Tuuli Mikkola

CREATING CUSTOMER KNOWLEDGE COMPETENCE THROUGH THE DEVELOPMENT OF KEY ACCOUNT MANAGEMENT

Master’s Thesis
Department of Marketing
April 2013
Abstract

This study takes intraorganizational perspective to key account management (KAM) and combines the matter with customer knowledge processing. The aim of the study is to create a framework that enables the creation of customer knowledge competence by developing key account management system so that it facilitates internal coordination and enhances customer knowledge processing. The framework of this study is based on an extensive theoretic review on key account management and customer knowledge management. The combination of these topics creates scientific findings of this study. The framework created in this study is reflected to practice through a case company that needs re-organization of its key account management processes.

This study utilizes subjectivist approach to the matter and uses constructivist research methods. Besides accumulating theoretical knowledge this study aims also in developing through theory the KAM processes of the case company. Thus it relates also closely to action research, where the researcher takes also a role as a consultant besides the role of a researcher. The empiric evidence is reflected to the theoretical framework. However as studies concerning this matter are limited the aim is through qualitative methods to produce new knowledge and not to test existing theory.

Empirically this study is based on an exploratory case study that has some features of descriptive study also. The empiric research confirms the theoretical framework from most parts. Results of this thesis suggest that key account management system can be utilized as a coordination mechanism in order to create customer knowledge competence. However compared to previous studies the results of this study accentuate esprit de corps i.e. organizations capacity to work toward mutual goals as an antecedent of other key account management processes and reinforces the role of formalization of the key account management approach as an prerequisite for efficient customer knowledge processing.

Based on the finding of this study, future studies could concentrate on determining the level of formalization needed for succeeding in the creation of customer knowledge competence. It also suggests that the role of esprit de corps is more important. Thus the development of this would also be valuable in the future.

Keywords
Customer knowledge management, customer knowledge process, constructive research
TABLE OF CONTENTS

1 INTRODUCTION

1.1 Motivation for the study .................................................. 6
1.2 Objectives of the study and research problem ......................... 10
1.3 Definition of the key concepts .............................................. 10
1.4 Methodology ........................................................................ 12
1.5 Structure of the study .......................................................... 13

2 KEY ACCOUNT MANAGEMENT .................................................. 15

2.1 Different viewpoints to key account management ...................... 15
2.2 Origin of and philosophy behind key account management ........ 16
2.3 Intraorganizational structure in key account management .......... 19

2.3.1 Activities ........................................................................ 21
2.3.2 Actors ............................................................................ 22
2.3.3 Resources ........................................................................ 23
2.3.4 Approach formalization ..................................................... 24

2.4 Summary ............................................................................. 26

3 CUSTOMER KNOWLEDGE MANAGEMENT .............................. 28

3.1 CRM and KM as partnering paradigms .................................. 28
3.2 How KAM and CKM relate to each other? .............................. 32
3.3 Customer knowledge competence ......................................... 34

3.4 Customer knowledge process ................................................. 37

3.4.1 Knowledge process .......................................................... 37

3.4.2 CKP in the KAM context .................................................... 38

3.5 Theoretical framework of the study ....................................... 43

4 RESEARCH PROCESS ............................................................. 46

4.1 Scientific approach of the study ............................................. 46
4.2 Research methodology and methods ...................................... 47
4.2.1 Qualitative research ................................................................. 47
4.2.2 Action research and constructive research ......................... 48
4.2.3 Case study approach ............................................................... 50

4.3 Proceedings of the empirical research ........................................ 52

5 CREATION OF CUSTOMER KNOWLEDGE COMPETENCE THROUGH KAM AT COPYPASTE .................................................. 56

5.1 Case company CopyPaste ............................................................ 56
  5.1.1 Key account management at CopyPaste ................................. 57
  5.1.2 Customer knowledge management in CopyPaste ................. 61

5.2 Intraorganizational dimensions of KAM in CopyPaste .............. 63
  5.2.1 Actors .............................................................................. 63
  5.2.2 Resources ........................................................................ 65
  5.2.3 Approach formalization ...................................................... 67
  5.2.4 Activities ......................................................................... 68
  5.2.5 Customer knowledge processing as an activity in KAM ........ 68

5.3 Development of customer knowledge competence through key account management, Case CopyPaste ........................................ 73

6 CONCLUSIONS ............................................................................ 79
  6.1 Summary .............................................................................. 79
  6.2 Theoretical conclusions .......................................................... 79
  6.3 Managerial conclusions ............................................................ 82
  6.4 Evaluation and limitations of the study ..................................... 84
  6.5 Direction for future research .................................................... 86

REFERENCES .................................................................................. 88

Appendix 1 .................................................................................... 94
FIGURES

Figure 1. Synthesis of different viewpoints to key account management ................................ 16
Figure 2. Conceptualization of KAM (adapted from Homburg et al. 2002). ......................... 20
Figure 3. Customer knowledge management and its relationship with RM and KM (Grönroos 2007, Rollins & Halinen 2005, Rowley 2004, Gibbert et al. 2002). ...................... 31
Figure 4. The relationship between KAM and CKM ................................................................. 33
Figure 5. A synthesis of processes that facilitate the creation of customer knowledge competence (adapted from Campbell 2003, Rollins & Halinen 2005). ........................................ 35
Figure 6. KAM processes as antecedents of customer knowledge competence (adapted from Homburg et al. 2002, Salojärvi 2010a). ................................................................. 36
Figure 7. Proceedings of the study ......................................................................................... 53
Figure 8. Adjusted framework on how to enhance customer knowledge competence through the KAM system .............................................................................................. 78

TABLES

Table 1. Customer knowledge process and dimensions of KAM. ........................................... 43
Table 2. Theme interviews ...................................................................................................... 54
1 INTRODUCTION

1.1 Motivation for the study

The Pareto 80/20 Rule also applies to business-to-business marketing, meaning that a relatively small share of customers (20%) account for a significant proportion (80%) of the selling company’s sales. Thus, it is only natural that customers or accounts are treated differently and the biggest accounts get special attention. Key account management (KAM) is a management concept that builds on this thought. KAM is often seen by companies as a way to introduce and implement the principles of relationship marketing (Guenzi, Pardo & Georges 2007; Ivens & Pardo 2007).

The term KAM is used in several contexts but it can be described as a relationship marketing management approach that focuses on dealing with the company’s strategically most important customer relationships in the business-to-business market (Ojasalo 2001) and building a bridge between the marketing organization and relationship marketing (Homburg, Workman & Jensen 2002). It is noted that active management of key customers or accounts leads to an overall better performance (Homburg et al. 2002). The philosophy behind key account management is that the key customers are identified and something extra is provided for them (Workman, Homburg & Jensen 2003). Key account relationship is both important and complex. The high level of customization also means high costs for the supplier. (Salojärvi 2010a: 25.) In the light of the above, managing key accounts is crucial for companies and seeking new ways to create value for the key customers is essential.

In the field of KAM, Homburg et al. (2003) call for more research on intra-organizational determinants of successful KAM and Guesalaga and Johnston (2009) for more research on internal alignment in KAM. Hence, there seems to be a need for studies examining the internal coordination of the selling company that facilitates the overall management of key account relationships instead of the development of a single relationship. It can be said that there is a need to change the organizational structure towards more customer-oriented (Homburg, Workman & Jensen 2000) internal coordination that better meet the needs of the most important customers,
which can create competitive advantage (Gosselin & Bouwen 2006). This facilitates the creation of market-driven organizations (Day 1997) and highlights KAM as a method for relationship building and coordination. Both the practice and the literature have been very interested in the topic of KAM; however, as Homburg et al. (2002) note, the academic research on the matter still remains scarce.

Knowledge can be seen as a source of competitive advantage (Nonaka 1991), and the knowledge residing in customers is even suggested to be the greatest source of value (Gebert, Keib, Kolbe & Brenner 2003). As Tsokas and Saren (2004) specify, competitive advantage is closely related to organizations’ capacity to create, disseminate and use knowledge. Managing this knowledge, i.e. using the customer knowledge management (CKM) approach, helps companies sense emerging market opportunities before their competitors and create more rapidly economic value for the corporation, shareholders and customers (Gibbert, Leibold, & Probst 2002). However, it is noted that selling companies tend to be better at acquiring this knowledge then they are at utilizing it (Campbell 2003, Salojärvi 2010).

Customer knowledge competence refers to the ability of the selling company to integrate customer knowledge into the organization (Campbell 2003, Rollins & Halinen 2005). However, as Salojärvi and Sainio (2009) point out, the quality of the customer-specific knowledge is created in the acquisition part of the customer knowledge process (CKP), and there seems to exist a path dependency between the process phases. Thus, it seems natural that the process should be studied as a whole. Knowledge dissemination and interaction play critical roles in the operational management of customer relationships, and one of the most important tasks of a key account management program is taking care of customer knowledge (Ojasalo & Ojasalo 2010: 172–176). On the other hand, a successful KAM approach requires customer-specific knowledge (Salojärvi & Sainio 2009).

Key account relationships are both important and complex, and the high level of customization is often expensive for the selling company (Salojärvi 2010a: 25). Customers also have more power than before and are more demanding (Homburg et al. 2002). Customers create value and the selling company’s task is to support the customer’s value creation process by providing necessary resources (Grönroos
2006). In order to do this, selling companies need to thoroughly understand the value creation process of their customers (Payne, Storbacka & Frow 2008). Well managed customer knowledge can create a powerful competitive tool for the company and improve success of both the selling company and the buying company (Gibbert et al. 2002). Because of the risks and the costs, an appropriate coordination mechanism is required to handle these key accounts (Salojärvi 2010a: 25). The design of the internal organization has to match the requirements of the company’s most important customers and can be considered as one of the most fundamental managerial tasks (Homburg et al. 2002). Organizational changes are also required for a company to benefit from customer knowledge (Garcia-Murillo & Annabi 2002). Thus, harnessing the KAM program and taking care of the internal structure in a way that provides the selling company a chance to manage its customer-related knowledge better and create customer knowledge competence is worth researching.

Although the importance of customer knowledge has been noted and addressed widely in the literature, according to Salojärvi (2010a), customer knowledge processing remains understudied in the KAM context. Studies connecting these two matters have, for example, touched the topics of KAM as a linking pin in customer knowledge transfer (Nätti, Halinen & Hanttu 2006) and customer knowledge processing in key account management (Salojärvi 2010). Customer relationship management (CRM), which relates very closely to KAM, as an antecedent of customer knowledge competence has been studied by Campbell (2003) and Rollins and Halinen (2005). Nätti et al. (2006) studied the KAM system as an organizing process in internal knowledge transfer in a loosely coupled organization. This study relates to this thinking as it also sees the internal processes of a KAM organization as a possible antecedent of internal knowledge transfer, but also includes other CKP phases to the discussion.

This study takes an intraorganizational perspective to KAM and combines it with customer knowledge processing through propositions composed on the basis of the literature which act as a theoretical framework of this study. They can be utilized to organize the KAM processes or dimensions of the organization in a way that facilitates customer knowledge processing in the key account management context. In this study, KAM is seen more as a philosophy rather than an organized
management system where some accounts are considered more important and something extra is provided for them. Formalization of the approach, i.e. the formal rules and standard procedures that govern the treatment of the key accounts, is considered as one dimension of organizing the KAM approach (Workman et al. 2003). Thus, in this study, KAM is not seen as an organized management system but rather as philosophy that can be utilized to manage the company’s most important customers in order to create customer knowledge competence. As Homburg et al. (2002) note, the context of companies that recognize the importance of the strategically most important customers but do not have an official KAM system remains under-researched.

In her dissertation research, Salojärvi (2010a) studied the determinants and consequences of key account customer-specific knowledge processing in large industrial companies. This study particularly relates to the work of Salojärvi (2010a) since it also utilizes the dimensions of KAM activities, actors, resources, and approach formalization suggested by Homburg et al. (2002) and utilizes the CKP model constructed by Salojärvi and Sainio (2009). Although the elements used are the same, the context and the study approach differ greatly. First, the context is different since this study particularly directs its efforts to a global company’s area unit in Finland, where the company’s key account processes need re-organization. The responsibility for key account management has been transferred from the national level to the local office, but no formal KAM system has been adopted. Thus, in this situation, the organization must re-organize its KAM processes in order to gain customer knowledge competence. It needs to be noted that the organization in question is very small and provides deeper understanding about this specific context. While Salojärvi’s (2010) focus of the study is to analyze the characteristics of a single key account relationship in an organized KAM system, in this study, the aim is to create a holistic view on the matter by creating a framework that can be utilized to enhance customer knowledge competence in terms of all the company’s strategically important customers. The aim of this study is also different in creating a functional structure comprising these elements to an organization that does not have a specific KAM system but recognizes the importance of its key accounts, is willing to do something more for its key customers, and sees customer knowledge processing as an activity that can improve overall performance in terms of these key accounts.
1.2 Objectives of the study and research problem

This study discusses the theoretical points of departure of KAM systems and customer-specific knowledge management, and combines the two. The theoretical contribution of the study is to create on the basis of the existing literature a framework that combines the dimensions of KAM and customer knowledge competence together. The main objective of this study is to determine how to develop a KAM system so that it enables internal coordination of an organization in a way that enhances customer knowledge processing and thus enables customer knowledge competence. The study focuses on answering a real-life managerial problem through a framework that discusses and combines the theoretical knowledge on key account management and customer-specific knowledge management. The main research question is:

How to create customer knowledge competence through the development of key account management?

The main research question is complemented by two sub-questions. The goal of the first sub-question is to determine the processes that are included when key account management is studied from the configurational perspective. The aim of the second sub-question is to identify the phases of the customer knowledge process that facilitate the creation of customer knowledge competence. The sub-questions are as follows:

What are the intraorganizational dimensions of KAM?

What are the processes of customer knowledge competence?

1.3 Definition of the key concepts

This chapter introduces the key concepts related to this study. Each concept is defined and explained in more detail in Chapters 2 and 3.
Key account management – KAM

In this study, KAM is seen as a coordination mechanism to manage the intraorganizational structure. Thus, it takes a configurational perspective on the matter (Homburg et al. 2002). However, this study does not necessarily consider key account management as a formal system or a process, but rather as a philosophy that is embedded in the selling company’s overall strategy. Here, some customers are defined as more important than others, i.e. as key accounts, and something extra is provided for them (Workman et al. 2003). Approach formalization is seen as one construct of KAM in addition to activity, actors and resources of the KAM approach (Workman et al. 2003, Homburg et al. 2002).

Key accounts

The customers that the selling company defines as strategically important on the basis of their own evaluation criteria (Ojasalo 2001).

Customer knowledge

The knowledge that the customers have about the product or service and the knowledge possessed by the company by which it can assist the customers make their buying decision. (Garcia-Murillo & Annabi 2002.)

Customer knowledge management – CKM

CKM is a management approach that can be presented in the form of an axiom “If only we knew what our customers knew” (Gibbert et al. 2002). In CKM, the main goal is to learn about, from and with the customers (e.g. Salojärvi 2010, Rollins & Halinen 2005). Therefore, it is a sort of a mix of knowledge management (KM) and customer relationship management (CRM), where the role of employees and customers as the source of knowledge and the role of knowledge in the company’s overall performance is emphasized.
Customer knowledge competence

The ability of the organization to integrate customer knowledge into the organization’s everyday processes and operations (Campbell 2003, Rollins & Halinen 2005).

Customer knowledge process – CKP

An ongoing construct that reflects the knowledge about and from specific customers and creates a customer-specific knowledge base for the organization (Salojärvi & Sainio 2009). In this study, the process phases are identified as customer knowledge acquisition, dissemination and utilization on the basis of the study by Salojärvi and Sainio (2009). The customer-specific knowledge base can be accumulated in every step of the process (Garcia-Murillo & Annabi 2002).

