

Customer Relationship Management in B2B Niche Markets: A Case Study of a Buying Firm in the German Food Machinery Industry and Four of Their Customers Including One Potential Customer

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ABSTRACT,

The main goal of this study is to find an answer to the question if there is a relationship between customer relationship management and customer satisfaction in business-to-business niche markets setting specifically. It was expected that there is a positive relationship and this study confirms this expectation. For the purpose of keeping all possibilities open, an exploratory research design has been used. A small sample case study of a buying firm, three of their customers and one potential customer was used to obtain qualitative data, collected through the use of semi-structured interviews. This study reports various elements contributing towards customer satisfaction. Amongst these factors are splendid communication and the clarity of agreements. The majority of the factors found has received support from the literature. Limitations to this study are the relatively small sample in the case study and the demographical scope, which limits the generalisability of this study. In order to determine the significance of the findings of this study, future research is required. Furthermore, this study is based on the scarce understanding obtained on one particular niche market, since available academic literature on niche markets and its management is limited. This implies that the characteristics of distinct niche markets may differ considerably from the unit of analysis in this study. For this reason, the validity of the reported findings may be confined to the German food machinery industry.

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Keywords

Customer relationship management, customer valuation theory, customer lifetime valuation, relationship marketing, customer satisfaction, segmentation, case study

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12th IBA Bachelor Thesis Conference, July 9th, 2019, Enschede, The Netherlands.

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1. INTRODUCTION

In the past few decades, the world of business has been undergoing rapid change because of the fast-moving role that technology plays. This has in some cases already proven detrimental to old-fashioned businesses that are failing to adapt to this change. On the other hand, it opens up many opportunities (Berger *et al.*, 2006) often requiring the restructuring of processes within a business (Chalmeta, 2006). Amongst those opportunities is customer relationship management (CRM).

There is quite some controversy regarding the various definitions of CRM that are proposed in academic literature. The study by Chen & Popovich (2003) emphasises that CRM is not merely about stand-alone technological applications, but rather a business process management strategy that prioritises the firms' customers. This includes, but is not limited to, the importance of customers to a firm embedded in a business strategy, how customer contributions towards a firm can be valued and managed, the monitoring of customer behaviour and finally the management of the relationships with customers. This study will focus on these aspects of CRM. CRM is considered strategically essential since the scope of business has shifted more towards being 'customer centric' rather than focused on the product, which implies that customer relationships, customer's authority to make decisions and the personal experience a customer has with an organisation are factors that determine a firm's prosperity (Chen & Popovich, 2003; Vasiliu, 2012). Christian Grönroos (1990) is amongst the first to introduce and emphasise the impact that relationships with customers may have on the performance of businesses.

CRM has provided insights into many fields in both the business-to-consumer (B2C) as well as business-to-business (B2B) type of commerce. The focus of this paper is on B2B markets. The underlying reason for this focus is because of the nature of niche markets and specifically the market investigated in this study. This market exists entirely of businesses. Adoption of appropriate CRM has been found to have a significant positive effect on customer satisfaction as well as a firm's performance in the B2B setting (Zeynep Ata & Toker, 2012). Furthermore, research by Sedera & Wang (2009) has indicated that CRM may have many benefits towards firms such as overall productivity, organisational costs, effectiveness of decision-making, enhanced financial efficiency and reduction of costs.

The purpose of this study is to get a better understanding of customer relationship management in B2B *niche markets* and to gain insights in the relationship between customer relationship management and customer satisfaction in this particular type of market. This upcoming type of market becomes increasingly important due to different business characteristics because of the differentiating business strategies. Often it involves high-quality premium priced goods or services. (see for example: Dalgic & Leeuw, 1994). Niche markets are defined as 'a highly specialised, often small market which aims to fulfil consumer needs of a particular good or service'.¹ Niche markets are typically small markets with relatively few buyers and suppliers and for this very reason the benefits CRM may bring to a firm may vanish due to the nature of this market. I.e. the expected potential of CRM application as indicated by previous studies might not hold for niche markets specifically. Furthermore, these markets seem to be, to a certain extent, unexplored by research. CRM may

provide great firm value for these markets. The objective of this study will be to uncover this potentiality. Based on this research objective, the following research question has been construed:

'Does customer relationship management have an impact on customer satisfaction in B2B niche markets?'

Additionally, the following question will require further consideration in future research:

'To what extent does customer relationship management have an influence on customer satisfaction in B2B niche markets?'

The analysis includes one buying firms and three of their existing customers alongside with one potential customer. Due to the nature of the market the firms are operating in, the firms are unwilling to freely share sensitive data, hence the data in this research is pseudonymised. This particular type of firms is known for their unwillingness to share information and therefore this measure is taken (Coven & Slevin, 1989). The buying firm is referred to as Firm X. The customers are referred to as Customer A, B, C, and D, respectively. The buying firms and their customers will be interviewed with confidentiality in order to protect proprietary information on their side whilst improving the validity of this research.

In the next section, relevant literature on this topic will be reviewed and its proceedings will be presented through the use of several subsections. The third section of this paper will explain the methodology that is used to analyse the data and the methods of gathering data for this research will be elaborated upon. Thereafter, the fourth section will show the analysis of the data and its findings. Fifth, these findings are put to debate. Sixthly, a conclusion and recommendations are presented accompanied with limitations to this particular study, theoretical and practical implications and recommendations for future research. Lastly, in the seventh and final section, the bibliography and the appendices can be found.

2. LITERATURE REVIEW

In this section, a review of the existing literature relevant to this research is provided. The aim is not to provide a thorough and complete literature review but rather to provide a review specifically applicable in this study as in what motivates the buying firms and customers in their decision-making. In addition, the review is extended with the former research in managing relationships with customers.

