotiation. Price was another area of concern. Awareness was created to the client about the various products which Printo is currently capable of serving. During the discussion, they had shown interest in placing orders for Biz cards, mugs & T-shirts in the near future. They had shown interest in processing Biz cards online, if available. They are not happy with their current vendors in terms of the quality & delivery.

Opportunities:

- Biz cards, Posters, Flex, Standees, Letterheads, Registers, Covers, Gift, products, Mugs & Sippers, and T-shirts

S2 – 13ᵗʰ July @ 2.00 - 2.30 pm

Person(s) met – Mr. P1- Head of Administration

Key issues which they are facing:

1. Frequent changes in the document due to RBI rules and internal changes. This affects the economies of scale.

2. Logistics - Getting the prints from Sivakasi to Bangalore. Segregating them branch-wise and dispatching them to branches on-time

3. Timeline involved in transport, segregation and delivery at branches.

4. Storage of the prints in their Bangalore office. (Stocking issue)

Further to my discussions with the key account manager S1, I had explained the solution we intend to provide:

1. Print-on-demand (digital printing) solution which will take care of the frequent changes.

2. Printo can dispatch to various branches in three different states (which they are currently catering)

3. Prints can be stored in the warehouse and delivered as and when required (if necessary).

On the whole Printo would provide a total printing solution which will eliminate S2's interventions, i.e once the order is placed, and the materials will get delivered at their various branches. The value addition is the removal of responsibility from S2 of following up of vendors and manage the logistics. Ease of changing the contents as and when required. Bar codes can be incorporated, as and when it is required to be.

Mr P1 was keen to know the impact on the pricing or cost benefits which he would be getting from Printo in addition to the value addition, Printo is proposing.

E2 – 21st July @ 3.00 - 3.30 pm

Person(s) met – Mr. V (Admin Executive)

His impression on Printo - Good quality, on-time, high price, Meets the commitment. Currently he uses 5 vendors for different jobs based on their expertise i.e. Baby offset - small jobs, screen printing, biz cards, etc. He would

continue to use these vendors and is not much interested to move jobs from one vendor to other.

When sales person S2 showed the interest to supply biz cards, he has agreed to give a sample order for 6 biz cards (4 - Australia + 2 - US). On an average they would be required 1000 biz cards a month, which is currently supplied by Printxpress. He gets the cards printed at the retail outlet himself.

I3 - 22nd July

Person(s) met – Ms P (HR - Rewards & Recognition) (2.30 - 3.00 pm)

Currently, she is printing certificates from Printo. She is happy with the quality, Responsiveness from CS Team, Timeline, and Professionalism. She would be interested in New corporate gifting products, mementos, personalized gifts. She would want frequent update on the products Printo offers (new ideas for gifting). She would be interested to know if Printo can deliver prints to their branches. She has requirement for star shaped appreciation cards, which is not supplied by Printo. They also print Posters, Flex, etc through the contacts they get from their CER (Central Employee Relations). She prefers to interact with Business Solution team rather than going to store for her printing needs.

Person(s) met – Mr L (HR-Rewards & Recognition) (3.20 - 4.00 pm)

He handles the rewards & recognition for PED (Product Engineering Division), prints certificate, frames and gifts, which are well appreciated by their employees. He would be interested with new frame design, certificate templates, new gifting products, planners, etc.

He is concerned with the no. of invoices being generated for every delivery. He prefers to generate invoices every fortnight, which help to track the bills for easy payment. He prefers to have one person from the store to process his requirements in terms of design (technical part) and communicate to hub for easy & fast processing of the orders. Training materials are being printed by the corporate team for trainings across the organization. Positives of Printo - Good product quality, service, approachable & responsive. Good potential in personalized products with new products.

I3 - 25th July

Person(s) met – Ms M2 (Asst. Mgr. Mktg) (3.00 - 3.30 pm)

She handles the branding for their product. They have printed some T-shirts from the store and some Banners and Posters through their logistics team. They print books - 600 copies every six months and brochures - 400 copies every quarter. The get the designing and alignment of pics / text through their vendor. Design is generally done by Visual Net & Printing by Mytec. Other marketing collaterals are handled by their corporate marketing team.

Printo can get registered as a preferred vendor by approaching her, take pilot order, and deliver as per their requirements. Once the Pilot is approved, Printo can get registered. Then the users can place orders directly Printo.

Currently, she has a requirement for 100 Notepads (approx. 100 nos / qtr). We need to send the list of business products and follow-up for the notepad requirement. She is ready to try this order with Printo. Need to visit her to explore more.

She suggested that Printo needs to market themselves with their business products for better visibility other then personalized products (through store). Awareness needs to be created across I3.

I2 (Warehouse) –28th July @ 3.00 - 3.45 pm

Person(s) met – Mr K - Manager Supply Chain (Logistics Div)

Mr K has moved in to Bangalore from Pondicherry where he worked for 15 years in Supply Chain. Currently he is processing many of his printing from his Pondicherry vendor. He is keen to develop a vendor who can handle all his printing needs all over India, preferably from Bangalore. He would be interested, if the vendor can deliver the material at the various locations (19). Currently, he is getting the printing done at some locations for its local requirements. They have tie-up with Blue-dart for the courier services. But he would be interested if the prices are matched including the delivery at different locations. He needs the price break-up in the quote. He also wants to know the sources of various raw materials being used.