1.4 Methodology

The present research utilizes qualitative methods. Qualitative methods enable a profound and holistic approach to the subject (Hirsjärvi, Remes & Sajavaara 1997: 157) and suit well to a study that is interested in a phenomenon that is not very well known or described earlier. This study is a case study that provides deep understanding of a single case (Hirsjärvi et al. 1997). As Dubois and Gadde (2002) state, it is a strength rather than a weakness to learn from a particular case and case studies provide a unique means of developing theory. The advantage of the case study approach is that it gives an opportunity for a holistic view on the process (Gummeson 2000: 86) by utilizing in-depth insights of empirical phenomena and their contexts (Dubois & Gadde 2002). Qualitative methods suit well to collecting data in case studies where data collection, analysis and action take place concurrently (Gummeson 2000: 3).

This study utilizes the action research approach, which is a method that can be adopted when working with case research. It means that the researcher takes a role of an active consultant and has the possibility to influence the process under study. (Gummeson 2000: 3, Easton 1995: 455.) Thus, action research has both scientific
and managerial goals, but what separates an action researcher from a consultant is the intensive use of theory. This study uses theme interviews and observation as methods. These are the most suitable methods to be used when conducting an action research, though quantitative survey methods such as questionnaires or structured interviews can also be used (Gummeson 2000: 125).

Besides using action research as a method, this study takes a step towards real-life managerial problems by benefiting from the constructive approach suggested by Kasanen, Lukka and Siitonen (1993). In the constructive approach, the aim is to solve managerial problems through the construction of models, diagrams, plans, organizations, etc. The idea is to tie the problem and its solution with accumulated theoretical knowledge (Kasanen et al. 1993). Thus, the focus is on creating new theoretical knowledge, but at the same time, this study tries to solve real-life managerial problems by gathering theoretical knowledge and combining it in a novel way for this purpose.

1.5 Structure of the study

The present study is structured as follows: The first chapter introduces the main theoretical themes and the motivation for the study. The main goal and the research questions are also specified. Furthermore, the key concepts related to the study are defined and the research methods used are introduced briefly.

The next two chapters form the theoretical framework of the study. Chapter 2 first presents the theoretical background of KAM and then specifies the configurational perspective to the topic. Intraorganizational dimensions of KAM are then explained and the content is specified. Chapter 3 introduces a theoretical review on CKM and the origin of this management approach. After this, the theories of key account management and customer knowledge management are combined. Next, the chapter discusses customer knowledge competence and explains customer knowledge processing in the KAM context. Finally, the theoretical framework of the study is introduced at the end of Chapter 3.
In Chapter 4, the research process is described in detail and the methods used in the empirical research are defined. In Chapter 5, the empirical evidence is presented and reflected against the framework. Finally, this evidence is used in forming the new framework. Chapter 6 presents and discusses the conclusions and main findings. Managerial conclusions are presented and restrictions concerning this study are evaluated. Finally, some suggestions for further research are proposed.
2 KEY ACCOUNT MANAGEMENT

The term *key account management* (KAM) is used in several contexts and it has been studied from different points of view. The aim of the present chapter is to discuss the theoretical points of departure concerning the topic and highlight the chosen approach, i.e. the intraorganizational dimensions of KAM.

2.1 Different viewpoints to key account management

McDonald et al. (1997) see key account management as a natural extension to the customer focus and relationship marketing in business-to-business marketing where some customers are considered to be more important and defined as key accounts. Key accounts can even be seen as the strongest asset of the selling company (Zupanicic 2008) and active management of these accounts can lead to overall better performance (Homburg et al. 2002). However, as Guenzi et al. (2007) note, due to cost-efficiency, the key accounts should be selected carefully. Therefore, KAM as a management approach aims to target the resources available to the strategically most important customers efficiently. The goal of KAM is gaining and obtaining a portfolio of loyal key accounts (McDonald et al. 1997).

KAM literature can be divided into three groups (Homburg et al. 2002, Salojärvi 2010). The first group consists of studies that describe the dyadic relationship between key accounts with their suppliers and the specific features of those relationships (e.g. McDonald 1997, Pardo 1997). The second group deals with individual managers and their tasks. These studies examine the characteristic and abilities of individual key account managers (e.g. Wilson & Millman 2003). The third group of studies takes the company’s point-of-view and has its focus on the organization-level aspects (e.g. Salojärvi 2010, Nätti et al. 2006, Homburg et al. 2002). Zupancic (2008) also bases his division to operational KAM and corporate KAM to the latter two literature review groups. Based on the literature, it can be concluded that KAM can be approached and researched from three angles (Figure 1).
2.2 Origin of and philosophy behind key account management

The idea of key account management (KAM) is more than 30 years old and the term KAM was first introduced in 1972 by Pegram (Zupancic 2008). Workman et al. (2003: 7) crystallize the idea of KAM and define “key account management (KAM) as the performance of additional activities and/or designation of special personnel directed at an organization’s most important customers”. Based on this, the basic elements of KAM are that there exists some kind of criteria based on which key accounts are identified and that some special activities are being performed for these accounts opposed to “regular customers”. In addition, specific personnel are appointed to taking care of the relationships with key accounts. Nätti and Palo (2011) see KAM as a natural extension of organizations’ customer relationship management as it enhances the interaction with the customer by better coordinating it. It has also been noted that even though there existed no formal programs, there always exists something like KAM on the business-to-business markets (Zupancic 2008: 324). In other words, there can be a sort a of KAM philosophy in a company even though the company has no official KAM program.
Based on the earlier literature reviews, there is a number of terms, such as national account marketing (NAM), strategic account management (SAM), international key account management (IKAM) and global account management (GAM) (e.g. Zupancic 2008, McDonald et al. 1997, Ojasalo 2001, Salojärvi 2010), that have been used to describe the same basic phenomenon; although as Zupancic (2008: 324) points out, IKAM and GAM make the international approach specific. When selecting articles to their literature review on key account management, Guesalaga and Johnston (2010: 1063) also used the terms “major”, “national”, “large” and “strategic” instead of “key” in KAM and “customer” and “client” in replacing the term “account” in KAM.

Historically, KAM development can be seen to have four phases, as the theory and practice has evolved over time. These are genesis, professionalization, internationalization, and specialization. The discussion around KAM started in the 1970s and evolved during the 1980s to a phase of professionalization of KAM on a national basis and later also to job profiles and KAM tasks. The 1990s was the time for KAM to react to globalization and to respond to the international accounts demands. At the end of this decade, the interest in key supplier–key account relationship evolved, and entering the new millennium, the topics of implementation and realization became relevant. Specialization describes the present time and point at the more specific and detailed examination of the subject. (Zupancic 2008.)

Not all relationships are alike, but it can be said that a relationship between a customer and a supplier exists when each side of the dyad gives something in return for incremental value (Day 2000). Longer term relationships able the selling company to better understand their customers’ requirements and expectations, which leads to trust and commitment. This is one of the core ideas of customer relationship management, where customers’ lifetime value is emphasized. (Buttle 2009 31–36.) On the other hand, value creation is one of the most important tasks of strategic management (Hamel and Prahaland 1994). KAM is often seen by companies as a strategic way to introduce and implement the principles of relationship marketing (Guenzi, Pardo & Georges 2007, Ivens & Pardo 2007).
The key account relational development model by Millman and Wilson (1994) includes six development stages. The first five are Pre-KAM, Early KAM, Mid-KAM, Partnership KAM and Synergistic KAM, and they describe how the buyer–seller relationship deepens in the sense of the nature of customer relationship from transactional to collaborative and, at the level of involvement with customers, from simple to complex. The sixth stage of Uncoupling KAM can occur in any development stage. (Millman & Wilson 1994.) McDonald et al. (1997) describe the relationship development model further and describe the content of the different stages. Pre-KAM is the development stage where contact has been made by the selling company towards the potential buying company. In the Early-KAM stage, the collaboration has started but the emphasis of the relationship is still on the product offering. When the collaboration develops to the Mid-KAM stage, contacts increase and the supplier becomes the preferred one. Trust deepens and the cooperation is not restricted to just at the product excellence level but the aspect of social integration also deepens. In the Partnership-KAM stage, single-sourcing emerges and strategic partnership develops. In the Synergistic-KAM phase, interfaces are developed at every level and function of the organization. So the level of activity intensity, the use of teams, and top-management involvement rise as the relationship evolves. (McDonald et al. 1997.) Hence, according to this thinking, the KAM system grows as the relationship deepens with the key account.

However, Homburg et al. (2002) disagree and suggest a taxonomy that divides the seller’s side KAM approaches into Top Management KAM, Middle Management KAM, Operating Level KAM, Cross-Functional Dominant KAM, Unstructured KAM, Isolated KAM, Country-Club KAM, and No KAM. These clusters do not correlate with the relationship development continuum suggested by Millman & Wilson (1994) and McDonald et al. (1997), but they suggest typologies where the design of the dimensions, which are explained in the next chapter, occur as combinations (Homburg et al. 2002, Workman et al. 2003). This study is based on the thinking where the key account relationships do not develop in a continuum but the organization can be systematically developed by designing the combinations of the dimensions. Next, the intraorganizational structure and dimensions are examined more closely.
2.3 Intraorganizational structure in key account management

According to the network perspective of business relationships, companies must understand their position in a network that consists of actors. They have to strategically develop actor bonds, resource ties and activity links with other identifiable counterparts that create the network. (Håkansson & Snehota 1995) The elements of the ARA (activities, resources and actors) model can also be applied to the KAM approach (Homburg et al. 2002, Nierbach, Pardo & Ivens 2011). Nierbach et al. (2011) see the key account manager in a central position not only in terms of conducting the internal team and external customers but also in linking these two networks together. Many buying companies have centralized their procurement, hence, coordination is also expected from the seller side (Homburg et al. 2002). This leads to the demand that selling company needs to arrange internally. Goals and tasks need to be clearly determined and justified, and the entire organization’s attention is required during the implementation process (Nätti & Palo 2011). Thus, it is a question of how companies align internally to manage key account relationships (Homburg et al. 2002, Workman et al. 2003).

Day (2000) also emphasizes the internal alignment of the organization and highlights how capabilities emerge from the interaction between the elements constructing the organization. In addition, Workman et al. (2003) note how important the internal relationships in a company are and state that management of the intraorganizational structure is challenging. However, companies need to align internally in order to handle their key accounts efficiently. Zupancic calls this “Corporate KAM”, where the aim is on integrating KAM into the organization and aligning the organization’s strategy, structure and culture to fit KAM. Implementing a KAM program in an organization is challenging but also rewarding (Nätti & Palo 2011). Nierbach, Pardo and Ivens (2011) state that according to the resource-based view, efficient KAM can be seen as a capability that cannot be easily imitated.

In search of a systematic way of looking at KAM, Homburg et al. (2002) present an integrative conceptualization of KAM and name the four key dimensions as activities, actors, resources and approach formalization (see Figure 2). The first dimension, action, refers to inter-organizational issues, whereas the latter three
dimensions refer to intraorganizational issues. Homburg et al. (2002) argue that formalization should be acknowledged as one dimension in addition to the ARA model’s activities, actors and resources when studying how companies internally organize to manage key account relationships. The model is presented in Figure 2 and is built on the literature review by Homburg et al. (2002). Workman et al. (2003) continue on this and state that there does not need to be formal key account managers or a program, but KAM can be seen as a certain approach to a set of customers. Homburg et al. (2002) and Workman et al. (2003) actually consider the approach formalization only as one aspect that needs to be considered when analyzing the structure of the organization in the KAM context. Thus, based on this thinking, the present study sees KAM as a coordination mechanism that can be developed to manage key accounts and internal alignment of the processes related to key account relationships.

Figure 2. Conceptualization of KAM (adapted from Homburg et al. 2002).
2.3.1 Activities

Suppliers’ direct special activities towards their key accounts is one of the two basic ideas behind KAM. Such activities can be, for example, special pricing, customization of products, provision of special services, information, taking care of the business processes the customer outsources (Homburg et al. 2002), and handling the customer knowledge process (Salojärvi 2010). When designing the activities dimension, the key question in management is “What is done?” There are two central issues related to activity, namely activity intensity and activity proactiveness. (Homburg et al. 2002.)

Active intensity can be defined as the extent to which the supplier does more for the key accounts as opposed to their regular customers (Homburg et al. 2002). Workman et al. (2003) note that customers usually enter into these collaborative relationships expecting additional activities performed for them. High level of activity intensity brings benefits to key accounts and makes them want to maintain and deepen the relationship. Activity intensity shows the selling company’s commitment to the customer and deepens trust with the account. Key accounts’ cost structure can also be reduced and efficiency improved, which can help key accounts compete on their markets (Workman et al. 2003).

Activity proactiveness can be seen as the origin of that intensity and deals with the extent to which activities are initiated by the supplier (Homburg et al. 2002). The selling company can advance as being the initiative maker by making their moves before the competition and sensing trends and sources of conflicts. It can also be able to take more control and set some of the rules for the buyers (Day 2002). According to Workman et al. (2003), being proactive, i.e. not waiting for the customers to ask first, is crucial in efficient key account management and it facilitates the company to design the relationships better.

Learning needs to be the priority in developing strategically important relationships (Day 2000), and learning can be facilitated through knowledge processing (e.g. Nonaka 1991). Salojärvi (2010) identifies customer knowledge processing as one of the most important activities in key account management. In this study, customer
knowledge processing is considered as an inter-organizational activity which leads to KAM success, and the dimensions of actors, resources and approach formalization as antecedents of this activity.

2.3.2 Actors

The answer to the question “Who does it?” can be viewed from the point of either horizontal or vertical participation in KAM; in other words, who are involved and how they are coordinated? The horizontal aspect can be defined as the use of teams and it is interested in to which extend teams are formed to coordinate activities for key accounts. The vertical aspect of the top management involvement refers to the extent to which the senior management participates in KAM. (Homburg et al. 2002.)

Salojärvi (2010: 27) points out that customer-specific teams may be needed for some accounts but not for all. Homburg et al. (2003) agree with this and continue that the use of teams signals the value of the account. The use of teams can be defined as the extent to which they are used to coordinate activities for key accounts (Workman et al. 2003). Nätti and Ojasalo (2008) suggest that in professional service organizations, building relationship-specific teams improves the internal knowledge utilization. However, the use of teams does not necessarily equal to better results, but rather their influence to esprit de corps creates positive effects (Salojärvi & Saarenketo 2009).

The vertical aspect of the matter is particularly important when managing key accounts is seen as a strategic matter (Homburg et al. 2002). However, as noted by Salojärvi (2010: 27), the commitment of the top management may also differ depending on the account. KAM involves many parts of the organization and the commitment and top management involvement can set a positive example for the rest of the organization and reinforce the involvement of the customers. There is a positive connection between the top management involvement and KAM efficiency. (Workman et al. 2003.)

Day (2000) argues that effective value-creating relationships require continuity both inside and between the companies. Thus, employee retention is also important in managing key accounts and the role of actors working with key accounts is
highlighted. Since in this study KAM is not seen as formal management system but more as the company’s philosophy towards its most important customers, there does not always exist assigned key account managers either. In traditional sales, the focus has been in closing the deals, and a great deal of literature has been published on the differences between traditional salespersons and KAM (see e.g. Wotruba & Castleberry 1993 and Abratt & Kelly 2002).

In the context of key account management, the size and type of the customer are different and communication and cooperation are also more complex (Wotruba & Castleberry 1993). The aim is on relational selling strategies to create long-term relationships that benefit both the seller and the buyer (Guenzi et al. 2007). KAM requires more listening and asking questions than talking (Keillor, Parker & Pettijohn 1999). Thus, it seems that more capabilities and competencies are required also from the sales personnel. As Guenzi et al. (2007) state, besides being a good salesperson, a key account manager has to have good technical, managerial and administration skills as well as willingness to work in order to benefit the company (Guenzi et al. 2007). Thus, in this study, the personality, capabilities and willingness to work towards common goals are recognized to be important factors in the actors dimension.

2.3.3 Resources

Key accounts often demand multifunctional efforts. Thus, access to all of the selling company’s non-marketing and non-sales as well as the access to marketing and sales resources are required. (Workman et al. 2003.) Pardo (1999 via Nätti & Palo 2011) sees the internal network of the selling company as a supportive system for managing the various elements of key account relationships. Nätti and Ojasalo (2008) also see that the cross-functional efforts can enhance customer knowledge transfer in professional service organizations.