In the past few decades, quite some research surrounding CRM has been done. First of all, research has shown a positive correlation between CRM and business performance (see for example: Starkey & Woodcock, 2002). Moreover, high customer satisfaction is said to be a good indicator of a firm's future performance (see for example: Anderson & Sullivan, 1993). Furthermore, the relationship between CRM and customer satisfaction has been tested with the aid of regression analysis and ANOVA and the study has shown that CRM has a positive effect on customer satisfaction (Bhakane, 2015).

2.1 Understanding Buying Firms' Motives

2.1.1 Customers as Assets

To gain an understanding of why CRM may have potential benefits for firms, the motivation behind a firms' actions and decisions needs to be understood and the importance of a firms'

¹ This definition has been construed based on the following sources and modified adequately. (Dalgic & Leeuw, 1994; Parrish, Cassill & Oxenham, 2006; Stanton *et al.*, 1991)

customers need to be emphasised. Buying firms are reluctant to be excluded customers (Schiele *et al.*, 2015, p. 132). Additionally, buying firms tempt to be appealing for potential suppliers and appease them to gain benefits and to ensure the supply of resources (Schiele, Calvi, & Gibbert, 2012, p. 1178). Possible preferential treatment by the supplier is determined by the preferred customer status or customer attractiveness. Kumar (2013) has found that these characteristics that determine value potential change over time. On the other hand, customers that raise uncertainty surrounding potential value gain have been fired by firms due to the tendency of doing business with these customers diminishing heavily because of this uncertainty (Reardon, 2007). Ultimately, research stresses that customers are evidently core to firms (Gupta and Lehmann, 2005; Shah *et al.*, 2006). Customers are intangible assets of an organisation (Hunt & Morgan, 1995; Srivastava, Shervani, and Fahey, 1998). This has also been the foundation for the customer lifetime value (CLV) theory and study has shown that it is not only important for strategic decision-making in a firm, but it may also be a metric for evaluation of firm value (Gupta, Lehmann & Stuart, 2004).

2.1.2 Customer Valuation

Many approaches to valuing and managing contributions to a firm have been proposed (Bolton, Lemon & Verhoef, 2004; Reinartz & Kumar, 2000). Dhar & Glazer (2003) have introduced the customer beta measuring and providing an indication of the riskiness of customers. Additionally, customers' risk-return characteristics have yielded the customer relationship scorecard approach (Ryals, 2003). Lastly, with the aid of portfolio theory, customer segments have been managed (Bolton & Tarasi, 2015; Buhl & Heinrich, 2008; Groening *et al.*, 2014). Various customer metrics have been used for valuation of customers (Petersen *et al.*, 2009; Srinivasan & Hanssens, 2009). Amongst others, the allocation of resources (Petersen & Kumar, 2015). Research by Lewis (2006) shows that the role of customer acquisition strategies may be an indicator. Likewise, are the strategies concerning the retention of customers (Reinartz, Thomas & Kumar, 2005). In addition, Reinartz & Kumar (2002) point out that customer loyalty provides a valuable index. Finally, according to Anderson & Mittal (2000), customer satisfaction is a clear indicator for customer value.

Buttle (2001) published a five-step model under the name of 'CRM value chain', depicted below in **Figure 1.**, which incorporates most of these aforementioned in the model. The

various activities integrated in this model cover the majority of the elements of CRM. The value chain can be used as a way of understanding the basic foundation of CRM. It differentiates between primary and support activities. The first directly influence CRM as they involve interaction with customers. The latter may facilitate support and could be seen as building blocks for an organisation.

Additionally, behavioural drivers such as the level of purchases and product return behaviour have an influence on the level and volatility of cash flows (Kumar, Shah & Venkatesan, 2006; Reinartz & Kumar, 2003). Ultimately, customer value is a good alternative indicator for firm value (Kumar, 2018).

More recently, however, a claim has been made that deemed financial theories inappropriate for valuing customers (Kumar, 2018). This is because there are principal differences between finance and marketing. Barberis and Thaler (2003) argue that some agents are not fully rational. Often there is insufficient diversification of portfolios (Baxter & Jermann, 1997). Additionally, the level of simplicity in the diversification strategies is rather high (Benartzi & Thaler, 2001). Concluded, agents are not always rational in their investment decisions.

As reflected, customer valuation knows a whole variety of different approaches. As has been mentioned in the previous subsection, one of these approaches is the customer lifetime valuation theory. The next section is dedicated to the CLV metric specifically.

2.1.3 Customer Lifetime Valuation

Gupta & Lehmann (2005) and Venkatesan & Kumar (2004) have proposed the customer lifetime valuation metric which resembles the future value contribution of a customer towards a firm. This metric makes use of the present value of the future profits that a customer brings forth during the customers' lifetime with the firm. Underlying the metric, Irving Fisher (1965 [1930]) contributed with the present value concept and Fama & Miller (1972) influenced the metric with the asset pricing theory. The generic CLV metric is listed below (Venkatesan & Kumar, 2004).

$$CLV_i = \sum_{t=1}^T \frac{(\text{Future Contribution Margin}_{it} - \text{Future Cost}_{it})}{(1 + d)^t}$$

Here, *i* is the customer index. The time index is resembled by *t*. The *T* indicates the timeframe that will be used to make an approximation of the CLV. The discount rate is expressed in *d*.