I2 (M) –29th July @ 10.30 - 11.30pm

Person(s) met – Ms S (Marketing & Communication - Talent Acquisition)

She is dealing with Printo in the last 1 year. There seems to be some inconsistency in terms of the quality, delivery commitments. Few of the orders were executed with good quality and delivery and some were not. There was a requirement for some Flex, for which she gave the samples and we had given her a sample for approval. She has not come back on this requirement, as she is not happy with the quality of the sample which we had given. Hence the order is lost. She has vendors for different jobs like: Flex, Posters, Banners, Standees, Folders, Brochures & Tent cards.

She has developed these vendors over 2 years and is happy with their quality and delivery commitments and she is not much interested to try Printo as the other vendors are reliable to her. I had explained her that Printo can take up all her printing needs as one-stop printing solution provided, but she is not interested and says that all her vendors are ready to do all the jobs.

I2 (BPO) –29th July @ 1.30 - 3.00pm

Person(s) met – Ms S

Further to the meetings with Central Procurement Officer with the CEO of Printo, I and Sales person S2 visited the BPO. The following are their requirements: Paper bags, Induction Manual, Booklet, Quality card & Magazine (2000 - 4000 nos per quarter) Footfall form, Footfall brochure, Notepad, Standees, Flex, Posters, etc - would be ordered as when required.

We have collected the samples for the above products, pricing needs to be provided including delivery at various locations. Currently these are printed in Bangalore and being distributed across.

E1 –3rd Aug @ 3.00 - 4.00pm

Person(s) met – Mr N (Operations), Mr A (Design)

Currently they are printing books, brochures, labels & stickers with Printo and they are satisfied with the quality, time-lines, commitment and overall service levels. They have appreciated the efforts, commitments and services of inside

sales person S3. They have given good feedback about the delivery team and their patience till the customer checks all the products & quality. They would rate Printo's corporate team 9.5 on a scale of 10. Whereas they rated the Jayanagar stores (-)1 on 10 due to a few instances, when they were given proper response when the expected quality was not met. The Store rep. was not patient enough to listen to customer requirement while making the prints.

S3 – 9th Aug @ 5.00 - 5.45 pm

Person(s) met – Mr M, Head of Marketing

S3 is coming with a new marketing tab on their website which would enable their agents (25000+ across India) to place orders for co-branded marketing collaterals. This would help their agents to market their products along with S3's brand. It is a win-win situation for both S3 and their agents. Printo is extending their new business products website as a backend ordering system for their website. This is new business model, which if found successful, can be extended to other customers who have similar requirements.

8.5 Appendix – 5: Sample interviews with Printo employees

Respondent – R1

Q: What is your value proposition according to you?

A: *It is the reduction in management cost and single point of contact for all printing needs.*

Q: How different is Printo from other vendors?

A: *It is the print proposition we offer.*

Q: Why, according to you, customer is ordering with Printo?

A: *Different people in the customer organization will have different reason. For example: Senior Management or Head of procurement or CFO would consider Printo for the value proposition, ethics in supply chain, and other benefits and hence Senior Management appoints Printo as preferred vendor. Users prefer Printo for the convenience, quality and professional approach.*

Q: How do you track your performance against customer expectation?

A: *Last year, we had conducted a customer feedback survey. Otherwise, we take feedback from informal meetings and discussion with the senior people. But this has not been institutionalized.*

Q: How can you improve the service / performance levels to satisfy B2B customers?

A: *Make the central hub as the "centre of excellence" by concentrating the intelligence and management to one place. And provide superior product and delivery.*

Respondent – R2

Q: What is your value proposition according to you?

A: *It is the delivery commitments and meeting them. We call it as On-time-to-spec.*

Q: How different is Printo from other vendors?

A: *One-stop solution provider, No manual intervention in execution of orders, system in-place.*

Q: Why, according to you, customer is ordering with Printo?

A: *It is the value proposition, visibility in terms of the Brand, confidence level gained from retail and online operations and personal satisfaction.*

Q: How do you track your performance against customer expectation?

A: *Satisfied customers give repeat business. But there is no system to track or measure the satisfaction levels. We get complaints and appreciations by mail, which can be used to evaluate customer satisfaction.*

Q: How can you improve the service / performance levels to satisfy B2B customers?

A: *Customer-friendliness across the company and developing multilevel contacts with the customers.*

Respondent – R3

Q: What is your value proposition according to you?

A: *One-stop printing solution provider, quality, excellent customer service and quick turn-around time.*

Q: How different is Printo from other vendors?

A: *Utmost importance to customer service, thinking from the customer's point-of-view and honest business practice (transparent).*

Q: Why, according to you, customer is ordering with Printo?

A: *Hassle-free printing, understanding of the customer needs, organized and quick turn-around time.*

Q: How do you track your performance against customer expectation?