Key account managers are usually an inseparable part of the sales team and access to other resources can be limited, which can be due to the lack of authority (Homburg et al. 2002, Workman et al. 2003). The buyer side also expects the key account manager to have authority (McDonald et al. 1997); however, as Workman et al. 2003
note, key account managers have often responsibility but do not have the authority needed. Therefore, access to non-marketing and non-sales resources need to be considered as one aspect of resources. Key account managers’ position in larger sales organizations may also lead to the lack of authority in this field, so access to marketing and sales resources also need to be taken into account. (Homburg et al. 2002.)

*Esprit de corps* or organizational resources of the selling center can be defined as the extent to which center participants feel obliged to common goals and to each other (Homburg et al. 2002). Creating this kind of organizational culture that enhances efficient management of key accounts is one of the most important tasks in order to create key account management efficiency (Workman et al. 2003). Nätti and Palo (2011) also state that team player attitude is needed, and in terms of professional services, Nätti and Ojasalo (2008) notice that building a cohesive organizational structure enhances customer knowledge transfer. Day (2000) also talks about engaging the entire organization’s hearts and minds and mentions commission systems as an important part of this. He continues that creating a relationship orientation that pervades the whole organization is crucial (Day 2000), which is reinforced by Jaworski and Kohli (1993). It needs to be noted that there are both individual and organizational incentives in the efforts of combining resources (Ojasalo 2001).

2.3.4 Approach formalization

As mentioned earlier in this study, KAM does not always need an official program to exist. Homburg et al. (2002) argue that formalization should be only considered as one dimension of KAM and continue that the studies on the matter have focused on observing the formalized KAM programs. This is in contradiction to the definition also used in this study where KAM is seen more as a philosophy, certain customers are seen more important, and something extra is provided for them (Ojasalo 2001, Workman et al. 2003). In addition, Guesalaga and Johnston (2010) talk about the lack of research concerning internal alignment in KAM; although as they note, it is one of the main concerns of KAM in practice.
The formalization dimension is the side of KAM that deals with the issue how formal and established the characteristics of the KAM program are, i.e. how many formal rules and standard procedures there exist in the context of the organization’s most important customers. (Homburg et al. 2002, Workman et al. 2003.) It is even noted that expensive formalized KAM systems can reduce KAM effectiveness and bureaucracy can decrease the flexibility in responding to the key accounts’ demands (Workman et al. 2003). There are studies that suggest that formalization is needed (Nätti et al. 2006, Salojärvi et al. 2009); however, these studies do not take a stance on how formalized the KAM program should be. Homburg et al. (2002) also notice that some formalization is needed, whereas Zupancic (2008) sees that a systematic approach to KAM is necessary. Thus, to formalize or not to formalize (and how much), that is the question.

Although it is noted that formalized KAM systems are not always needed (Workman et al. 2003), certain processes still need to be recognized when it comes to key account management. Ojasalo (2001) found that there are four basic elements of KAM: 1. identifying the key accounts, 2. analyzing the key accounts, 3. selecting suitable relationship strategies for the key accounts, and 4. continuously developing operational-level capabilities to enhance the relationships.

*Identifying* the key accounts is a demanding task. The selling company needs to recognize its key accounts and determine the criteria for their selection. Ojasalo (2001) seeks answer to the question “*What are the criteria that determine which customers are strategically important?*” Key accounts can be identified based on volume, financial (profit potential) and status-related factors (e.g. Millman & Rogers 1997). Homburg et al. (2002) also found other criteria for the identification of the key accounts: learning about key technologies, international scope of the account and reference potential. In addition to these, they also found that the reason for a customer to be named a key account can also arise from the supplier’s internal problems concerning serving the account or on the demand of the customer itself (Homburg et al. 2002). Ojasalo and Ojasalo (2011) state that the key accounts can be identified based on an account prioritizing system. According to them, the prioritization criteria should include, for example, sales volume, profit, reference value, future growth potential, learning, and new competences.
Analyzing key accounts is the next task in the process. This includes identifying the basic characteristics of the key accounts, evaluating the relationship history, and the level and development of commitment to the relationship. In addition, mutual goals and switching costs need to be considered (Ojasalo 2001). The basic task is to identify how competent the supplier is in the eyes of the customer, i.e. to examine the prioritization criteria from the customer’s point of view (Ojasalo & Ojasalo 2011).

Selecting strategies is tightly related to the power structure of the seller and the key account. Strategic alternatives need to be evaluated in terms of the power position and the degree of goal congruence. (Ojasalo 2001.) Millman and Wilson’s (1995) model presents a key account management zone where the buyer’s and the seller’s strategic willingness to be involved in a relationship is in balance. The stronger the strategic intention of the both sides is, the more profound the collaboration in the relationship can be (Millman & Wilson 1995). Ojasalo (2001) also notes that it is crucial not only to consider the present business opportunities but also to recognize the future ones.

Developing operational level capabilities for building, growing and maintaining profitable and long-lasting relationships with the key accounts. This refers to tailoring and developing products and services according to the key account needs and improving information exchange overall. It also refers to developing not only individuals’ capabilities but also creating the organizational structure so that it supports the key accounts’ needs. Trust is important in the buyer–seller relationships, and enhancing the trustworthiness of the buying organization can be considered as one goal of KAM. (Ojasalo 2001.)

2.4 Summary

Could KAM be the answer in managing market relationships when it comes to the company’s strategically most important customers? Day (2000) sees that there are three things that need special attention in order to succeed in this. First, all the personnel need to be genuinely oriented towards the common goals. Second, the company needs to continuously explore its customers and leverage the knowledge from them and disseminate it across the organization. Third, the organization needs
to be internally aligned in a way that matches the key accounts’ needs. (Day 2000.)
In this study, the idea is to organize the intraorganizational dimensions of KAM
processes in a way that enhances the activity of customer knowledge processing and
creates customer knowledge competence.

After a thorough review of the KAM theory, it is time to proceed to the other topic
used in the theoretical framework of this study, customer knowledge. The following
chapter first discusses the topic of customer knowledge and then ties key account
management and customer knowledge management together. Finally, a synthesis of
these two matters is presented as the theoretical framework of this study.
3 CUSTOMER KNOWLEDGE MANAGEMENT

Knowledge can be seen as a source of competitive advantage, or even the one sure source, as Nonaka (1991) puts it. Therefore, it has become one of the critical issues in management. Relationship marketing has shifted the focus of marketing from transaction-based to long-term partnership, where the main task of marketing is developing and managing relationships with customers and other stakeholders. Although at first glance these two paradigms do not seem to have much in common, the two can be viewed as partnering and having contacts in communication processes and tools, knowledge sharing culture, trust creation, and data repositories, particularly those managing customer data. (Rowley 2004.) Customer knowledge management (CKM) is a concept that builds on these two paradigms (e.g. Rollins & Halinen 2005, Rowley 2004). In customer knowledge management, the customers’ role is not seen as a passive knowledge source but customers are rather seen as partners co-creating the knowledge (Gibbert et al. 2002). The growing interest in the subject is due to the argument that customer knowledge can be seen as a source of competitive advantage (Garcia-Murillo & Annabi 2002, Gibbert et al. 2002).

This chapter first looks at the relationship marketing (RM) and knowledge management (KM) paradigms, from which CKM derives, and discusses the similarities and the differences between the approaches. Then the relationship between CKM and KAM is discussed and customer knowledge competence is explained. After this, CKM is examined from the process point of view and the customer knowledge process (CKP) phases utilized in this study are specified. Finally, the theoretical framework of the study is combined and presented.

3.1 CRM and KM as partnering paradigms

To understand customer knowledge management it is best to start exploring the concept from its roots. KM emerged as a discipline in the 1990s, when companies’ need to manage their knowledge resources became evident (Rollins & Halinen 2005). The focus is on understanding through the employees of the company what knowledge is and how it can be created (Rowley 2004). The most frequently used typology of the characteristics of knowledge has been presented by the philosopher
Polanyi (1966). According to him, knowledge consists of two elements that are tacit and explicit. Tacit knowledge refers to the knowledge that is highly personal, context-related and hard to formalize, making it difficult to communicate to others, whereas explicit knowledge is formal and can easily be communicated. (Polanyi 1966.) Rollins and Halinen (2005: 4–5) conclude KM key processes to be “converting data into information and knowledge (e.g. knowledge creation), distributing knowledge within an organization, exploiting knowledge in operations, and learning (e.g. replacing old knowledge with new knowledge) in order to gain efficiency”. Kerkhof, van den Ende and Bogenrieder (2003) distinguish three main subjects in KM literature: types of knowledge, the learning organization, and methods for knowledge transfer.

Relationship marketing orientation can be seen as the origin of customer relationship management (CRM), which is one of the most recognized management approaches of the past decade (Rollins & Halinen 2005). Relationship marketing orientation concentrates on building, developing and maintaining long-term relationships with customers (Grönroos 2007: 23–24) and CRM can be seen as a mix of relationship marketing and management theories and approaches (Gummeson 2002). The way CRM is defined depends, but “elements common to all definitions include leveraging technology to engage individual customers in a meaningful dialogue so that firms can customize their products and services to attract develop and retain customers.” (Campbell 2003: 375.) Day (2000) sees the selling company’s ability to create and maintain durable relationships with their most important customers as a source of competitive advantage and the use and acquisition of customer knowledge throughout the organization as an important part of this. Campbell (2003) even states that for CRM to be successful, a company needs to organize internally in a way that enhances customer the information processes. Rollins and Halinen (2005: 4) state that “[k]ey processes of CRM focus on creating and maintaining a loyal and stable customer base by improving and supporting excellent customer service, offering marketing plans for individual customers and customer groups, and measuring frequently customer relationship value and customer satisfaction.”

Customer knowledge management (CKM) has roots in both CRM and KM (e.g. Gebert et al. 2003, Gibbert et al. 2002, Rollins & Halinen 2008, Salojärvi 2010) and
also organizational learning provides some theoretical base for it (Garcia-Murillo & Annabi 2002). Rollins and Halinen (2005) also see ideas from market orientation and relationship management relevant in addition to KM and CRM literature. CKM is interested more in the knowledge from the customers than in the knowledge about the customers (e.g. Garcia-Murillo & Annabi 2002, Gibbert et al. 2002, Campbell 2003, Davenport, Harris & Kohli 2001). Learning with the customers has also been noticed as a special interest (Gebert et al. 2003, Nätì 2005, Rollins & Halinen 2005).

Garcia-Murillo and Annabi (2002) list factors that differentiate CRM from CKM. Whereas CRM tends to be very technology-oriented and one way, the CKM approach is more personal and interaction is emphasized. The source of information in CRM is data, the objective to identify profitable customers and the goal to customize each interaction. In CKM, the idea is to gather customer ideas, identify service improvements areas and new product development possibilities. In addition, information in CKM is less structured. The role of employees is emphasized in CKM: they are seen as the main source of knowledge as they are the ones closest to customers. (Garcia-Murillo & Annabi 200) The differences between the paradigms can also be stated in the forms of axioms as follows: KM: “If only we knew what we know”, CRM “Retention is cheaper than acquisition”, and CKM “If only we knew what our customers know”. (Gibbert et al. 2002.)

CKM can be seen as an integrated management approach and described as something that is developed between KM and CRM (e.g. Rollins & Halinen 2005, Rowley 2004). The relationship between knowledge management, relationship management and customer knowledge management is summarized below in Figure 3.
The CKM approach emphasizes direct interaction between the buyer and seller and the knowledge exchange between them. Thus, CKM gives more insight to the relationship. This study is interested in customer knowledge management in the business-to-business context in an environment where certain customers are acknowledged as key accounts. Thus, the interest is in customer-specific knowledge (Ballantyne 2004) or in relationship-specific knowledge (Rollins & Halinen 2005).

The employees of the organization are in a key role in collecting and disseminating knowledge from the customers (Rollins & Halinen 2005). Nätti et al. (2006) state that customer-specific knowledge is often tacit and needs converting in an explicit form for the organization to benefit from it. This tacit knowledge is usually in the minds of the employees and the customers (Rollins & Halinen 2005) and needs to be processed from data to information and included into the organization-wide base of customer-specific knowledge (Salojärvi 2010). Thus, the process view on customer knowledge management is justified. This kind of information is likely to evolve from a dialogue with the customer (Ballantyne 2004), but as Ojasalo and Ojasalo (2010)
note, asking directly is not always possible. Since employees gather and hold most of the information about what the customers now, they have a very important role in CKM.

3.2 How KAM and CKM relate to each other?

As stated earlier, CKM is interested in knowledge from and about and learning with the customers. More specifically, knowledge about the customers refers to customer needs and purchasing history and knowledge from the customers refers to the knowledge about products, services and the marketplace in general. Customer-specific knowledge is needed, for example, to construct customer profiles, design account-specific organizational structures and selling processes, identify new opportunities for customers’ value creation, and make changes in products and services (Salojärvi et al. 2010b). There is a need to change the focus from market orientation as the core concept of relationship marketing thinking. Relationship-specific knowledge is needed to integrate the concept of customer knowledge (Rollins & Halinen 2005.) The concepts of KM and KAM overlap through CKM since knowledge is acquired from certain customers rather than from the aggregate market (Salojärvi 2010a).

As Campbell (2003) states, one of the major challenges contemporary organizations face today concerns the development of the internal processes that facilitate organization-wide learning about individual customer relationships. Based on the literature review presented earlier in this paper, efficient KAM and the CKM approach are both antecedents of each other (see Figure 4). Thus, the efficient KAM approach creates CKM success and the other way around.
Figure 4. The relationship between KAM and CKM.

Customer knowledge is the knowledge residing in the customers (Gibbert et al. 2002), but it must also be noted that not all knowledge gathered is relevant and therefore it should be filtered (Davenport et al. 2001). Thus, some of the challenge is also in identifying and using the right kind of knowledge and not to waste time in the irrelevant. (Davenport et al. 2001.) Salojärvi (2011) notes that the content of the customer knowledge acquired has an effect on how profitable the customer relationship is.

Garcia-Murillo and Annabi (2002) see that there are several sources of customer knowledge. It can come in the form of structured data that is gathered from transactions or from interaction between the seller and the buyer company. According to Gibbert et al. (2002), intelligent organizations understand the knowledge residing in their customers, collects it, and processes it with the help of their sales personnel. Customer knowledge can be seen to consist of two elements: the knowledge that the customers have about the product or service and the knowledge possessed by the company by which it can assist the customers to make their buying decision (Garcia-Murillo & Annabi 2002). Gibbert et al. (2002) even state that the knowledge residing in customers is the greatest source of value. Rollins and Halinen (2005) continue that the most important actors in CKM are the employees and the customers themselves.
3.3 Customer knowledge competence

Customer knowledge competence refers more to the selling company’s internal efforts of integrating customer knowledge throughout the organization into the everyday processes and operations (Campbell 2003, Rollins & Halinen 2005), hence it highlights the intraorganizational aspect. Although, as Rollins and Halinen (2005) state, there is a need to include customer relationships and customer interface to broaden the perspective of customer knowledge competence. It is noted that companies are better at acquiring knowledge than they are at utilizing it (Campbell 2003, Salojärvi 2010). However, to integrate customer knowledge, this process should developed as a whole.

Campbell (2003) suggests processes integrating knowledge throughout the company. The term customer knowledge competence is used to describe the processes that generate and integrate information throughout the company about specific customers. Customer knowledge itself can be described as systematic, explicit customer information. There are four components in the creation of customer knowledge competence: 1. Customer information process; 2. Marketing and information technologies communicating with each other; 3. How top management signals its support to the generation and integration of customer knowledge within the company; 4. How employees are rewarded and evaluated when it comes to generating and integrating customer knowledge into the company’s marketing strategies. (Campbell 2003.)