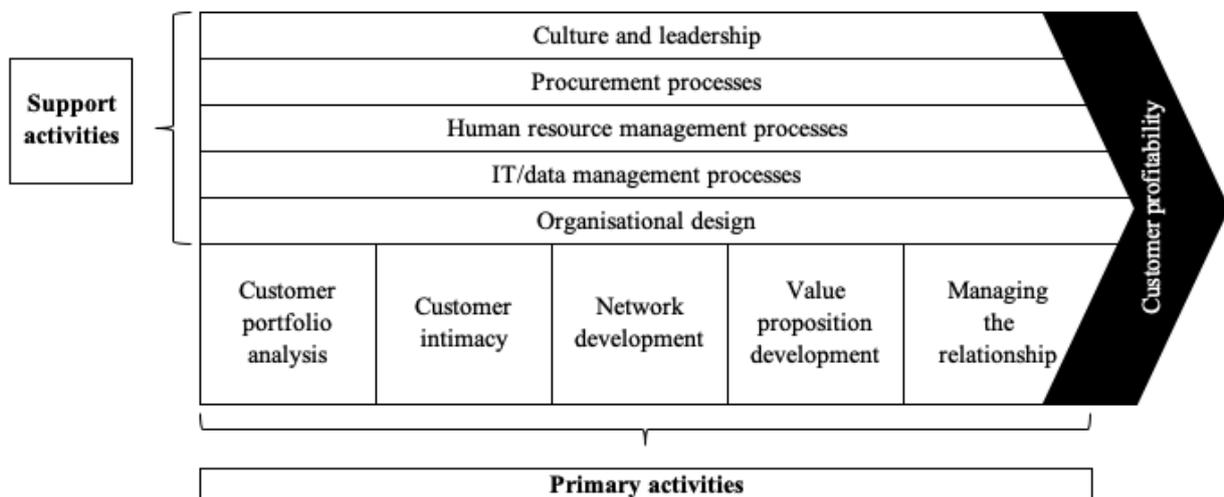


Figure 1. The CRM value chain (Adapted from Buttle, 2001).

This discount rate can be altered so that the CLV metric can justify, to some extent, uncertainty in the forecast. Kumar (2018) emphasises that the CLV generally should be computed with a three-year timeframe, but the author suggests that a longer window is required if that implies the inclusion of more than one purchase. For example, developments in the industry may be a reason for a longer time frame. In addition, the author specifically states that firms in B2B capital good markets, i.e. plant and machinery, a three-year window may not be adequate. Nevertheless, it is strongly dependent on the nature of business the firm is in as well as the environment surrounding the organisation. Finally, it is stressed that enhancements to the CLV will always be made and that the understanding of the CLV metric is essential in applying CLV in a firm.

2.2 Understanding Customers' Rationale

2.2.1 Customer Behaviour

Morgan & Hunt (1994) proposed the commitment-trust theory which suggests that firms develop commitment and trust with customers in the attempt of building a beneficial relationship with them. Allen & Meyer (1990) presented a model of commitment consisting out of three aspects: affective, calculative and normative. More recently, Keiningham *et al.* (2015) have rewritten this model which consists of five aspects: affective, normative, economic, forced and habitual. Customer transaction behaviour has been found to be heavily influenced by a customer's purchase habits and repeat purchases (Ascarza, Iyengar & Schleicher, 2016; Duhigg, 2013). Additional research has shown that customer habits influence the vulnerability and volatility of future cash flows (Shah *et al.*, 2017) and business performance (Shah, Kumar & Kim, 2014). Knowledge Wharton (2014) has shown that big data now provides information regarding consumer behaviour which can be used to understand patterns of behaviour that consumers may have. Kumar and scholars have found that several variables influence the future profitability of customers. The first being the past spending level of a customer (Reinartz & Kumar, 2000). Secondly, customer cross-buying behaviour (Kumar, George & Pancras, 2008; Venkatesan & Kumar, 2004). Third, the concentration of consumers' purchases in specific product groups (Reinartz & Kumar, 2003) and finally, participants in loyalty programs with the organisation (Kumar, Shah & Venkatesan, 2006). Reinartz & Kumar (2003) have also reported that, up to a certain level, the amount of returns and the average time between purchases are significant indicators on future profitability of a customer.

2.2.2 Customer Management

Management of customers as assets in an effective way may contribute to the profitability of an organisation (Bolton, Lemon & Verhoef, 2004). In addition to good management of customers, Kumar, Venkatesan & Reinartz (2008) have shown that prompt timing of communication between an organisation and a customer is likely to reduce the inclination of a customer to end the relationship (Morgan & Hunt, 1994). Recently, research has added that careful consideration about the subject of matter further reduces this inclination (Kim & Kumar, 2018). In contrast, however, Fournier, Dobscha & Mick (1998) have shown that an excessive number of attempts to communicate does more harm than right for the relationship with the customer. This excessive seeking for communication with customers does not only damage existing relationships but it may also reduce the likelihood of new customers affiliating with the firm (Kumar, Zhang & Luo, 2014). The relationship between marketing communicating efforts, i.e. one-on-one communication with for instance sales staff or communication through telephone or e-mail, and customer behaviour has been found to be an inverted

U-shaped one (Reinartz, Thomas & Kumar, 2005; Venkatesan, Kumar & Bohling, 2007). Coltman (2006) reported that it is not the frequency of managing relationships that is key but rather managing the relationship appropriately to improve the performance of the business.

2.2.3 Customer Segmentation

Zeng, Wen & Yen (2003) reported that retaining existing customers is much more economical than seeking new customers after all. The expenses of searching for new customers range between five to tenfold the costs made retaining the existing customers, making customer management increasingly more important. It also enables the firm to analyse their customers base. This, in turn, makes targeted recommendations to customers possible. These recommendations are reported to typically increase the revenue and decrease the expenditures from the sale.