A: *Customer satisfaction forms, but we don't do it regularly and On-time-to-specs.*

Q: How can you improve the service / performance levels to satisfy B2B customers?

A: *Better resource management in terms of people & machines and vendor management.*

Respondent – R4

Q: What is your value proposition according to you?

A: -

Q: How different is Printo from other vendors?

A: *Customer service and competitive offers*

Q: Why, according to you, customer is ordering with Printo?

A: *Sticking to timelines, commitments, transparency, professional approach and good value of the products.*

Q: How do you track your performance against customer expectation?

A: *No system is in place right now, a customer would buy again (repeat) only if he likes the product or service.*

Q: How can you improve the service / performance levels to satisfy B2B customers?

A: *More people in the sales team, better customer service and managing relationships with customers.*

Respondent – R5

Q: What is your value proposition according to you?

A: *Great quality prints, convenient, easy accessibility.*

Q: How different is Printo from other vendors?

A: *Value offerings, quality policy and customer focus.*

Q: Why, according to you, customer is ordering with Printo?

A: *Sure of quality and service, not for the prices (lower prices)*

Q: How do you track your performance against customer expectation?

A: *Feedback could be measured by the success of a new product.*

Q: How can you improve the service / performance levels to satisfy B2B customers?

A: *Training employees for being more customer-centric.*

8.6 Appendix – 6: Customer Feedback

8.6.1 Feedback Form
(Taken from www.printo.in)

1. Where did your interaction with Printo take place? *Online? On the phone? At one of the stores? Which store? [   ]

2. Which service or product did you purchase (or intend to purchase) from Printo? *[   ]

3. How would you rate our service? *

   1   2   3   4   5

   Poor ☐   ☐   ☐   ☐   ☐   Excellent

4. Tell us about your experiences or problems with our services: online, or at the store. Give us your suggestions for improvement. *

   [   ]

5. Would you like someone from management to get in touch with you regarding this? *

- ☐ Yes
- ☐ No
- ☐ Other: [   ]

6. Please give us your contact details. If you have chosen "yes" in the previous question then within 24 hours, you will hear from a person in our top management team who can offer a solution, or is in charge of implementing new processes.

8.6.2 Sample responses from customer feedback
(Retail and Online Customers only)

Where did your interaction with Printo take place?	Tell us about your experiences or problems with our services: online, or at the store. Give us your suggestions for improvement.	How would you rate our service?
On the phone	It's just fine	4
Online	The online service is very efficient and convenient however since in most cases not all customers may know about the details they need to provide with regard to printing maybe you should have some sort of similar form that indicates to your customer the specific details he/she needs to include.	4
online	The application is useless. The pics do not fit into the frame. There is no option to resize the pics according to the frames.	1
Phone	I am happy to inform you about the opportunity as print partners for IIM Bangalore. I would like to get in touch with your marketing team.	4
jayanagar branch	I have got a very excellent service from ur part...I don't expect such an excellent customer support from your out let..I would like to thank Mr.X4 and his team for their awesome service. Thanks a lot X4	5
Jayanagar 9th Block	Your service is a disaster. Simple printing requests take 72 hours. As an organization we have decided to not do business with Printo. We believe that you guys are slow, elephant like and unresponsive. Regards G	1
ONLINE	ACTUALLY I HAVE SELECTED THE OPTION FOR PERSONALIZED NAME CALENDAR. I GOT MESSAGE AS; YOUR REQUEST HAS BEEN NOTED. SO FURTHER HOW TO PROCEED, AS HOW TO MAKE PAYMENT OR WHEN VL I RECEIVE THE PRODUCTS ETC.	5
Phone	Ms. X5 handled my print requests very well. This is the 3rd time I've used printo for office stationery and I'll continue to do so.	5
it was through our colleague	Service is great. Keep continuing the same.	5

Where did your interaction with Printo take place?	Tell us about your experiences or problems with our services: online, or at the store. Give us your suggestions for improvement.	How would you rate our service?
online	Your website is incomplete.......I want to see more calendar designs or other gift items design but when I click on view more..its taking to the enquiry form...really I would have or anybody will prefer to see the design very fast rather than sending email to you people and then you reading and replying to it...common Printo...its 21st century and everybody wants quick and fast service......I didn't get the design to see I was in hurry ...I am going to check with others now........I designed and print my visiting card with printo I liked it but this time I hate it...Make your website clear guys.....	2
Online	Pros: 1. Very fast service 2. Web interface very clear and user friendly Cons: 1. Frame options (design) very limited 2. Only accepts JPG type of files 3. Some more advance options to create better frames, collages, etc would be very useful	4
At one of the store, Electronic city, Bangalore	It was fine after complaining for the first time.	4
online	Absolutely no tracking mechanism, no courier details nothing just need to wait against hope	1
ON PHONE	AMAZING SERVICE!!! Really happy got the work done so quickly & aptly. I was so worried since it was holiday, but X5 made wonders. Try & do door delivery without any charges, for such reputed company it looks very silly!	5