Campbell’s study shows that the focus tends to be more on generating than integrating knowledge, although both are acknowledged to be important. She continues that the selling companies do not focus enough on the customer information process or on the intraorganizational processes to change the way information is shared or used within the organization. Thus, besides the customer knowledge process itself, the organizational structure and processes need more coordination in order to gain customer knowledge competence. It must also be noted that the most important knowledge is customer-specific instead of the more aggregate information about the market. (Campbell 2003.)
Rollins and Halinen (2005) propose a tentative framework for enhancing CKM competence and acknowledge five areas that should be concerned in particular: 1. Organizational culture that supports organizational learning and customer orientation (a platform for the whole idea); 2. Inter-functional cooperation that enhances the dissemination and utilization of customer information and knowledge throughout the organization; 3. Supportive organizational systems that refer to the formal managerial systems under which people function; 4. Cooperation with customers, where customers are working as active parties providing knowledge about company’s knowledge and services; 5. Supportive IT systems that enable all this. Figure 4 combines the works of Campbell (2003) and Rollins and Halinen (2005) and explicates the antecedents of customer knowledge competence.

![Diagram of customer knowledge creation processes]

Figure 5. A synthesis of processes that facilitate the creation of customer knowledge competence (adapted from Campbell 2003, Rollins & Halinen 2005).
Hence, customer knowledge competence can be pursued by facilitating processes listed above. In this research, the KAM system is seen as a way to coordinate and strengthen the processes that enhance customer knowledge competence. The relationship between the KAM structure and customer knowledge competence is presented in Figure 6. Here, the dimensions of KAM suggested by Homburg et al. (2002) and Workman et al. (2000) (actors, resources and approach formalization) are organized in a way that facilitates the activity of customer knowledge processing. The same kind of an approach to this matter is also used in the dissertation research of Salojärvi (2010a).

![Figure 6. KAM processes as antecedents of customer knowledge competence (adapted from Homburg et al. 2002, Salojärvi 2010a).](image-url)
3.4 Customer knowledge process

According to Gebert et al. (2003), any business process can be transformed into a “knowledge management process” if it is defined by activities such as knowledge creation, knowledge dissemination and knowledge use. Ballantyne (2004) refers to the interactive process of the customer and the selling company learning together as ‘dialogue’, where mutual value and new business knowledge can be gained through a dialogue between the buyer and the seller. Relationship-specific knowledge describes how trust between the buyer and the seller evolves through a dialogue and continuous cycles of learning (Ballantyne 2004). An ongoing customer knowledge processing (CKP) creates a customer-specific knowledge base for the company (Salojärvi & Sainio 2009) that can be accumulated in every step of the process (Garcia-Murillo & Annabi 2002).

3.4.1 Knowledge process

There are several models that describe the knowledge process. The models are usually context-dependent and have some other specific features. The names and the number of the phases in the process differ, but they usually emphasize dialogue and continuous nature of the process. To create a holistic view of the process and justify the decisions made in this study, some models are presented next. This study recognizes Nonaka and Takeuchi’s (1995: 70–73) SECI model as the model of knowledge processing on which most of the customer knowledge models are based. Therefore, a more profound description of this model is presented first.

The concepts of tacit and explicit knowledge were used in the 1990s by Nonaka (1991), who proposed that the Japanese companies’ success over the Western companies was mainly due to their understanding and management of the knowledge creating processes. He explains explicit knowledge as something very formal and systematic, and for this reason, easily communicated. This kind of knowledge can be seen as the end point of the knowledge creating process (or actually since the process is continuous, the starting point also). The starting point for the process is tacit knowledge. The kind of knowledge that is highly personal, difficult to articulate, context-bound and hard to formalize, making it also difficult to communicate or to
share. The key is in the capability of the company to convert the tacit knowledge into explicit. Internal knowledge is created through four different processes: socialization, externalization, internalization and combination. The spiral shape of the model emphasizes the continuous dialogue between tacit and explicit knowledge, making the learning process continuous. Hence, the challenge is in finding a way to express the inexpressible continuously. (Nonaka 1991, Nonaka & Takeuchi 1995: 70–73.)

Garcia-Murillo and Annabi (2002) also present a model that is based on the socialization process between the buying and the selling company. In their model, the focus is on the minds of the customers as the source of knowledge. The model also emphasizes the personal and two-way nature of the process. The model has three steps: knowledge revealing – a continuous process; knowledge sorting – identifying the pieces of knowledge; and knowledge leveling – reaching an understanding of the needs and perspectives of both parties. This model also emphasizes the process-like nature, where the company’s knowledge base can be increased in every step of the model. It is also noted that organizational changes are required to benefit the company from customer knowledge. (Garcia-Murillo & Annabi 2002.) Therefore, changing the nature of an organization in order to create a functional and customer-oriented internal network seems necessary when it comes to achieving customer knowledge competence. In this study, KAM is seen as a possible coordination mechanism that can be used to enhance customer knowledge processing and create customer knowledge competence. Next, the customer knowledge process is discussed from the KAM perspective.

3.4.2 CKP in the KAM context

Salojärvi and Sainio (2009) see customer knowledge processing (CKP) as a construct that reflects the knowledge about and from specific strategically important key accounts and consider it a determinant of successful KAM. They found out that customer knowledge processing consists of three dimensions, namely customer knowledge acquisition, customer knowledge dissemination, and customer knowledge utilization. Their study was conducted in the special context of the companies’ strategically most important customers, and CKP was seen as an activity, which is one dimension of KAM according to Homburg et al. (2002). (Salojärvi & Sainio
2009.) Based on the context of KAM, this study chooses to utilize the model proposed by Salojärvi and Sainio (2009) and acknowledges the three dimensions of the customer knowledge process to be acquisition, dissemination and utilization of customer knowledge. Next, the process phases are described and discussed in the context of the KAM dimensions proposed by Homburg et al. (2002). The content of the KAM dimensions are described earlier in this study in section 2.3.

**Customer knowledge acquisition**

Acquisition is fundamental to knowledge generation since it involves the type, source and intensity of knowledge generation (Salojärvi 2010b). Based on this, Salojärvi and Sainio (2010) call for focus on this part of the process since it determines the quality of the knowledge generated. Customer knowledge can come from several different sources, but as Garcia-Murillo and Annabi (2002) argue, the knowledge acquired in interaction with customers is richer in content than the transactional knowledge and knowledge acquired indirectly by a third party such as a consultant. Salojärvi (2011) categorizes customer knowledge acquisition (CK) into customer-related market knowledge (CMK) and customer-related product and technical knowledge (CPTK). Salojärvi and Sainio (2010) found out that the customer knowledge acquisition and the customer-interaction approach have a positive effect on the supplier’s key account performance.

Salojärvi (2010b) found out that the intraorganizational determinants of the KAM team, esprit de corps, and investment in CRM software have positive effect on the acquisition of customer knowledge, whereas top management involvement, use of sales teams and KAM approach formalization do not seem to have a significant impact. The importance of the use of CRM software in customer knowledge acquisition has been controversial, but it can be seen to improve customer knowledge acquisition through pooling of knowledge from multiple sources and facilitating the storage of large amounts of customer-specific knowledge. (Salojärvi 2010b.) Nätti et al. (2006) found that teams enhance the overall organization’s knowledge development, but Salojärvi (2010) notes that esprit de corps of the organization has more impact on customer knowledge acquisition. When analyzing KAM effectiveness, Workman et al. (2003) noted that the way the people involved felt
obligated to the common goals and to each other is more important than the use of teams *per se*.

*Customer knowledge dissemination.*

In the dissemination stage, customer information is transferred and translated within the organization and it becomes customer knowledge. Customer knowledge can be either explicit, structured information that is stored in databases or tacit customer knowledge that resides in the minds of employees and customers. (Rollins & Halinen 2005.) It is important to note that before customer knowledge can be utilized, it needs to be disseminated across the organization (Salojärvi & Sainio 2010.) Dissemination of customer knowledge can occur either formally, for example, through intranet and other knowledge sharing platforms, or informally, for example, through such activities as hallway conversations or lunch (Salojärvi et al. 2009).

Dissemination is an important part of the process. It provides a base for managing key account relationships by sharing and transferring the related knowledge organization wide (Salojärvi et al. 2009). Nätty et al. (2006) found that in the context of professional services, the KAM system functions as a linking pin inside an organization. Thus they recognize its role in helping to maintain customer-specific knowledge transfer and continuity in customer relationships. Salojärvi and Sainio (2010) found that customer knowledge dissemination has no direct influence on key account performance but estimate that it implies that the benefits would cumulate in the utilization stage of the process.

*Esprit de corps* among the employees facilitate customer knowledge dissemination (Salojärvi et al. 2009). Salojärvi et al. (2009) did not find evidence that top management involvement has direct connection to customer knowledge dissemination, however, Gupta (2000) suggests that top management involvement is crucial in creating *esprit de corps* among employees and thus there exists an indirect connection. Nätty et al. (2006) and Workman et al. (2003) also suggest that there is a positive relationship between *esprit de corps* (or cooperative and collaborative cultures and collaborative methods of working together as stated by Nätty et al. 2006) and dissemination of knowledge throughout the organization.
CRM systems provide a formalized way of storing and disseminating knowledge across the company but they do not seem to have a significant influence on the facilitation of customer knowledge dissemination (Salojärvi et al. 2009).

Although Nätti et al. (2006) found KAM teams to act as a link inside organizations and therefore enhance knowledge transfer, the study of Salojärvi et al. (2009) indicates that there is no direct link between these matters. Instead, Salojärvi et al. suggest that the connection is indirect and the use of teams relates positively to the *esprit de corps* among the employees (Salojärvi et al. 2009).

Salojärvi et al. (2009) found that a certain degree of formalization facilitates customer knowledge dissemination and conclude that it communicates the importance of the key accounts and helps employees to distinguish key account-specific knowledge from the overall knowledge flow. The degree of formalization is not specified in the study. (Salojärvi et al. 2009.) This goes together with the findings of Nätti et al. (2006), according to whom the KAM system works as a linking pin and hence formalization also improves knowledge transfer.

**Customer knowledge utilization.**

If the knowledge acquired and disseminated is not utilized in any way, the previous process phases have no relevance. The phase of utilizing customer knowledge is particularly important in the context of the company’s strategically most important customers (Abratt & Kelly 2002) since it is all about learning the customer needs and behavior. It is also important for the development of customer-specific products and services (Salojärvi et al. 2009). As Salojärvi et al. (2009) crystallize the issue: “Customer knowledge utilization could be considered as the driving force of key account management, in that it lays the foundation for all strategic decision making concerning the key account relationship.” Salojärvi and Sainio (2009) found out that customer knowledge utilization has a positive influence on the company’s key account performance, i.e. the use of customer knowledge is positively related to customer performance.
Top management involvement enhances the utilization of customer knowledge (Salojärvi et al. 2009). This is in line with the findings of Jaworski and Kohli (1993), who studied the knowledge process of market knowledge in general, and with the finding of Workman et al. (2003), who state that top management involvement positively relates to KAM effectiveness. The use of teams can also be seen to relate positively to customer knowledge utilization (Salojärvi et al. 2009, Nätti et al. 2006). The “linking pin” role of KAM teams create a forum for discussing key account-specific matters and thus facilitate not only the dissemination but also the utilization of customer-specific knowledge (Nätti et al. 2006). However, it needs to be noted that Workman et al. (2003) did not found a connection between using teams and KAM effectiveness.

According to Salojärvi et al. (2010), CRM technology enhances the utilization of customer knowledge. Stein and Smith (2009) also see that CRM software helps in utilizing customer knowledge but note that technology itself is not the solution to the matter. Halonen-Rollins (2008) and Salojärvi et al. (2009) concur that the more knowledge there is available, the more it is put to use. However, Davenport et al. (2001) state that the quality of the information is more important than the quantity and that too much stored data can even create problems.

KAM formalization also seems to have a positive effect on customer knowledge utilization in that it creates a base for it, signals the special status of KAM to the employees and creates channels for the employees to utilize customer knowledge. (Salojärvi et al. 2009.) This is partly in contradiction to Workman et al. (2003), who found that formalization in some combination with other KAM dimensions has a negative impact on the effectiveness of KAM.

The dimensions of KAM and their connection to the customer knowledge process phases that are specified above are summarized below in Table 1.
Table 1. Customer knowledge process and dimensions of KAM.

<table>
<thead>
<tr>
<th>INTERORGANIZATIONAL</th>
<th>Activity</th>
<th>Dissemination</th>
<th>Utilization</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>that this connection is indirect because the use of teams relates positively to esprit de corps. Interfunctional co-operation (Rollins &amp; Halinen 2005). Indirectly of top management because it affects esprit de corps (Gupta 2000)</td>
<td></td>
</tr>
<tr>
<td>INTRAORGANIZATIONAL</td>
<td>Resources</td>
<td>CRM software (Salojärvi &amp; Sainio 2009) though they note that this is controversial. Esprit de corps (Salojärvi and Sainio 2009)</td>
<td>CRM technology because with CRM there is more knowledge to be utilized. (Salojärvi, Sainio and Tarkiainen 2009, Stein &amp; Smith 2009, Halonen-Rollins 2008).</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Esprit de Corps (Salojärvi, Saarenketo &amp; Puimalainen 2009) co-operative and collaborative cultures and collaborative methods of working together (Nätti et al. 2006 see also Workman et al. 2003).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Formalization</td>
<td>KAM-program as a linking pin (Nätti et al. 2006) Certain degree of formalization (Salojärvi et al. 2009b)</td>
<td>KAM-program as a linking pin (Nätti et al. 2006)</td>
</tr>
</tbody>
</table>

3.5 Theoretical framework of the study

Based on the earlier chapters, the fundamental aim of both KAM and CKM is to improve the position and value creation of the customer by developing long-lasting, interactive relationships with the company’s strategically most important customers and enhance the overall performance of the selling company. Aligning business processes, products and services is essential in building customer relationships, and customer knowledge helps in understanding the customer’s value creation process better. This study is interested in how an organization can be coordinated in a way that improves the company’s customer knowledge processing and thus enhances customer knowledge competence in the context of the key accounts. The key
accounts can be seen as the strongest asset of the company (Zupancic 2008). Therefore, the selling company needs to recognize all the opportunities for customer value creation (Salojärvi et al. 2010). This requires a thorough understanding of the key accounts’ business and active utilization of key account-related knowledge (Abratt & Kelly 2002).

Based on the literature presented in Table 1 in the previous section of this study, I present a list of propositions as the theoretical framework of this study:

- Teams enhance customer knowledge acquisition.
- Teams or inter-functional cooperation enhance customer knowledge dissemination. (Indirectly through esprit de corps?)
- Top management involvement enhances customer knowledge dissemination. (Indirectly through esprit de corps.)
- Teams or inter-functional cooperation enhances customer knowledge utilization.
- Top management involvement enhances customer knowledge utilization.
- CRM software enhances customer knowledge acquisition.
- *Esprit de corps* enhances customer knowledge acquisition.
- *Esprit de corps* or cooperative, collaborative cultures and methods of working together enhance customer knowledge dissemination.
- CRM technology enhances customer knowledge utilisation.
- Formalization enhances customer knowledge dissemination.
- Formalization enhances customer knowledge utilization.

The theoretical framework is now presented in the form of propositions that they answer the main research question from the theoretical point of view. The framework builds on previous studies of Homburg et al. (2002), who found the fundamental dimensions of key account management to be activities, actors, resources and approach formalization, which are specified in Chapter 2. This study sees these organizational processes in the same way as Salojärvi (2010a) in her dissertation, where she organized actors, resources and approach formalization as the antecedents of the activity that is customer knowledge processing. In this study,
effective CKP, which results from acquisition, dissemination and utilization of knowledge (Salojärvi 2010a), is considered as an inter-organizational activity that can be managed efficiently by aligning the organization in the context of key accounts. The recommendations to organize the company internally are gathered from the literature review.
4 RESEARCH PROCESS

A research is all about making choices. This chapter aims to illuminate and explain the most important decisions made in the present research.

4.1 Scientific approach of the study

According to Burrel and Morgan (1979: 3, via Kaunonen 2010: 7–8), there are three dimensions that affect research strategy, or methodology, namely ontology, epistemology and human nature. Burrel and Morgan consider these dimensions as continuums where the researcher and the study are placed somewhere between the subjectivist and objectivist approaches. Easton (1995: 413–421) objects Burrel and Morgan’s (1979) continuums and identifies the following three hierarchical levels in his research process framework: epistemology, methodology and research methods. According to Easton, there are four factors that influence the choice of methodology, which are axiology, ontology, context, and constrains. The level of research methods is concerned with the issues dealing with instruments, sampling, etc. (Easton 1995: 414, 420–421.)