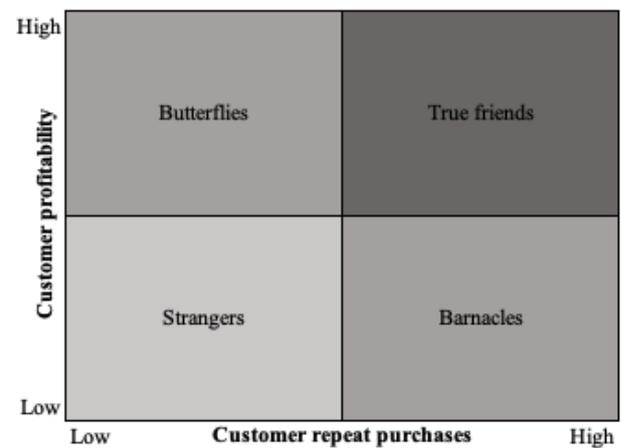


Figure 2. A classification for various customer groups (Adapted from Kumar, 2018).

Kumar (2018) has recently proposed a framework which can be used to categorise customers and to serve them accordingly. 'A classification for various customer groups' as depicted above in **Figure 2**. The framework consists of four categories. "True friends" are customers that have a high purchasing frequency and are highly profitable. These customers carry high potential for the buying firm over the long term and therefore, the buying firm should build a relationship with customers in this category. Secondly, the group "Butterflies" is the group of customers that have a low purchasing frequency, but their profitability is rather high. These customers tend to have a high purchasing frequency for a short time and thereafter carry on doing business with other organisations. The buying firm is advised to appreciate the profitability of these customers as long as they are in business with this customer group. Third, "Barnacles" are the customers that have a high purchasing frequency accompanied with low profitability. If these customers are not carefully managed, it might lead to depletion of resources. Buying firms need to manage this group of customers with care and be alert to the difference in revenue and the level of spend on this customer. Lastly, "Strangers" is the category of customers that have a low purchasing frequency together with low profitability. These customers carry little potential for the buying firm and for this reason the buying firm should evade making investments in the relationship with this group of customers. Ultimately, properly serving the different customer groups as a result will lead to the buying firm detecting which firms ensure value gain and this enables them to define their priorities correspondingly and allocate resources efficiently.

In addition, in order for technological CRM measures to succeed in benefiting the firm and the customers, top management support, appropriate knowledge management and a good IT infrastructure as a foundation are necessary (Croteau & Li, 2003). Additionally, Ehret (2004) indicates that it may be that customer relationships find interference from value networks in business-to-business relationships. For example, Christensen (1993) has found that this may occur when new product structures are being established, i.e. technological disruptions or breakthroughs. However, the author finds that this intervention is primarily caused by firms vigorously communicating with their customers whilst applying textbook solutions to managing the relationships. Regardless, CRM improves the success of one-to-one marketing within a firm (Mithas, Almirall & Krishnan, 2006).

2.2.4 Customer Satisfaction

To gain a brief understanding of what influences customer satisfaction, Hokanson (1995) has provided an overview of few of the many factors that affect customer satisfaction. These factors are merely a general indication of customer satisfaction since, ultimately, level of satisfaction is determined through an extensive list of factors that vary from industry to industry. Overall factors that contribute towards customer satisfaction are friendliness of employees, courteousness of employees, proficiency of employees and the helpfulness of employees. In addition to these factors, the timing, clarity, and the correctness of invoices may enhance satisfaction. Furthermore, reasonable pricing of a firm's goods or services and the quality of those goods or services translate in an increase of satisfaction. In the case of services, alacrity has a strong impact on satisfaction. Ultimately, the customers' perception of receiving value for money renders into customer satisfaction.

3. METHODOLOGY

In this section, the system of methods chosen and used in this research will be motivated. Additionally, the data collection process is set out.

The research design that has been chosen for this study has been influenced by the theoretical background that has been established and provided in the literature review section. As becomes apparent in the previous chapters, CRM in niche markets is quite unexplored, stand-alone the niche markets themselves. Therefore, the research design chosen is qualitative research. This research will be done through the use of semi-structured interviews. This will allow the ability to probe for additional details whilst still providing a structure and thus guidance throughout the interviews. This type of interview stimulates the interviewee to provide more in-depth answers through the use of probing questions by the interviewer, which ultimately results into knowledge about the research topic of interest. The motivation behind this exploratory form is because it emphasises maintaining an open mind to alternative possibilities, since the outcome is uncertain. Furthermore, niche markets generally consist out of few suppliers and few customers hence this open mind is important for the study since the attempt is to explore, to receive explanation and understand the drivers of customers in this market, hence the selected research method (Gill *et al.*, 2008). The questions for the interviews have been carefully drafted, primarily influenced by the literature review, and to a minor extent by personal communication with several industry experts, subsequently modified accordingly in an attempt to enhance the validity of this study.

Based on the literature review, the anticipated outcome is that, all in all, CRM may have a positive influence on customer satisfaction in B2B niche markets. However, the majority of the

research that has been done reports that the findings have limited generalisability due to the discrepancy in units of analysis. Henceforth, whether CRM has a positive influence on customer satisfaction in B2B niche markets specifically, is questionable. Nevertheless, that CRM may have a positive influence on satisfaction in B2B setting has been reported previously (see for example: Zeng, Wen & Yen, 2003).

Firm X was previously introduced to the research topic of interest through personal conversations with the researcher. Thereafter, Firm X has proposed a selection of customers for the interviews based on the topic of interest. All of these proposed customers have been approached for an interview, ultimately resulting in four interviews being taken. This should enhance the quality of this study. The sample includes a buying firm, referred to as Firm X, together with three of Firm X their existing customers and one potential customer. These customers are referred to as Customer A, B, and C, and D, respectively. To prevent possible bias, the interviews have been held separately. All of the interviews have taken place in June 2019. Two interviews have been conducted at the facility of the customer whilst the other two interviews have been conducted through a call. In addition, there has been a meeting with Firm X. The multiple interviews with buying Firm X took approximately 80 minutes altogether whereas the interviews with the customers took 20 minutes on average. Three interviews have been conducted in Dutch, one in English and one in German. The interviews have been recorded and transcribed. The transcripts can be found in Appendix A to Appendix E. After each interview, the data required for data analysis was gathered. The data analysis method that has been used is the qualitative comparative analysis method (Ragin, 2014). This method is used to compare the qualitative data retrieved from the interviews with the theory presented in the literature review. These comparisons have been studied in order to gain an understanding of the relationship between CRM and customer satisfaction in B2B niche markets, in this instance the German food machinery industry. This acquaintance may enhance the management of customer relationships in this industry and in addition, niche management overall.

4. ANALYSIS AND FINDINGS

In this section, an overview of the interviews will be provided. In addition, the analysis of the qualitative data retrieved from the interviews will be provided and discussed.

4.1 Analysis of the Interview with Customer A

4.1.1 Interview with the Product Owner of Customer A

Customer A operates in the Netherlands, Germany, Australia, New Zealand and the United States. It has been active in this industry for nearly 35 years. The interview of Customer A was conducted with the product owner of the firm, who is partially responsible for the German division. This division is being operated by approximately 40 people. This female has been in this position of product owner for several years now and is jointly responsible for customer relationships. Additionally, initial customer contact regularly happens with this person. A meeting with this representative of this firm has been arranged and the transcript can be found in Appendix A.

4.1.2 Customer A is a Potential Customer

Customer A is a potential customer of buying Firm X. No business has been done, yet. Therefore, obtaining an impression of the current relationship and satisfaction level is out of the

question. Regardless, Customer A has shown interest in doing business with buying Firm X. This interest is mutual.

4.1.3 Outline of the Interview with Customer A

Since the relationship between Customer A and Firm X is non-existent at the present time, the initial questions to gain an impression and understanding of the current relationship are not applicable in the interview with Customer A.

Thereafter, the preferred mode of communication has been discussed. The interviewee provided an interesting answer to this construct. She indicates that it is, to some extent, dependent on the age of the person you are communicating with. The older age groups tend to have a preference for communication over the phone or through physical meetings. The interviewee believes that, for these people, the lack of nuance in communication through e-mails or (web) applications is the principal reason for this preference. In contrast, the younger age groups make use of all modes of communication. Here it often comes down to personal preference.

Customer A makes use of a customer platform for their customers and a CRM system integrated in their enterprise resource planning (ERP) system. Customer A has indicated that a small amount of their customers makes use of Microsoft Dynamics CRM. With this system it is possible to communicate with the ERP system, but it requires an interface to be built with the aid of a separate database. Furthermore, a lot of firms have expressed their concerns when it comes to transitioning business processes and procedures from analogue to digital.

The interviewee mentioned that the communication of the progression within workflows is considerably desired by the clientele. She stated that the opportunities within the firms' assets are certainly there to communicate this, but frankly this process is still in its infancy. The main reason for this is that the firm experiences the identification of their business processes as complicated, according to the representative. If Customer A would communicate the progress of projects digitally, it would be through e-mail or their customer portal, preferably automatically. However, she mentions there is currently one problem. Potential customers cannot access the customer portal unless they have signed a contract, making them an official customer. Resources are being deployed to this end as we speak, she remarks.

Subsequently, the after-sales service was discussed. Customer A points out that the firm is still in search of shaping the after-sales service appropriately. Often there has been ambiguity in the agreements being made, for instance leading to deadlines not being reached. Previously, Customer A used to be waiting until the client approached them. Recently, they have found out that this after-sales service becomes increasingly important and if this process is not managed appropriately, it leads to customers ending the relationship. 'Otherwise, customers tend to feel that they are only heard when problems occur, that time is past.' stresses the interviewee.

Thereafter, the methods and the process of invoicing have been discussed. The interviewee has stated that the firm makes use of digital invoicing, but with a separate application stand-alone from their main system. The underlying reason for this separate application is because their financial database is an isolated database from all of the others due to most people having no business in there, according to the interviewee. This does occasionally make some of the work a lot more time consuming than necessary, she concludes.

Lastly, the interviewee was asked if there is anything to be added to this interview or if there is anything of importance that has thus far not been discussed. She remarks that proper relationship management is of substantial influence on the level of satisfaction in general, and proceeds to provide some recent examples. In summary, the quality of the communication improves, the understanding for each other becomes greater leading to enhanced thoughtfulness towards the other party. In addition, the level of discomfort experienced decreases, to a certain threshold, when due dates are not being met when it involves a client who the relationship is healthy with. Likewise, the client is more inclined to meet the payment on time. The representative concludes the interview with the statement that CRM is often seen as support for marketing and sales but acknowledges that it is a lot more than that.

4.1.4 Factors Contributing Towards Customer A's Satisfaction Level

To conclude this interview, several factors that contribute to the level of customer satisfaction for Customer A can be distinguished. Using the preferred mode of communication in order to enhance the quality of the communication, may improve satisfaction. In addition, the level of simplicity in CRM may further improve customer satisfaction. Furthermore, appropriate communication of the progress of workflows leads to more satisfied customers. Moreover, the quality of the after-sales services may be a determining factor in the level of satisfaction and, in addition, customer loyalty and retention. This for example includes clear and specific agreements and maintaining healthy contact with clients. In addition, the timeliness of payments and the correctness of invoices may develop satisfaction.

4.2 Analysis of the Interview with Customer B

4.2.1 Interview with the Industry Engineer of Customer B

Customer B is a firm operating in the majority of Europe. The firm is operating in its industry for over 120 years now. It operates from 11 different plants throughout Europe. This interview took place at a production facility in Germany. The interview of Customer B was conducted with the project leader & industry engineer of the firm. This male interviewee is mostly responsible for the German division. He has been working at the firm for almost 20 years now. This person is often the initial point of contact with firm X. The transcript of this interview can be found in Appendix B.