According to Gummeson (2000: 18), in science, a paradigm consists of the perceptions of what should be done and how it should be done. The choice of research strategy and methods depends on the research questions (Easton 1995: 455, Hirsjärvi et al. 1997: 126, Kakkuri-Knuuttila & Heinlahti 2006: 131) but also on the personal qualities of the researcher (Easton 1995: 415). According to Easton (1995: 411), the issues of methodology are not always relevant enough for the “practical researchers”. The epistemological perceptions of a researcher handle the origin and nature of knowledge as well as how knowledge is formed (e.g. Hirsjärvi et al. 1997: 124, Easton 1995: 420, Kakkuri-Knuuttila & Heinlahti 2006: 131). These build a base for a methodological framework of a study and determine the nature of the knowledge gained from the research (Easton 1995: 424, Kakkuri-Knuuttila & Heinlahti 2006: 131).

Ontology describes the nature of the reality under study (Kakkuri-Knuuttila & Heinlahti 2006: 131, Hirsjärvi & Hurme 2001: 22). In Burrel and Morgan’s (1979: 3,
via Kaunonen 2010: 7–8) continuums, one extreme is nominalism and at the other end is realism. Creswell (1994, via Hirsjärvi & Hurme 2001: 22) states that according to the quantitative approach, reality is objective and congruent, and according to the qualitative approach, it is subjective and diverse. In this study, the approach adopted is qualitative and the ontological approach to the matter is subjectivist, where reality is seen as something that exists in the mind of an individual and that there exist multiple realities at the same time.

Epistemology describes the nature of the knowledge gained from the research. In positivistic studies, the aim is to find causalities and the methods used are usually statistical or otherwise mathematical. (Kakkuri-Knuuttila & Heinlahti 2006: 135). At the other extreme, in the interpretivist or constructivist approach, the aim is to develop a deep understanding of the research phenomenon and reality. It can be said that reality is constructed rather than just discovered. Interaction between the researcher and the phenomenon is emphasized and qualitative methods are usually applied (Stake 1995: 99.) Since in this study, the aim is at exploring one case thoroughly and gaining new knowledge by combining the theoretical knowledge and reality, the approach in this study is constructivist.

4.2 Research methodology and methods

“Personality of the scientist is a key research instrument.” (Gummeson 2000: 4)

According to Easton (1995: 412), there are both philosophical and practical issues that influence the researcher when choosing a methodology for the study. “I don’t know much about methodology, but I know what I like.” (Easton 1995: 415.) Research methods are neither exhaustive nor exclusive. This study is qualitative in nature and uses constructive and action research as methods. Next, these methods are described and the choices made are justified.

4.2.1 Qualitative research

Qualitative methods suit well when studying processes where data collection, analysis and action take place concurrently (Gummeson 2000: 3). The aim of
qualitative research is at describing the content of the consciousness (Hirsjärvi & Hurme 2008: 28) in real life (Hirsjärvi, Remes & Sajavaara 2009: 160). The aim of qualitative research in business management is to improve our understanding of the company’s actions (Koskinen, Alasuutari and Peltonen 2005: 16). Things that characterize qualitative research are that the hypotheses are drawn from single cases and that the cases are studied from the viewpoint of the meanings that people participating in the case give it. Inductive logic is usually used, and this type of research favors empirical evidence that happens naturally. Yet, it must also be noted that qualitative research does not always have all these characteristics. (Koskinen et al. 2005: 16) In this study, the aim is to describe one case thoroughly and understand the relationships between the existing knowledge and real life in order to accumulate knowledge in the field of combining customer knowledge competence with KAM. There is scarce research on the subject, and for this reason, promoting understanding of the topic is crucial. The viewpoint of the meanings that people have on the matter is adopted and the data is collected from an actual situation. The logic used in this study is not just inductive but the combination of inductive and deductive, i.e. abductive, logic is utilized.

As Stake (1995: 37) notes, the real difference between quantitative and qualitative is not merely in the data but in the purpose of the study in searching for causes (quantitative) vs. searching for happenings (qualitative). The qualitative approach enables a profound understanding of the phenomenon and allows expected relationships but also unanticipated patterns to show up (Stake 1995: 41). Thus, the use of the qualitative approach is justified when conducting a research in a field where there is little or no previous understanding of the topic.

4.2.2 Action research and constructive research

This study utilizes the action research approach. In action research, the researcher takes an active role as a participant or consultant in the research subject (Järvinen & Järvinen 2000: 129, Gummeson 2000: 208). Järvinen and Järvinen (2000: 129) summarize action research as a research where a researcher acts to solve a real-life problem but in the same time is interested in creating new knowledge that has scientific relevance. In this study, the research question is based on a real-life
managerial problem but the answers are sought through theory. Koskinen et al. (2005: 17) also encourage doing this sort of research in the field of business management and note that the aim is not to create an analysis or frameworks for the company but to describe the rich organisatoric life. In this study, the aim is at solving a real-life managerial challenge through combining theoretical knowledge in a novel manner and reflecting it against the case organization. Hence, the study has features of action research.

The action research approach is often criticized due to the close relationship between the researcher and the research subject and negativity towards theory, i.e. the aim is said to be too much at solving practical problems (Järvinen & Järvinen 2000: 130). Gummeson (2000: 208–209) speaks for action research in business management and defends the approach by stating that the researcher can benefit from action by testing and modifying the theory at the same time, which facilitates the development of a more general theory. This study utilizes some practices associated with the action research approach, where the researcher has the possibility to influence or change the phenomenon under study (Easton 1995: 455, Gummeson 2000: 3, 117), and takes the standpoint of management and aims at successful operation of a business (Gummeson 2000: 117). Thus, in this study, the researcher has two roles: a consultant and a researcher.

The aim in this study is not to explain the phenomenon under study but to create a novel structure combining the theories concerning the matter. Thus, besides action research, a proper method for this study is constructive research. Innovation action research is a term used by Kaplan (1998), and it is very closely related to constructive research, where building new reality on the basis of the knowledge that already exists is pursued. However Lukka (2000) distinguishes between the two by noting that innovative action research is something to be done after the new constructs are produced. The results in constructive research are constructs, models, diagrams, methods, etc. (Järvinen & Järvinen 2000: 102–103, Kasanen et al. 1993: 245, Lukka 2000). Kasanen et al. (1993) and Lukka (2000) suggest the following steps to be used in constructive research:

1) Find a practically relevant problem which also has research potential.
2) Obtain a holistic understanding of the topic.

3) Construct a theoretically grounded solution idea.

4) Implement the solution and test whether it works in practice.

5) Show the theoretical connections and the researcher’s contribution of the solution concept.

6) Examine the scope of the solution’s applicability.

The research process is divided into phases, and to evaluate the result, the innovation must also be appraised. However, as Järvinen and Järvinen (2000: 102) note, sometimes a prototype or even just a very well structured plan is enough. This is also reinforced by Lukka (2000), who notes that the main finding of a constructive research is, for example, a model.

This study utilizes the constructive approach, which, according to my knowledge, is novel in the context of business management. According to Järvinen and Järvinen (2000: 102), the constructive approach is closely related to innovations and the organization structure can be seen as a social innovation. The steps suggested by Lukka (2000) are designed to be used in the context of management accounting and their main goal is to create a functional model. This study takes a novel approach and connects with action research, which is more commonly used in the field. Since resources such as time are restricted, this study settles to describe the structures very well. As Järvinen and Järvinen (2000: 102) confirm, a prototype of the organization structure can act as a result of a research. In this research, the organizational structure that can be applied to practice acts as a result. Thus, the idea is to solve a real-life managerial problem through creating a framework based on a thorough literature review and after studying the current state of the matter in the case company. As stated by, for example, Hirsjärvi and Hurme (2008: 27), methods are neither exclusive nor exhaustive. Therefore, this study benefits from both the action and the constructive research approach.

4.2.3 Case study approach

In the case study approach, usually one or few cases are selected for a thorough examination. It is one of the most common methods used in academic business
research (Koskinen et al. 2005: 154). Case study can be describing, theory testing or theory developing (Järvinen & Järvinen 2000: 78). Stake (1995) highlights that the case under study needs to be carefully defined and excluded from the surrounding context. Studying a well-defined single case intensively can be considered as a strength. Although case studies are often criticized about the weakness of generalization, the defenders of case study see it as a strength and state that in-depth case studies create more profound insight to the problem in hand. Eriksson and Koistinen (2005) remind us that although studying a single case is challenging, versatile questions and a broad material can also be very rewarding. In this study, the case study approach is utilized in order to achieve a holistic view of the phenomenon (Gummeson 2000: 86).

There are two systematic ways to approach a research. When conducting a research that follows inductive logic, the researcher forms hypotheses that are tested and the aim is at revealing unexpected things. In deductive reasoning, hypotheses are based on theory and answers are sought from the empirical research. However, according to Dubois and Gadde (2002) and Gummeson (2003), case studies should not be treated as systematic processes but more as mixing and matching of the theory and the empirical world. This creates an opportunity for the researcher to work in the selected theoretical framework but also to create theory in the process. In this study, mixing and matching of theory and empirical material, i.e. abductive logic, is used, where the theory and the empirical material form a dialogue and the theoretical framework and the research question are defined along the way (Perry 1998).

According to Yin (1994), there are three types of case study research: exploratory, descriptive and explanatory. The present research is exploratory in nature and has also some features of descriptive research. Exploratory research can be described as a pilot study where the aim is at gathering information and formulating more precise questions and testable hypotheses. In descriptive research, the goal is to describe what happens when new constructs are developed and applied to practice. (Gummeson 2000: 85.) In this study, the purpose is not just to make a pilot study but to create a framework that can be utilized in constructing and coordinating an organization. Thus, it is exploratory in nature with some features of descriptive
research. However, the framework created in this study is conceptual and it is not implemented nor evaluated through empirical research here.

4.3 Proceedings of the empirical research

This research process began due to my interest in the topics of key account management and knowledge management. The theory review was carried out in June–September 2011. A suitable case company was found in October 2011 and the data for this study was collected in October–December 2011.

The empirical work started with conversations and emails with the case company’s Area Manager, who provided information about the current situation and surroundings of the case. Through interaction with the Area Manager, I ensured I had all the background information needed. I also had a meeting with the Area Manager where we discussed about my research topics and the case company’s current situation and surroundings. This conversation was not recorded to keep the conversation casual; however, I made written notes throughout the meeting. The case company and its area of business were new to me, and I wanted to ensure that I understood all the circumstances.

The abductive nature of this research process, where the theoretical framework and research questions are modified during the process, encouraged me to use the flexible method of theme interviews. Theme interviews enabled re-direction of information acquisition during the process (Hirsjärvi & Hurme 2001: 34) and also allowed the interviewees to make their own interpretations of the matter. Theme interviews also enabled interactive knowledge flow between the researcher and the interviewees, but added structure to the interviews (Koskinen et al. 2005: 104–105).

Based on the first conversation, emails and the theories of KAM and CKM, preliminary themes and research questions were formulated and the Area Manager was asked to write about the current state of the chosen themes in the case unit. This information was compared with the theory review, and the theoretical framework was adjusted and the preliminary research question was re-adjusted. Based on the current theoretical framework, a theme interview framework was formulated and the
Area Manager was interviewed. This interview was recorded. On the basis of the theoretical framework and the information provided by the Area Manager, a theme interview framework to interview the sales personnel was formulated. Hence, abductive logic was utilized in the research process. The proceedings of this study are illustrated further in Figure 6. The two-way arrow at the bottom refers to the abductive nature of this research, where the theoretical network and research question were adjusted along the process.

![Abductive Logic Diagram]

**Figure 7. Proceedings of the study**

After the final theme interview framework was produced, all the full-time sales personnel that worked in the case unit were interviewed. Two interviews were conducted face-to-face and two over the telephone. The information about the interviews is summarized below in Table 2. The themes for the interviews were formed on the basis of the research questions and the theoretical framework (see Appendix 1).
Table 2. Theme interviews

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Date and duration of the interview</th>
<th>Interview method</th>
<th>Area of operation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area Manager</td>
<td>12/11/2011 25 min 35 sec</td>
<td>Face-to-face</td>
<td>North Finland</td>
</tr>
<tr>
<td></td>
<td>11/22/2011 51 min 53 sec</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salesperson</td>
<td>11/29/2011 51 min 16 sec</td>
<td>Face-to-face</td>
<td>Oulu</td>
</tr>
<tr>
<td>Salesperson</td>
<td>11/29/2011 59 min 47 sec</td>
<td>Face-to-face</td>
<td>Oulu</td>
</tr>
<tr>
<td>Salesperson</td>
<td>12/8/2011 42 min 22 sec</td>
<td>Telephone</td>
<td>Sodankylä</td>
</tr>
<tr>
<td>Salesperson</td>
<td>12/8/2011 42 min 26 sec</td>
<td>Telephone</td>
<td>Rovaniemi</td>
</tr>
</tbody>
</table>

All the interviews were recorded and transcribed. According to Hirsjärvi & Hurme (1988: 108), it is best to transcribe the interviews as soon as possible. However, in this study, there was a break between some of the interviews and transcription. The transcriptions were done partly in winter 2011 and partly in fall 2012. There was altogether 4 hours and 30 minutes of recorded data and it produced 43 pages of A4 raw data.

The method of analysis was considered before the interviews were conducted. This was done in order to utilize the data as well as possible. Since in this study the aim was to create new ideas to the existing theory, the data was analyzed throughout the coding and the transcription. (Hirsjärvi & Hurme 1988: 116.) I transcribed the data in order to be able to evaluate my views on the theory throughout the process. After this, the material was first coded according to the theoretical themes. However, after I got acquainted with the material, it was reflected against the theoretical framework and after this rearranged to better meet the needs of this study. The theoretical
framework nevertheless acted as the base for all this. Finally, a synthesis of the issues was formed and a modified framework was introduced.
This chapter introduces the case company and presents the empirical research. First, some background information concerning the case company and its approach to key account management is provided. Then, the focus moves on explaining and analyzing the dimensions of KAM in the case unit. In section 5.3, the empirical evidence is reflected against the framework created in section 3.5 of this study and the framework is adjusted.

5.1 Case company CopyPaste

The case organization in this study is an area unit of an international company that sells office equipment, production equipment and business solutions. The company is referred to in this study as CopyPaste (this is a pseudonym). CopyPaste Europe’s headquarter is situated in Germany. In Finland, there are five area units that have sales and service teams, other functions are performed at the Espoo office. The case organization in this study is an area unit of the Finnish subsidiary. The unit’s area of operations is Northern Finland. The sales team consists of four full-time salespersons and the Area Manager. Two of the salespersons and the Area Manager work in Oulu, one salesperson in Rovaniemi and one in Sodankylä. All the sales personnel have respectable experience from the field, ranging from 21 to 37 years. There is also one part-time salesperson who works on a consultant agreement basis. In addition, the case unit has a service/maintenance staff. Other functions such as marketing, logistics, IT, and HR are located in Espoo.

The history of the case unit is interesting. The unit actually consists of two reseller organizations that the company bought in 2007 (Oulu) and in August 2011 (Rovaniemi/Sodankylä). The salespersons working in the company are the former entrepreneurs of the procured companies. The real estate of the Oulu office is owned by the two former entrepreneurs/salespersons and the company pays rent to them. Although the northern sales area has expanded just recently, the salespersons know each other from their entrepreneur days personally and have kept in touch over the years. The Area Manager was assigned in October 2011. One of the salespersons in
Oulu worked as the area manager before that. The other area units in Finland are built in the same way through company mergers.

Like in many other business fields, big changes have occurred also in CopyPaste’s sector. Companies have centralized their buying, and because the equipment that the company sells are nowadays connected to internet, the purchasing decisions are usually made by the personnel responsible for IT solutions. The sales has shifted from single transactions to a more collaborative event and the agreement periods have expanded. Other departments such as logistics and IT are usually involved in making the deal. Besides the actual product, the offering nowadays also involves service agreements and applications.