4.2.2 Customer B is an Existing Customer

This firm has been in a relationship with buying Firm X for almost five years. Customer B indicated that their satisfaction level is 5 out of 5. He indicates that this level of satisfaction is on the grounds of Firm X always held end in the agreements that they have made and that the deadlines have always been met. In addition, the interviewee appreciates the simplicity and quality of the communication with buying Firm X.

4.2.3 Outline of the Interview with Customer B

First of all, the current relationship with Firm X was discussed. What directly stands out is that Customer B is remarkably satisfied with Firm X. He proceeds to provide a few reasons for this level of satisfaction. The interviewee indicated to have no further improvements or shortcomings for Firm X.

Thereafter, some questions were asked to identify the preferred method of communication. He instantly replied that he experiences the communication over the phone with his current

contact person at Firm X as quite satisfying and favours this manner of communication for the future as well.

Following, a different approach to do business in the future was proposed which would make use of an online platform. This platform would enable the customer to file requests directly, therefore possibly facilitating more rapid agreements. In addition, buying Firm X would be able to monitor their customers' interests, enabling more targeted marketing. The interviewee comes up with a similar example, but instead, the firm offering this platform being an intermediary firm. He proceeds that he experiences this as notably complicated. The establishment of such an offer requires too much time, according to Customer B. He indicates that he prefers to take the earliest opportunity to sell off his equipment and minimise delay in this process, since that translates to undesirable holding costs for the firm. Additionally, another proposal to enhance satisfaction was made. In this occasion, buying Firm X would dispose of Customer B their holding costs by storing their equipment for them without Customer B losing ownership. This approach requires trust. Customer B indicates that this may definitely be an opportunity, and proceeds to ask how the payments regarding transportation would be fulfilled.

Afterwards, the communication regarding the services that Firm X provides was addressed. Customer B specifies that he does not see the benefit of any updates regarding the workflow since he is normally present when Firm X provides their services. Therefore, he considers this confirmation as redundant. Likewise, Customer B appears reluctant towards after-sales services.

Lastly, safety requirements were addressed. The interviewee sums up the various requirements that are maintained at the firm. These requirements are also compulsory for clients such as Firm X. It is desired that these requirements are respected and when visitors arrive cooperative and attain these requirements, it results in increased satisfaction.

4.2.4 Factors Contributing Towards Customer B's Satisfaction Level

Several influencers of the level of satisfaction of Customer B can be identified. What stands out is that Customer B is a very satisfied customer of buying Firm X. Amongst the factors possibly contributing to satisfaction are the fact that due dates are being met and the compliance of agreements. Additionally, the quality of the communication may form a great contribution towards customer satisfaction. Furthermore, Customer B indicates that he appreciates his mode of communication with Firm X, which are the richer modes of communication with his regular contact at Firm X. The use of a customer platform may be a contribution towards dissatisfaction rather than satisfaction for Customer B specifically. Firm X granting the service of warehousing may enhance satisfaction, but this factor is not definite. After-sales efforts and specific communication regarding the progress of workflows is undesired and may be a determinant of dissatisfaction. Finally, goodwill and cooperativeness with the safety measures during company visits at Customer B may convert to increased satisfaction.

4.3 Analysis of the Interview with Customer C

4.3.1 Interview with the Leader of Store Management of Customer C

Customer C operates in various countries throughout Europe, including Germany. The firm has been operating in this industry for slightly over 60 years now. The interview of Customer C was

conducted with the leader of store management. This male interviewee has been with the firm for 40 years now and used to be a purchasing manager for the majority of his career. This organisation is the largest in its industry, almost two times larger than its main competitor. This individual is the main agent that Firm X is in contact with. The transcript of this interview can be found in Appendix C.

4.3.2 Customer C is an Existing Customer

Firm X has been in a relationship with Customer C for around 15 to 20 years now. Previously to Firm X their existence, it was not with Firm X directly but rather through a different firm with the current managing director of Firm X. Henceforth, the business relationship goes beyond the lifespan of Firm X. The interviewee indicates that they are generally quite satisfied and provides a score of 4 out of 5. The motivation behind this assessment is that the business that they have done in the past has always been experienced as pleasant. Agreements are always being held up and there are no problems concerning the payments, which satisfies Customer C. Moreover, Customer C indicates that the service that they receive from buying Firm X is 'perfect as it is.' When asked for improvements that may benefit the relationship, the interviewee smiles and responds with the price.

4.3.3 Outline of the Interview with Customer C

At the start of the interview, the current relationship with Firm X has been examined. The level of satisfaction of Customer C is fairly high. As mentioned in the previous subsection, several factors were provided that form this level of satisfaction. Customer C mildly indicated that the price may be of further improvement on the satisfaction level. Furthermore, he indicates that the reaction times of Firm X are excellent, and he prices the buying firm for being very flexible. Additionally, he appreciates the fact that buying Firm X is often willing to buy equipment in bulk. Customer C reports that the relationship with Firm X was initiated through the website. Moreover, he states that he is willing to do business with Firm X in the future. In addition, Customer C provides that he has recommended Firm X to several other firms. Amongst those firms is their subsidiary located in Sweden and also their sister company located in Germany. He specifically mentions that the initial contact between these firms and Firm X came from him. Lastly, the interviewee states that Firm X has always fulfilled their obligations throughout their business relationship.