“Times are so much harder now. There has been so much development…it is so much more than just the machine nowadays.” (Salesperson 1)

5.1.1 Key account management at CopyPaste

The responsibilities concerning the biggest accounts have recently been reorganized in the company. The major account sales team in Espoo used to handle these sales, but now the responsibility is transferred to the area units. The idea is to coordinate the local businesses’ focus more towards the bigger accounts, i.e. to concentrate the local efforts to the bigger customers. This is considered as a good thing in the area, because the sales personnel highlight the important aspect of a personal connection to customers to be important. However, they also note that many large companies have centralized their purchasing function to Southern Finland. Thus, they see it as a good thing that they get to work with the big accounts, but see it controversial since they agree that most of the general agreements are made in Southern Finland.

“It is a little bit faceless if it’s only managed from Espoo. So I think it is a positive thing, but of course we need more expertise now.” (Salesperson 2)

The case unit has no formal KAM program since key accounts management has just recently been transferred to the local level. However, the Area Manager sees that some of the accounts are considered more important and sees that something extra should be provided for them and that they will target their efforts more to the bigger
customers in the future. The responsibilities concerning the biggest accounts have already been distributed evenly among the sales personnel and the Area Manager. Thus, the responsibility concerning the biggest accounts has been shifted, but the changes it causes at local level has not yet been established. The recently assigned Area Manager has experience in working with key accounts in an environment where the approach to the matter is more formal and sees it challenging that the other salespersons do not have similar experience.

“The responsibilities concerning the biggest clients have been divided evenly to all sales personnel. At this point, and with this volume, it’s not possible to assign certain key account managers to handle these.” (Area Manager)

Like in many other business fields, in CopyPaste’s sector the focus has shifted from transactional sales to longer term customer relationships. Contract periods have expanded up to 4–5 years. This is considered a challenge. Competition is harder and buyers are more powerful than before. There is a demand for more tailored offerings; this means that applications and services play a big part in contract negotiations. Contacts with the customers are considered to be very important. It is noted that to stay in the mind of the customer is important and that this requires a lot of proactive doing and contacts with the customer.

“Just to get a chance to make a tender requires a terrible amount of presence and communication. They just don’t remember you, sometimes they even get annoyed with you for contacting, but you just have to be awake all the time.” (Salesperson 2)

Although tailoring of the product and services is seen to be important nowadays, it is only considered to be worthwhile at a certain level. Thus, the service offerings are tailored only on the basis of fixed packages.

“Our service agreements are done according to a certain specification and we are not willing to change them that much. We have no reason to tailor them...tailored products are so much more harder to manage.” (Area Manager)

Nevertheless, the focus is seen to be on the customer and not on the product. The customer’s needs are first mapped, and after that, a suitable offering is adjusted from the existing products and services packages. Applications are seen as important in
differentiating the product. However, according to two of the interviewees, there have been some technical problems with the applications in the past that have caused problems with their customers. For that reason, they sell the applications with a certain preconception in mind.

“With the applications it has been like ‘don’t sell, or are you looking for trouble’. It’s like, if the installation and maintenance don’t work, guess whose phone rings.” (Salesperson 1)

Key accounts

The company has set no guidelines on how to specify customers as key accounts. According to the Area Manager, the size of the customer is so different depending on the location that specifying the key accounts is challenging. The most important things in defining the biggest and most important customers are the number of equipment sold and the amount of euros they bring in. The size of the company is not seen to be that relevant, rather the field in which the company operates. The strategic or reference value of a customer does not seem to have any importance in identifying the most important customers in this case. In addition, product development is considered to be such a far-away function that it does not affect the selection of key accounts in the area. In the Oulu and Rovaniemi offices, a customer is considered big when it procures 10–30 pieces of equipment. However, one salesperson notes that it is more important to speak about the potential rather than the actualized sale, since customers first tend to buy only a couple of machines, and if the customer is satisfied, the rest of the equipment is changed gradually. Furthermore, application and service agreements are seen as a way to extend the offering and thus increase the sales. In Sodankylä, a big customer is described to buy 3–5 pieces of equipment.

Creation of trust is important in creating a strong relationship, and in this case, it is also noticed that trust builds over time. Most of the big accounts that CopyPaste has in the area have been with them for years – since the two former entrepreneurs/salespersons’ entrepreneur days. Personal relationships with these customers and understanding their field of work are considered to be very important. The interviewees felt very obligated to their customers and felt that customer satisfaction was not only important but also a must in the area.
“We encourage our customers to buy just one equipment first, try it out, see how the maintenance and customer service works in our company, and after this to make their final decision.” (Salesperson 2)

Public sector accounts

What arouse from the empirical evidence was the importance of the public sector and the special conditions concerning these accounts. These customers demand traditional selling techniques, but also at the same time require a manner of approach suitable for a big account.

“You have an account like the City of Oulu. It means that you have to handle it like a major account, but also traditional selling techniques are required.” (Area Manager)

CopyPaste has general agreements with municipalities and cities in Northern Finland. General agreements mean that the buyers have a permission to make their purchases from CopyPaste, but the permission to buy does not mean that any actual sales are done. One salesperson mentions that the City of Rovaniemi has over a hundred units of their equipment in use, and one of the salespersons in Oulu dedicates around 80% of his time to working with the City of Oulu. So obviously the public sector is a very important customer segment for CopyPaste. Yet, due to the special circumstances of the public sector, it is not always recognized as one. Legal issues concerning public procurements are considered to be complicated. Due to the Finnish Market Court, special expertise on these matters is needed. Particularly offers that can lead to general agreements are seen as long processes, and the need to design them very carefully is noted.

In the public sector, the buying organizations are seen very powerful but also bureaucratic, thus concluding general agreements requires a lot of legal expertise. It is seen that in the private sector, customers are not that organized when it comes to buying. Nevertheless, it is also noted that the ones that are organized have centralized their buying function to Southern Finland. Thus, it seems that in Northern Finland, there are no buying organizations that would demand a highly formalized selling organization.
CopyPaste and the markets

In the past, CopyPaste has lost some big private-sector accounts to its competitors due to the centralization of purchases to Southern Finland. According to the interviewees, this is something that the company should improve on. The salespersons all agree that the company should invest in making general agreements in Espoo. There seems to be a contradiction here. On the other hand, the sales personnel feel that it is better if the local matters were handled at the local level. However, they also agree that most of the people that make the decisions for the buying companies are located in Southern Finland.

“We used to have some of these accounts, but during recent years, they have centralized their purchasing to Southern Finland. You see, nowadays the IT administration makes these decisions. They decide what you can put on the net…” (Salesperson 1)

“Well let’s put it like this, there are a lot of customers in here who have centralized their buying to Southern Finland. Our company doesn’t get much done in this field. So I think that they should do more in Helsinki to get these customers.” (Salesperson 3)

All of the salespersons agree that CopyPaste’s strength is working with the public sector customers, but there are some weaknesses concerning working with national private-sector accounts. The salespersons see that the unit does not have no chance to get national public-sector customers because they have centralized their buying function to Southern Finland. When asked to compare their success to their competitors, the personnel felt that, in the context of the biggest accounts, they were doing well in the public sector and not so well in the private sector. However, they also felt that their position is strong when it comes to SMEs. Thus, CopyPaste has most of the biggest public-sector customers in the area, but not the private-sector customers at the moment.

5.1.2 Customer knowledge management in CopyPaste

According to the Area Manager, customer knowledge is considered to be very important in the case company. Yet, there are no plans for gaining, storing or using
it. When asked directly about customer knowledge, the interviewees all started talking about customer lists, prospects lists, etc., i.e. they considered customer knowledge to be something very structured data about who are their customers. However, at the same time they emphasized that they need so much more knowledge about and from their customer. When specified what was meant by customer knowledge in this study, the interviewees described how they need information about the customers’ business field and preferences in order to enhance customer satisfaction. They did not see information about competitors’ products or pricing to be important, rather they were offended by the idea. One salesperson mentioned that he knew that some competitors “hunted” information about them and other competitors. Product development was seen as such far away matter that the interviewees could not see how their knowledge could affect that. After the interviewees started talking, they gave very vivid descriptions about the customer knowledge they possess and how they gain it.

“I’m a salesman and when I go to see customers --- you know, I don’t always settle meetings in advance, so when I go to see my customers, I observe. Of course, a good salesman knows something about the customers’ business in advance, but a salesman observes already in the hallway about the stock of equipment and so --- and when you get deeper into the office, you just observe more: what equipment they have there, whose equipment it is, are they ours, can they be changed? And if the equipment is ours, I ask them how the products are working, are they satisfied with the maintenance, are they satisfied overall. And then whatever the answer is, I pick up on it and go to the direction that you can sell new alternatives, new services for them…” (Salesperson 4)

The sales personnel see that personal contacts with the customer are important and that they need to collect a lot of information about the customers to close sales. However, they do not see that the customer knowledge they possess would have importance to the company’s overall performance, but agree that it helps at the local level.

Nevertheless, the interviewees notice that they will need to utilize customer knowledge more in the future. They note that when it comes to bigger accounts, knowledge about the customers’ business field is also needed.
5.2 Intraorganizational dimensions of KAM in CopyPaste

The organization in question has gone through a lot of changes recently and also in the past. The reseller organizations and the former entrepreneurs have new roles where they are working for a big international company. After these changes, the organization still seeks its form. Account responsibilities are divided evenly to the personnel, but this task is not yet completed. There is no formal KAM-program nor are there key account managers. However, there is a need to reorganize the intraorganizational structures after the responsibilities concerning the big accounts have been shifted to the case unit. In addition, according to the Area Manager, the unit will be focusing more efforts on gaining big accounts in the future. The following deals with the current state on the matter in the case unit.

It needs to be noted that all the salespersons have long experience in the field and all of them have also worked with big accounts before. Thus, on paper they do not have key account experience, but through experience they know a lot. The new Area Manager worked before in an environment and a position where the approach to key accounts was more formal. Therefore, he is familiar with the challenges and possibilities concerning the approach.

“At the moment, it is not possible to assign someone to just working with key accounts…but I hope that in the future it will be possible.” (Area Manager)

5.2.1 Actors

As noted before, there are no official key account managers or teams in the case unit. However, at the moment, one salesperson in the Oulu area devotes approximately 80% of his time to one public-sector account. In Rovaniemi, the estimation is that they use altogether approximately 30%, and in Sodankylä 15%, of their time to handling the big accounts in these area. The Area Manager is planning to actively participate, and is already participating, in handling of the big accounts. The interviewees noted that more expertise is needed when dealing with bigger accounts. There seems to be a good access to other departments in case help is needed in dealing with the bigger accounts. However, it is also noted that there are some
problems in selling applications and particularly in getting the IT expertise needed for this field.

“But when you need the help you don’t get the IT guy. For example, if it’s now Tuesday and you should have some demo by Friday and you need the IT guy to be here, it wouldn’t probably work. They don’t usually come just for one customer. You need to have three to four meetings settled.” (Salesperson 1)

However, there seems to be local differences in this. At one office, the need to get IT expertise was highlighted, but at others, it seemed that they possessed almost all the expertise needed in the service area. The empirical evidence does not reveal whether this depends on the capabilities of the personnel or on local differences in the demands of the customers.

The sales personnel in this case are very experienced and feel strongly about being traditional salesmen whose main function is to sell the products on their own. Even though all the sales personnel work and have been working with big customers, they all see that their main focus is on the smaller businesses. They feel highly committed to working as a team in their own area, but feel detached from the head office situated in Espoo and from the other area units. Thus, the strategic changes that have been made recently to shift the responsibilities concerning the biggest accounts to the local level have not yet penetrated to the working level.

“The distance between Oulu and Espoo is long, but it sort of protects us also. We can work in privacy here, which is not always a bad thing.” (Salesperson 2)

The teams to handle big accounts and create offers for them consist firstly of local personnel. It is also noted that when dealing with big cases, help is needed and provided by the head office in Espoo. However, sometimes getting IT expertise is seen as problematic. It is also noted in the interviews that it is better to meet with a big client in a group of at least two than alone and that this is a way to create a more professional atmosphere to a meeting. Hence, the staff agree that some teamwork is needed when it comes to working with the bigger accounts and that teamwork should be pursued also at the national level.
The Area Manager has been nominated just recently, and the sales personnel have high hopes that he will improve the coordination and knowledge flow in the company between the area unit and, particularly, the top management. They also hope that he will bring the offices in Northern Finland closer together. It is noted that personal contacts with big companies are important, and the first thing in gaining a new account is to know who to contact. The new Area Manager has been dealing with these contact persons responsible for IT decisions in the area, and thus there are high hopes for him to open up new paths for the whole organization.

5.2.2 Resources

Dealing with big accounts usually means more complicated entities. Thus, available resources need to be utilized efficiently when making offers and taking care of the key accounts. In the case unit, there are sales and service personnel in the area. All the other functions, such as logistics, IT, marketing, HR and financial management, are situated in Espoo.

Microsoft Navision (Navi) is the enterprise resource planning (ERP) system used by the company in Finland. It has been chosen at the national level because the SAP system would be too heavy for the national organization. However, Navision is tailored so that it works together with the SAP system the company uses in Germany. The sales personnel enter the offers to Navision, from where they continue to logistics, invoicing and assembly. Intranet is also used and prospect lists are kept in SharePoint. According to the interviewees, actual customer information is not gathered through Navi or the intranet. At the moment, the unit has no CRM system in use, but according to the Area Manager, it is coming in the following financial year.

There are a lot of problems related to using the ERP system. The sales personnel see that it does not support the sales function and that too much time is wasted entering the offers to the system. They also feel that they have not been properly trained to use the system. The Area Manager also agrees that the system does not support sales and is aware that entering an offer to the system takes too much of the sales personnel’s time. Thus, the frustration towards the technical aspects of the system causes a lot of negative feelings among the employees.
“I see that the problem is more in the training than in the system. It is unbelievable that the whole goddamn ERP system has been changed and we haven’t had any proper training to use it.” (Salesperson 1)

SharePoint is seen as a good internal communication channel. However, at the same time, it is also noted that it could be utilized more. The lack of training is considered problematic in here also.

“Maybe there is information about these big accounts we have, but we haven’t had proper training to utilize it, maybe you could share information there…It is the same. We use these systems, but I don’t think that the personnel in the area units manages them.” (Salesperson 1)

The sales personnel feel that they need help in the form of expertise when making bigger, complicated offers and contracts. They feel that they have enough help at the moment, but notice that if they achieve the bigger accounts in the area, they also need more expertise, particularly when it comes to IT.

“In the future, we are going to need experts, because these are the sort of houses that once you get in, you need expertise. You need to have that expertise right there and then. When the IT guy asks you something, you need to have the answer ready, you don’t have time to go through papers. So for that side we need help, but the actual selling, that we need to do ourselves.” (Salesperson 1)

“I don’t know if experience is enough anymore, so much has happened…so much development. You just need so much information, when you go to an accounting agency you need to know what that accounting agency needs…” (Salesperson 2)

The sales personnel keep contact with their colleagues informally and have been doing that since the entrepreneur times. They describe how they call each other every once in a while to talk about business and customers. At the local level, the personnel feels that they are working as a team. Helping and encouraging each other feels natural for them. Forming a bigger local team feels like a natural step now that the area has expanded and the new Area Manager has been assigned. However, the interviewees do not feel that they are working as a part of a team at the national level. Thus, there seems to exist a huge contradiction as to how they see themselves in the local and in the national organization.
The reward system is based on a monthly commission. There is a certain base salary, but most of the money comes in the form of a commission that depends on the personal sales. The Area Manager’s salary is based on a commission determined on the basis of the whole area’s sales margin. When working with key accounts, projects tend to get longer and the sale is not executed straight away – it may take even months for the first sale to actualize. According to the Area Manager, the company has recognized this problem and is considering how the commission model should be changed to support gaining bigger customers and dealing with them. He sees that he will be taking a lot of responsibility for acquiring new accounts, because his monthly pay does not depend on just his personal sales. The sales personnel also notice that acquiring big accounts are longer projects and see a contradiction between the commission-based salary and longer projects. However, they do not have any problems with it at the moment. Actually, they seem very pleased with their reward system at the moment. However, it must be noted that the sales personnel prefer to target their efforts more towards smaller businesses.