Thereafter, the communication between Firm X and Customer C has been discussed. The interviewee reports that he typically prefers physical meetings over anything else, mainly due to its practicality. In addition, he indicates that the second preference would go out to communication through a website. Similar to Customer B, the proposal of the customer platform was made to serve as an indicator as to what it would do with the satisfaction of the customer. Customer C quite likes the proposal due to its ease and certainly indicates it as an opportunity and subsequently shows willingness to give it a chance. When questioned if Customer C would like to be updated on the progress of workflows, the interviewee answers that this information is redundant and considers it as a waste of time. Likewise, he does not see any benefit in the communication of the planning of the service. In contrast, the after-sales service is desired by Customer C and he notifies that he would prefer e-mail communication here.

Afterwards, the mode of payments has been addressed. Customer C explains that the organisation is currently working on the automation of invoicing, but that at this moment traditional invoices are required for the finance department. Otherwise, he would approve automated payments.

Finally, the requirements regarding safety have been discussed. He reports that safety is one of the main principles in this firm alongside with hygiene. The interviewee stresses the importance of those principles. He elaborates that every non-employee that will visit the firm receives the protocol with instructions. When they arrive at the entrance of the firm, they receive the same information once again. Thereafter, an engineer of the firm goes through these instructions with the visitor one more time.

4.3.4 Factors Contributing Towards Customer C's Satisfaction Level

In hindsight of this interview, various factors contributing towards the level of satisfaction for Customer C can be determined. The perceived experience of doing business with Firm X has always been positive. Maintaining agreements that are made and no issues regarding payments are reported to possibly contribute towards customer satisfaction for Customer C. Additionally, the quality of the service provided may further enhance this satisfaction. Additionally, pricing is a factor that may influence satisfaction. Furthermore, prompt reaction times and flexibility can benefit the relationship with a firm. Also, being able to market larger volumes of equipment may benefit satisfaction. The quality of the communication is also a factor for Customer C. Moreover, adequate after-sales service efforts can further raise satisfaction levels. Lastly, endorsement of the safety and hygiene principles at Customer C might advance the degree of satisfaction.

4.4 Analysis of the Interview with Customer D

4.4.1 Interview with the Project Leader of Customer D

Customer D is a firm that operates in Germany and also throughout Europe. This firm is relatively young and is active in this market for nearly 10 years now. The interview with Customer D has been conducted with the project leader of the firm, he has been fulfilling this function ever since the firm was established. Nowadays, this person is responsible for all the projects that the firm does, but he is mainly responsible for the larger projects. He is also the main contact person of Firm X as communication mostly happens with this person. An interview has been arranged and the transcript can be found in Appendix D.

4.4.2 Customer D is an Existing Customer

Customer D has been in a relationship with Firm X ever since Customer D was founded. The relationship has lasted almost 9 years now and similar to Customer C, the relationship existed prior to Firm X their establishment as a company. The interviewee has indicated that they are generally very satisfied with Firm X and provided a score of 5 out of 5. The motivation behind this healthy relationship is according to trust and proper communication. Both firms are completely transparent towards each other, as indicated by Customer D. He reports that he would not want to change anything about the current relationship with Firm X.

4.4.3 Outline of the Interview with Customer D

Initially, the current relationship between Customer D and Firm X was investigated. Customer D is very satisfied with Firm X as supported by the indicated score. The interviewee reported that this satisfaction comes forth out of the mutual trust between the firms and in addition the transparency due to high-quality communication. Moreover, there are no such matters as hidden agendas and both parties know what they are up to on behalf of each other. Furthermore, Customer D specifies that they look up to the amount of knowledge and expertise that Firm X holds, after

indicating that they are also regarded as industry experts. Thereafter, the interviewee reports to certainly be willing to do business with Firm X in the future. Customer D sporadically makes use of the employees of Firm X in case of particular deficiencies. This demonstrates the healthy relationship. Finally, the interviewee reports that doing business with Firm X has always been experienced as successful, once again emphasising the mutual gratitude towards each other and the level of trust.

Subsequently, an attempt was made to determine the preferred mode of communication of Customer D. Customer D reports to favour rich modes of communication such as communication over the phone or physical meetings because it improves the clarity of agreements. He indicates that an e-mail confirmation afterwards further enhances this clearness.

Customer D also makes use of a customer platform. Firm X has an account on this platform. Customer D mainly uses this customer platform to distribute marketing which happens through e-mail and physical marketing magazines.

Thereafter, the communication of workflows of projects has been discussed. Customer D indicates that they typically do not communicate the progression of projects until the projects are finished, but occasionally there might be a brief update. However, this happens irregularly. The interviewee concludes that with Firm X there has always been flawless communication and even considers it standard procedure with them and confirms that Firm X always stick to their agreements and that they are totally trustworthy.

Then, the procedures of after-sales service were investigated, and Customer D sums up that good communication is the most important here, alongside with timely payments. The latter is due to the fact that this stimulates the workflow, according to the interviewee.

In addition, the mode of billing has been touched upon and Customer D indicates that they support automated invoicing with the convenience that it brings. He reports that sometimes due to the arrangement of e.g. import or export of equipment, payments may take a longer time to process but indicates that prior to doing business with a firm, Customer D screens the firm first in order to prevent potential problems.

Lastly, an inquiry has been made to the safety standards of Customer D. The interviewee emphasises that everything that happens on site needs to happen in a secure way, taking into account the norms of safety, and that this is also being actively monitored and proceeds to mention that their own employees have done courses and training on behalf of safety. Prior to doing business with a new firm, Customer D offers a script to showcase the safety standards in their work because of its importance.