5.2.3 Approach formalization

As noted in the previous chapters, there is no formal KAM program in the case unit nor are there key account managers. The Area Manager sees that in the public sector, the buying is very strictly organized and demands also internal alignment from the selling organization. He sees that the private sector is not that organized. Since the key account processes are just beginning, the unit has not yet decided the level of formalization. The Area Manager notes that it would be good to have a more formal key account management system and key account managers, but at the same time he states that this is not possible in the current situation due to the limited resources available.

The salespersons also see that the public procurement and composing the offers and contracts requires a lot from the selling organization. They see that in the private sector, buying has been centralized to Southern Finland. They see that some help is needed, but fear that a more formal approach would bring them even more paperwork.
5.2.4 Activities

Keeping in contact with customers is extremely important and it accumulates with big accounts. The case organization keeps in touch with its biggest customers through official development meetings, where possible problems are solved. This is also considered a way to get closer to the customer, to understand and assist the value creation process of the customer.

“You need to get closer to your customer and understand their business. Maybe they have some problems which we can solve with our applications. Even though the customer’s equipment is hell good, we need to know if we can offer them something else that would help them in their business.” (Area Manager)

Events where products are displayed and information is shared are held for the biggest customers. These events usually take place at the CopyPaste Oulu office, where they also showcase their products. These events can be either strictly formal or more informal, depending on the customers. However, the real challenge is considered to be getting customers to participate in these events.

Other informal contacts are also important when dealing with big customers. It is seen as a good thing getting customers out of the office and as a chance to really get to know them better. Therefore, customers are often invited to join all sorts of informal events.

“Sometimes you need to call and ask the customer to dinner and sometimes go to a hockey game with them. Things like that, it’s more than just business.” (Salesperson 2)

5.2.5 Customer knowledge processing as an activity in KAM

Customer knowledge competence is created through efficient customer knowledge processing. In this study, customer knowledge processing is seen as the activity by which KAM organization does more for their key account.
The best way to acquire customer knowledge is thought to be a straight contact with customer. In this study, the interviewees stated that they can ask some things directly from the customers, but noticed that observation is as important too. Acquisition in this case was not coordinated by the top management, but information gathering was seen as a natural part of a salesperson’s job. The salespersons of the case organization have long experience in their field and seem to unconsciously gather and possess a lot of customer information.

"You get information in interaction with the customers. It’s like, you need to make those ‘stupid’ questions, and if the customer doesn’t want to answer, they will tell you. That is where the information is, you just need to ask and listen.” (Salesperson 1)

The personnel see that it is part of their job to gather information, and most of the information they gather themselves in interaction with the customers. They do not see external information to be that important.

“I think natural curiosity is part of the salesperson’s job and it’s a good thing. I think I keep my ears and eyes open all the time, and if there is useful information, I react to it quite easily.” (Salesperson 1)

"It’s like you get the potential, but that doesn’t guarantee you the sale.” (Salesperson 2)

They also acquired information inside the organization at the local level. In CopyPaste, there is a reward system called “tips”, where the maintenance staff gets rewarded when they share information that leads to sales. The sales personnel see that the contact the service people have to the customers is very important. It is noted that the maintenance personnel see what equipment customers have and when they need changing. The interviewees also think that the customers listen to the service personnel better than the sales personnel.

“If a maintenance guy tells them (customer) to change the equipment, they believe it better than if a salesman says so. So it is valuable, really valuable, and we listen to it carefully and utilize it straight away.” (Salesperson 2)
The information that the company provides about the customers is not seen to be very important. However, one interviewee mentioned that the reference lists that they get from Espoo are helpful in solving bigger cases. At the local level, information is acquired mostly through informal conversations with colleagues and from weekly meetings they have at their offices. Service personnel also attend these weekly meetings both in Oulu and in Rovaniemi.

IT solutions were not seen as a helpful source of knowledge. The interviewees even had different opinions about what kind of information there exists. One said that there is no information available about the customers, whereas one thought that there is valuable information about the customers and about the equipment they had purchased in the past, about the offers that had been made and about the maintenance history. What they all agreed on is that they do not know how to utilize the information in Navi or SharePoint. They also see that entering the offers and sales to the systems takes too much time away from the actual selling function. All the interviewees feel very frustrated when talking about the IT systems they currently use. It became clear that lack of training to use the systems even impeded them from using them properly.

“You need to remember that we are salesmen and our job is to sell and NOT to make reports, and I think that if our job is to sit in front of the computer, we are in the wrong business.” (Salesperson 3)

Dissemination

The sharing of the information was thought to be open in the local area. However, at the national level, there was thought to be departments that hoard information to themselves. The interviewees feel that they are working as a team at the local level and that the weekly meetings and informal conversations with colleagues were the best way to share information. Everybody saw that it was useful to share information with others, particularly with the local sales personnel. However, they were also willing to share the same information nationally, but seem to lack channels to do so.

“I absolutely feel that it’s a good thing to share information. It would be a waste of time to make the same mistakes in every place. Intranet is the channel
where it is easily distributed, but it’s like we don’t know how to put the information in there.” (Salesperson 1)

The interviewees strongly feel that all the knowledge they have about the customers belongs to the company. However, they seem to suspect that the knowledge they possess is not valuable to the company at the national level. Thus, they doubted that it would be worthwhile to share it. They estimate that they have a lot of information about the local customers, which they have gained over the years, and they would be willing to share this information. Rewards from sharing the information would not be expected. However, it became clear that CopyPaste has not shown any interest in the information they possessed about the customers.

IT systems were seen so problematic at the moment that according to the interviewees they not only did not support dissemination of information but also in some sense prevented it. The interviewees even felt frustrated because they did not know how, or did not have time, to share all the information they have and that the company did not gather information continuously. They also mentioned that it was too difficult and time consuming to find information if they needed it. Thus, there seems to be willingness to share information but no proper channels for it. However, the interviewees did note that it might be possible to share information through the existing channels, but thought it was too time consuming at the moment because they did not know how to utilize the existing IT systems properly.

“I don’t know if anybody looks at it (information) if people put so goddamn much effort into it and disseminate it, does anybody read it? The information flow and all this bureaucracy, all we do…Do we really need more, and how do we do it? I don’t know, but of course, if it’s easy, why not.” (Salesperson 2)

Utilization

The interviewees feel that they utilize customer knowledge in their everyday work. The knowledge they utilize has been gathered over the years in interaction with their customers and their local colleagues. This knowledge seems to be mostly stored in their own heads and personal archives. They think that customer knowledge is important when contacting customers, i.e. knowing who to contact and how they need to be spoken to. However, the interviewees did agree that in selling the service
agreements and applications, utilization of customer knowledge is accentuated. Nevertheless, only one interviewee actually stated that this could act as a path to making more profit.

“It ALWAYS depends on the customer, but there is a possibility to make more euros when you extend the offering. So I see it as possibility for CopyPaste.” (Salesperson 4)

The interviewees see that CopyPaste does not utilize information they gather, which also causes frustration. The personnel think that they spend too much time entering information to computer, and in case of problems, this information is not utilized but they are asked again. However, one interviewee mentions the reference lists that the company provides as a good source of information, but otherwise he also feels that they do not utilize much of the information provided by the company. One interviewee also noted that the company could benefit more from the information provided by the service personnel if they coordinated this information better.

The IT systems were seen problematic. The interviewees thought that they could utilize information better if they had been better trained to use the IT systems.

“I feel that if I could use those systems (Microsoft Navision and Intranet) better, I could get the information I need. So I would like to say again about the trainings that I feel that we haven’t been trained properly to use these systems. I think we should utilize the information more and the company should make it possible.” (Salesperson 2)

It is noted that customers’ problems can be solved more efficiently utilizing customer knowledge. Utilizing customer knowledge is seen to be profitable for the customers and is critical when working with big accounts. However, in the case company, the IT solutions cause frustration and even prevent the utilization of customer knowledge.
5.3 Development of customer knowledge competence through key account management, Case CopyPaste

The aim of this research was to study internal alignment in the building of customer knowledge competence in the context of a company’s most important customers. In this section, the empirical findings are drawn together, discussed and reflected against the theoretical framework. Thus, the dimensions of KAM and their relationship to customer knowledge processing are presented in the case company’s context. The propositions made in section 3.5 are stated first in italic and then reflected against the empirical evidence and discussed. At the end of the section, a modified framework is presented.

- Teams enhance customer knowledge acquisition.
- Teams or inter-functional cooperation enhance customer knowledge dissemination. (Indirectly through esprit de corps?)
- Teams or inter-functional cooperation enhance customer knowledge utilization.

According to the theoretical evidence, teams enhance all the phases of customer knowledge processing. However, it must be noted that it might be that the positive correlation is not always due to the teams themselves but the esprit de corps they help to create.

In the case unit, there are no official KAM teams, but the need to work as a team is noted when it comes to key accounts. Teamwork in the northern sales area has developed without the need to establish formal teams. However, key accounts also demand collaboration at the national level, and this requires a more systematic collaboration with the other departments, which are situated in Espoo.

According to the propositions, teams enhance customer knowledge acquisition. At the local level, evidence that supports this is the fact that information acquisition in cooperation with the service staff is highlighted. Information is also acquired from colleagues and co-workers at weekly meetings and through hallway conversation. So the team spirit rather than formal teams per se seem to affect the acquisition of customer knowledge at the local level. However, there seems to be problems in
knowledge acquisition at the national level. Thus, the use of more formal KAM teams at this level might facilitate knowledge acquisition.

Inter-functional cooperation was considered to be important in dissemination of customer knowledge in CopyPaste. The theoretical evidence also supports using teams to enhance customer knowledge dissemination. In CopyPaste, the collaboration inside the area unit seems to facilitate knowledge transfer. However, at the national level, knowledge dissemination seems poor, and enhancing inter-functional cooperation through official KAM teams might improve the situation. However, this does not directly support the proposition that teams enhance customer knowledge, but it supports the indirect connection where teams steer the organization towards the common goals.

In utilization of customer knowledge, the collaboration between the local area personnel seems to have a positive effect, which is in line with the theoretical proposition according to which teams enhance customer knowledge utilization. However, also here it needs to be noted that there are no official KAM teams, but *esprit de corps* at the local level facilitates the inter-functional cooperation. However, poor utilization of customer knowledge at the national level might be improved by using official KAM teams, for this would create a more structured approach to the matter.

What was highlighted in this study were the personal capabilities and the willingness of the sales personnel. Because there are no formal rules or procedures or key account managers, it seems that in this context, the personality of the salesperson plays a big role in the creation of customer knowledge competence. The sales personnel’s personal preferences and capabilities seem to affect every step of the process. The informal conversations with colleagues and customers are the best sources to acquire information and disseminate it and it also enhances knowledge utilization. The sales personnel possess a lot of tacit knowledge about the customers in the area and use it in their everyday work. However, although the staff seem willing to share this information, they seemed to lack channels to do so. In addition, they do not feel that their knowledge would be valuable to the company at the
national level. This notion brings us to the next subject in the actor dimension, which is the top management’s involvement.

- **Top management involvement enhances customer knowledge dissemination.** *(Indirectly through esprit de corps.)*
- **Top management involvement enhances customer knowledge utilization.**

Top management involvement seems to affect dissemination and utilization of customer knowledge in the case unit. Firstly, indirectly because the top management was considered to be responsible for the resources required to advance customer knowledge competence, and secondly, because the lack of involvement seems to cause frustration among the employees. Frustration caused disbelief in that dissemination and utilization of customer knowledge are important. It seems that in this case, the lack of the top management’s involvement reduces dissemination and utilization of customer knowledge and thus the creation of customer knowledge competence. Based on the above, top management involvement would be valuable in facilitating dissemination and utilization of customer knowledge.

- **CRM software enhances customer knowledge acquisition.**
- **CRM technology enhances customer knowledge utilization.**

CRM technology seems to affect customer knowledge process and dissemination and utilization of customer knowledge in this case. The company has no specific CRM software, but the employees have other tools, such as an ERP system and particularly an intranet, in use. These IT solutions cause frustration in acquisition, dissemination and utilization. The sales personnel feel that it is hard to acquire, share and utilize information because the personnel are not trained properly to use the systems or because the systems are inadequate. However, it is noted that with the help of adequate IT solutions, more information could be acquired shared and utilized. Due to the frustration caused by the IT systems currently used in the organization, it is hard to determine from the empirical evidence how CRM technology affects customer knowledge processing. However, based on the theoretical evidence, the case company could benefit from adequate CRM software.

- **Esprit de corps enhances customer knowledge acquisition.**
- **Esprit de corps or cooperative, collaborative cultures and methods of working together enhance customer knowledge dissemination.**

*Esprit de corps,* i.e. the commitment to the common goals, seems to be important in every step of the customer knowledge process at the case unit. The sales personnel have very high team spirit within the local area and feel that this enhances acquisition and dissemination of customer knowledge in their own area. They describe that the customer knowledge they have acquired and shared with their local colleagues is utilized in their everyday work. The lack of *esprit de corps* at the national level seems to cause unwillingness to share information but also to utilize information provided by the company. Therefore, based on this study, *esprit de corps* seems to matter in customer knowledge utilization, also. The indirect effects of *esprit de corps* instead of teams and top management involvement are also reinforced. Hence, based on the above, I suggest that the role of *esprit de corps* is more profound than suggested in the theoretical framework of this study and it should be noted as the antecedent of the actor and resource dimension rather than a part of the resource dimension.

- **Formalization enhances customer knowledge dissemination.**
- **Formalization enhances customer knowledge utilization.**

The case company not set out any rules on how to handle the key accounts or how to define them. Hence, the KAM processes were not formalized at all. It is noted that in the public sector, buying organizations are very organized, and particularly the legal issues related to these accounts demand more expertise and a more formal approach from the sellers’ side also. Hence, at least in terms of the big public-sector accounts, some formalization would be required.

According to the sales personnel, no or very little formalization is needed in the local area when dealing with the private-sector customers. However, it must be noted here that the case company does not have any, or has only few, customers in the private sector that could be define as key accounts at present. However, these are the accounts on which the case unit wishes to concentrate in the future. According to the interviewees, almost all the big accounts have concentrated their purchasing function to Southern Finland and agree that the company should re-organize in order to gain
these customers. However, they also note that it is good that the responsibility was transferred to the local level.

The CopyPaste area unit that acted as the case unit in this study seems to be working very well at the local level; however, at the national level the personnel feel very detached from the head office. As it is also noted in this study, key accounts demand more expertise and collaboration, and this also demands cooperation at the national level. I propose that through the formalization of key account management, the case company could signal their efforts that they have in gaining these accounts. A more formal approach to the matter might also facilitate the collaboration between the area unit and the functions situated at the head office. Thus, I further propose that formalization is required in order to succeed in gaining customer knowledge competence.

Based on the above, I propose a modified framework on how to develop key account management in order to gain customer knowledge competence. In this framework, *esprit de corps* is seen as an antecedent of succeeding in aligning a KAM organization to create customer knowledge competence. It also reinforces the somewhat suspicious notion that formalization of the approach enhances customer knowledge competence. However, this study does not state how formal the approach should be, but settles to propose that the KAM system can be used as a coordination mechanism when it comes to efficient customer knowledge processing.
Formalized KAM system as the coordination mechanism

Figure 8. Adjusted framework on how to enhance customer knowledge competence through the KAM system.
6 CONCLUSIONS

This chapter begins with a summary on the execution and proceedings of this study. Theoretical conclusions and theoretical contributions are presented and discussed next. Then, the answer to the real-life managerial problem is presented in the form of conclusions. Next the reliability, validity and restrictions of this study are discussed, and finally, propositions for further research are presented.

6.1 Summary

In this study, the aim was to understand how to align an organization in a way that enhances customer knowledge competence in the key account management context. Although there is a significant amount of studies concerning both key account management and customer knowledge management, the topics of internal alignment and customer knowledge competence in the context of key account management have not received much attention in the literature. A theoretical framework concerning the issue was formed based on the literature review on KAM and CKM. Based on these, a theoretical framework was produced and stated in the form of propositions that summarize the exiting knowledge on how to align an organization internally to create customer knowledge competence.

The empirical research concurred with the theoretical framework for most parts but also highlighted some new aspects to the matter. The theoretical framework was modified accordingly, and the final framework was presented in section 5.3.

6.2 Theoretical conclusions

The main goal of this research was to answer the research question How to create customer knowledge competence by developing key account management? This was supplemented with the following sub-questions: What are the intraorganizational dimensions of KAM? and What are the processes of customer knowledge competence? In the theory review, the questions were answered based on literature concerning key account management and customer knowledge management. A conceptual framework for organizing the KAM system in a way that enhances
customer knowledge processing in the key account management context was produced and reflected against the empirical evidence. The publications that particularly affected the formation of the theoretical framework are: Campbell (2003), Homburg et al. (2002), Nätti et al. (2006), Rollins & Halinen (2005), all the articles related to the dissertation of Salojärvi (2010), and Workman et al. (2003).

By discussing and combining the theoretical points of departure on KAM and CKM, this study makes a contribution to the KAM literature by explicating the specific dimensions in organizing the KAM system as antecedents to successful customer knowledge management. Secondly, this study contributes to customer knowledge management literature by showing how customer knowledge processing is an inter-organizational activity that can be managed through the dimensions of the KAM system.

**Actors**

Teams enhance customer knowledge acquisition (Nätti et al. 2006), dissemination (Nätti et al. 2006, Rollins & Halinen 2005) and utilization (Nätti et al. 2006, Rollins & Halinen 2005, Salojärvi et al. 2009). Salojärvi et al. (2009) note that the use of teams does not directly enhance customer knowledge dissemination, but the impact is indirect since it affects *esprit de corps*. According to the empirical evidence, the use of teams seems to be relevant when it comes to bigger customers in order to enhance customer knowledge dissemination and utilization. However, it needs to be noted that the difference between teams and team spirit was left a little vague since there are no formal KAM teams in the case company. Thus, the results of this study also imply, as also suggested by Salojärvi et al. (2009), that the use of teams *per se* does not enhance creation of customer knowledge competence but affects indirectly through creating *esprit de corps*.

Top management involvement is considered to enhance customer knowledge utilization (Salojärvi et al. 2009, Jaworski & Kohli 1993, Workman et al. 2003), but according to Gupta (2000), it also has an indirect effect on knowledge dissemination since it affects *esprit de corps*. This was also confirmed by the empirical evidence in this study. The lack of top management involvement caused frustration among the
employees, and it seemed to affect both dissemination and utilization of customer knowledge. According to this study, there is also an indirect connection between the top management and dissemination and utilization of customer knowledge since they also depend on the resources provided by the top management.

Traditional sales personnel and key account managers need different features. Personal capabilities and willingness of the sales personnel are not studied in this study, but according to the empirical evidence of this study, these features seemed to affect customer knowledge acquisition, dissemination and utilization in an organization where there are no formal key account management program or assigned key account managers.

Resources

CRM software and technology affect acquisition (Salojärvi & Sainio 2009) and utilization (Salojärvi et al. 2009, Stein & Smith 2009, Halonen-Rollins 2008) of customer knowledge. This was indirectly confirmed in this study. However, in the case company there is no functioning CRM software and the lack of training to use the existing technology caused a lot of frustration among the employees. The lack of proper CRM technology seemed to affect not only acquisition and utilization but also dissemination of customer knowledge. According to the empirical evidence, the frustration of the sales personnel also affected their willingness to share information.

Esprit de corps affects acquisition (Salojärvi & Sainio 2009) and dissemination (Salojärvi et al. 2009, Nättilä et al. 2006, Workman et al. 2003) of customer knowledge. This was also confirmed in this study. Based on this study, it can be noted that when sales personnel feel committed to the common goals, they also tend to utilize knowledge better. As noted by Halonen and Rollins (2005), positive organizational culture facilitates other CRM processes. Gupta (2000) also acknowledges the indirect influence of the top management and Salojärvi et al. (2009) the indirect effect of teams. Hence, I conclude that esprit de corps, i.e. the organizational culture that directs efforts towards the mutual goals, needs to be addressed as the antecedent of the other KAM processes rather than just a part of the resource dimension, as suggested by Homburg et al. (2002).
Formalization

Nätti et al. (2006) state that a certain degree of formalization of the KAM program enhances customer knowledge dissemination and utilization by acting as a “linking pin” inside the organization, and Salojärvi et al. (2009) agree with this, but neither of these studies specify the level of formalization needed. In this study, the case company had no formal KAM program, and based on the empirical evidence of this study, it is impossible to assess how formalization affects customer knowledge processing. However, what can be said is that without formalization there does not seem to exist channels to utilize information or anything connecting the processes of customer knowledge enhancing, dissemination and utilization. Thus, based on this, formalization of the approach seems appropriate.

As Nätti et al. (2006) and Salojärvi (2009) agree, some formalization is needed in creation of customer knowledge competence. In this study, at present, there was no formalization involved at all, which seemed to prevent efficient customer knowledge processing. Thus, the findings of this study confirm that some degree of formalization is needed to facilitate the creation of customer knowledge competence. However, the findings do not take a stance on how formalized the approach should be. The lack of a formal KAM system seemed to affect every step of the customer knowledge process. This is in line with the finding of Homburg et al. (2002), according to which, the No-KAM and Isolated-KAM approaches had the weakest results when compared to the other KAM approaches.

6.3 Managerial conclusions

In business-to-business sales, there has been a shift from transactional selling to long-term cooperation where both parties benefit from the collaboration. Selling companies need to get to know their most important customers and consistently build customer knowledge competence. The biggest customers, i.e. the powerful key accounts, also demand more efforts and coordination of the selling company’s internal network. The organizations that need these efforts do not appear from nowhere but already exist on the market and need to be re-organized and coordinated in order to succeed on the market.
The case company in this research is a good example of an organization where key account processes need to be re-evaluated in order gain customer knowledge competence, and I propose that a more formal approach to key account management would facilitate this. Key account managers’ tasks differ from the ones that are performed by traditional salespersons. I propose that the organization should signal its efforts also by training the existing sales personnel or appointing new key account managers with the needed capabilities.

At present, CopyPaste is going through changes when it comes to key account management. There is no KAM system in use currently. The evaluation and efforts concerning key accounts are not yet settled. These are the first steps that need to be taken after the realization that there are some accounts that are more important than others and that these accounts demand special attention. Only after this, the internal structure can be modified and customer knowledge competence can be pursued. However, based on this study, there are some conclusions that can benefit organizations when customer knowledge competence is pursued through coordinating the internal network through applying a key account management system.

*Esprit de corps*, i.e. how obliged the personnel feel to achieve the common goals, seems to have a very important role in key account management when customer knowledge is pursued. Thus, I suggest that organizations must pay attention to their overall organizational culture because it facilitates other KAM processes.

KAM teams enhance the creation of customer knowledge competence. However, as noted in this study, teams *per se* do not necessarily do this but they can signal the importance of key account management to the participants and thus create *esprit de corps*. In CopyPaste, KAM teams could integrate the organization and bring the functions situated in Espoo closer.

IT systems themselves are not the path to happiness when it comes to customer knowledge competence. However, based on this study, when used efficiently, they can act as important channels that enable efficient customer knowledge processing. However, it must be noted that customer knowledge competence could be pursued
without the help of appropriate IT systems in small organizations where participants interact daily. They still seem to facilitate knowledge processing as the organization grows bigger.

When it comes to the formalization of key account management approach, it must be noted that although there is no clear evidence that it enhances customer knowledge competence, it can act as a way of stating the importance of key account management in the organization to its participants. A systematic approach to the matter benefits the company through clarifying the internal participants, key accounts and activities performed. Without any formalization, there only exists a philosophy where the company recognizes that some customers are more important than others rather than a strategy where these customers benefit the company. Thus, formalization of the key account management approach benefits organization.

In CopyPaste’s case, formalization of the approach and appointing key account managers would possibly clarify the company’s goals regarding strengthening its position on the market when it comes to big accounts. The sales personnel still tends to aim more their efforts at small businesses – and who can blame them since they have better tools and incentives to do that. However, they do recognize the importance of the bigger accounts and the expertise needed to handle them.

6.4 Evaluation and limitations of the study

Throughout the research project, the quality aspect was considered, as suggested by Hirsjärvi and Hurme (2000: 184). However, it needs to be noted that the terms validity and reliability originate from qualitative research and therefore handled in this study with certain bias (Hirsjärvi & Hurme 2000: 186, Koskinen et al. 2005: 253–254). Gummeson (2000: 91) also criticizes the use of these terms in the research conditions of a business area where there exists such uncontrolled elements as customers and competition, which can create unexpected results. Nevertheless, the aspects of how reliable and competent a study is still need to be assessed (Hirsjärvi, Remes & Sajavaara 2009) and so in this section, the reliability and validity of the research design and process are evaluated from the viewpoint of this exploratory/descriptive study.
Validity can be classified into statistical validity, construct validity, internal validity, and external validity, although statistical validity is not relevant in the context of qualitative approaches (Hirsjärvi & Hurme 2000: 187) and thus not addressed here. Structural validity can be seen particularly important when conducting a research using qualitative methods.

Through construct validity, it is assessed how the research corresponds with reality, i.e. how well it is conducted to measure what it was meant to measure (Hirsjärvi & Hurme 2000, Gummesson 2000: 93). Hirsjärvi and Hurme (2000: 187) point out that it all come downs to the problem of interpretation. Construct validity can be built through triangulation (Hirsjärvi & Hurme 2000: 189, Stake 1995: 107). In this study, construct validity was particularly pursued through theoretical triangulation. This was done in order to create a framework that could be reflected against the case. In addition, data triangulation was pursued; however, this was limited due to practical reasons. Interviews were done both at the employee and at the management level and all the material was utilized where possible. Using other methods such as observation and interviewing customers and upper management would have possibly enhanced the validity of this research.

Internal validity refers to causal relationships of matters: something (X) causes something else (Y) and that something (X) has not been affected by anything else. (Hirsjärvi & Hurme 2000: 188). Since, according to Yin (1994: 34), internal validity is more related to explanatory or causal research and not to exploratory and descriptive studies, it is not assessed here.

External validity refers to how well the results can be generalized to different situations, persons or cases (Hirsjärvi & Hurme 2000: 188) or establishing a domain to which the case study’s results can be applied (Yin 1994: 40). In order to enhance external validity in this research, the case was described carefully keeping in mind the possibility that it could be transferred to other situations (Koskinen et al. 2005: 257). However, as Koskinen et al. (2005: 268) continue, generalization in qualitative research can be seen to happen from case to theory. Yin (1994: 37) even encourages using the term “analytical generalization” instead of the traditional “statistical generalization”. In this study, the aim has been at specifying the internal alignment in
order to enhance customer knowledge competence, and this is described in the context of the case unit. Thus, the results are context-bound and generalizations can be drawn more to theory than to other cases.

Reliability of a research describes how well it can be replicated. As Gummeson (2000: 91) simplifies it: “…this means that two or more researchers studying the same phenomenon with similar purposes should reach approximately the same results.” In this study, reliability was pursued through reporting the empirical research process accurately. The process phases were explained in detail in section 4.3, and the results were explained and analyzed in Chapter 5 accurately. A lot of citations were used in order to make the study as accessible to readers as possible, enabling them to draw their own conclusions.

In single-case research, situations can change (Dubois & Gadde 2002) or the case can turn out to be quite different than anticipated (Yin 1994: 41). In this study, these special conditions were considered as a possibility and managed through abductive research logic, in which the theoretical framework and the research questions are modified throughout the research process.

To conclude this section, here are some wise words from Gummeson (2000: 90): “Science is a journey, and the existing theory is not its destination.” The aim of this study was not to create widely generalizable results, but to increase and structure our understanding of the matter.

6.5 Direction for future research

This study proposes an adjusted framework for developing customer knowledge competence through key account management by developing the existing knowledge on the matter further. However, as this study is exploratory in nature, the framework was not applied in practice. Thus, it would be interesting to see how the adjusted framework would work in practice.

In this study I note that the KAM philosophy is not enough and propose that formalization of the KAM approach facilitates customer knowledge competence.
However, neither this study nor others take a stance on how formalized the approach should be and what exactly is included in this. Therefore, it would be very interesting to study what level of formalization is suitable and what it depends upon.

In this study I propose that *esprit de corps* has a bigger role in building customer knowledge competence than noted before. It would be interesting to develop this thought further and study how it could be developed.

As noted in the introduction of this study, the configurational perspective to key account management still remains understudied. It is noted that key account relationships are one of the main concerns of a business. However, as the offerings become even more tailored and competition tightens, a lot is expected from the internal alignment of the seller organization. Thus, the configurational perspective is highlighted and proper coordination mechanisms are needed. In this study I propose that the KAM system can act as a coordination mechanism when it comes to creating customer knowledge competence, and it would be interesting to take this idea further and to study this coordination mechanism from other points of view also.
REFERENCES


Theme interview framework

-Kuinka kauan olet työskennellyt yrityksessä? alalla?

-Kenen kanssa toimit yhteistyössä yrityksen sisällä? Kanavat?

-KEY ACCOUNTIT
  -Kuvaileisoja asiakkaita, isoja kauppoja. (Euromäärät, laitteiden määrät?).
  -Saatko apua isojen asiakkuuksien hoitoon? Mistä? Onko riittävää? Tarvitseeko koulutusta?
  -Kontaktstitisoihin asiakkaisiin. Tarjotaanko enemmän mahdollisuus kontakteihin?
  -Tavoitteet isoista asiakkuuksista.
  -Kuinka paljon ajastasi menec isojen asiakkuuksien hoitoon?
  -Onko asiakaskohtainen tietotärkeä isojen asiakkaiden kanssa? Tarvitaanko enemmän?
  -Kuvaile osaamisen tarvetta isojen asiakkaiden kanssa.
  -Tukeeko palkkaus isompien asiakkuuksien hoitamista/pidempiä projekteja?
  -Tukeeko organisaatio isojen asiakkuuksien hankkimista?
  -Kuvailekoetkotoinivasti "timissä" vai yksittäisenä myyjänä?
  -Tuleeko tarjouspyyntöjä isoilta asiakkailta?
  -Onko jotain toimintamalleja näiden isompien asiakkuuksien kanssa / pitäisikö olla?

-ASIAKASTIEDON HANKINTA
  -Mitä/millaista se teidän tapauksessanne on?
    Tietotuotteesta (asiakkaan preferenssit, kilpailijoiden tuotteet)
    Tieto joka edesauttaa asiakasta ostopäättöksessä
  -Mistä tulee?
    Firman sisältä esim. huolto, ylin johto, muut myyjät
    firman ulkoa esim. raporttejen muodossa
    vuorovaikutuksessa asiakkaan kanssa
  -Kuvaile nykyisiä IT-järjestelmiäen. Tukevatko asiakastiedon hankintaa?
- Onko mitään tiettyjä asioita mitä yritys kehottaa sinua keräämään asiakkaista?

-ASIAKASTIEDON LEVITYS

- Kuvaa asiakastiedon levitystä organisaatiossanne.

- Kanavat?
  - IT-ratkasut (Navi, sharepoint, intranet)?
  - Viikkopalaverit?
  - muita?

- Pohjoisen alueen tasolla? Koko yrityksen tasolla
- Kenelle asiakatieto mielestäsi kuuluu?
- Tukeeko palkkamallinne asiakatiedon jakamista?

-ASIAKASTIEDON HYÖDYNTÄMINEN

- Hyödynnetäänkö asiakastietoa tehokkaasti?
- Miten sinä hyödynnat asiakastietoa? Kanavat mistä saat asiakastietoa?
- Parantaako mielestäsi suhteen laatua/kestävyyttä/tuoko lisää euroja?

- Onko palvelu/huoltosopimusten tekeminen kannattavaa?

- Saatko tarpeeksi kannustimia näiden tekoon?

- Kerro lisää IT-järjestelmistä

- Yhteistyö
  - Oman alueen/pohjoisen
  - Muut yrityksen osastot
  - jälleenmyyjät

Muuta?