4.4.4 Factors Contributing Towards Customer D's Satisfaction Level

In retrospect of the interview with Customer D, multiple determinants of customer satisfaction can be identified. The current satisfaction level of Customer D is very high. The interviewee has stressed that the level of trust is one of the main factors for this level of satisfaction and has emphasised this high level of trust multiple times. Moreover, the transparency as a result of the high-quality communication is believed to affect satisfaction. This high-quality communication was confirmed when the communication of workflows was discussed. In addition, the knowledgeability of Firm X may be of influence. The clarity of agreements may also have a positive impact on

satisfaction. Furthermore, fulfilling agreements is indicative of enhanced customer satisfaction. Automated invoicing due to its convenience and the fulfilling of payments in a timely manner may further foster satisfaction. Finally, complying with safety briefings of this customer may be of certain weight towards the level of satisfaction.

4.5 Analysis of the Interview with Firm X

4.5.1 Interview with the Managing Director of Firm X

In addition to the interviews with some of Firm X their customers, multiple interviews have been conducted with the managing director and founder of Firm X in order to determine if Firm X experiences the relationships with their customers similar to the way that their customers experience it. This has been done in the attempt to improve the inter-rater reliability of this study. This individual is the founder as well as managing director of Firm X and he is mainly responsible for the customer relationships with Customers B, C and D. He is also initiator of all these customer relationships on behalf of Firm X. A figurative representation of the customer classification of Customer B, C and D as indicated by Firm X can be found below in **Figure 3**.

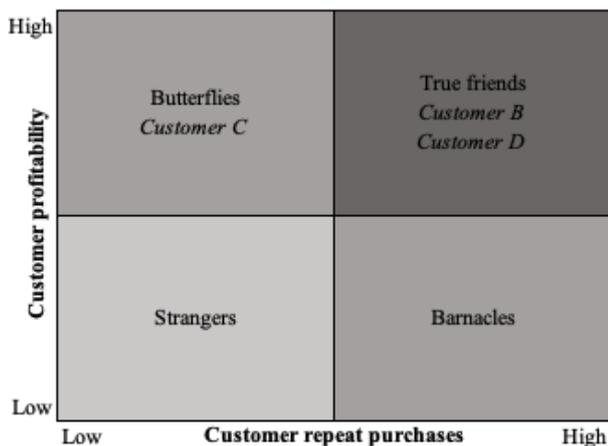


Figure 3. The classification of customers B, C and D as indicated by Firm X.

4.5.2 The Relationship with Customer B According to Firm X

According to Firm X, Customer B has always held end in all the agreements that they have made. Besides that, Firm X admires Customer B for their expertise and their level of trust that they have built over the years of their relationship, which has been going on for almost five years now. Firm X does perceive that the relationship that they have is somewhat limited due to the fact that Customer B is a subsidiary since it is part of an umbrella company, therefore, Customer B's authority to make decisions is perceived as somewhat confined. All in all, a satisfaction score of 4 out of 5 is given for the relationship with Customer B. Additionally, Firm X indicates that Customer B is definitely a *True friend*.

4.5.3 The Relationship with Customer C According to Firm X

Overall, Firm X indicates that the relationship with Customer C is good overall. They are a reliable customer and the managing director and Customer C have been in a business relationship for over 15 years now. Firm X indicates that the level of trust is not

that high as with Customer B. Regardless of their long-lasting relationship, Firm X reports that Customer C is considerably more difficult in coming to terms than other customers. The relationship with Customer C is also considered as more rigid. Ultimately, Firm X appoints a level of satisfaction of 3 out of 5 towards Customer C. Moreover, Customer C is amongst the *Butterflies* according to the interviewee.

4.5.4 The Relationship with Customer D According to Firm X

The relationship with Customer D is excellent according to Firm X. The motivation behind this is that 'everything concerning the business with Customer D has always been spot-on'. Included are the business deals that they have done in the past, agreements have always been held up and payments have never caused any issues. Firm X indicates to have business ties with Customer D prior to the existence of both firms and perceives that the interests of both firms are perfectly aligned. On top of that, the communication has always been pleasant and splendid. Firm X specifies that they consider Customer D as an essential customer to their firm. In conclusion, Firm X grades the relationship with Customer D as a solid 5 out of 5. In addition to this score, Firm X ranks Customer D in the category of *True friends*.

5. DISCUSSION

In the previous chapter, an overview of the interviews with Customers A, B, C, and D have been provided and these interviews have been analysed in order to determine factors that influence customer satisfaction. The results of the analysis will be compared with the literature review in this section. To do this, the comparative method analysis has been used.

5.1 Results of the Analysis Involving Customer A

Analysing the interview with Customer A has provided insights in variables that influence customer satisfaction for Customer A specifically. Amongst those variables is the preferred mode of communication. This is, alongside with the timing of the communication, consistent with the findings of Morgan & Hunt (1994) and Kumar, Venkatesan & Reinartz (2008). Likewise, it is consistent with adequate communication of the progression of the workflows. The timeliness of payments and the correctness of invoices complies with the findings of Hokanson (1995). According to Mithas, Almirall & Krishnan (2006), CRM improves the success of one-to-one marketing. This includes the efforts of after-sales services. Furthermore, the clarity and precision within agreements may enhance satisfaction, this is conforming with the findings by Kim & Kumar (2018). Lastly, the maintenance of healthy communication with clients receives support from Coltman (2006), ultimately resulting in increased performance of the firm. For the most part, the analysis of the interview with Customer A is receiving support from the literature.

5.2 Results of the Analysis Involving Customer B

The analysis of the interview with Customer B generated insights in some of the determinants for customer satisfaction of this firm. One of the findings regarding the mode of communication for Customer B is the quality of the communication, preferably through the richer modes of communication. The first matches the findings of Morgan & Hunt (1994) and Kumar, Venkatesan & Reinartz (2008). Additionally, Kim & Kumar (2018) found that the content of communication efforts should be well managed, i.e. the quality of the communication. The different modes of communication (rich and standardised modes) are addressed by Reinartz, Thomas & Kumar (2005) and Venkatesan,

Kumar & Bohling (2007). They have found an inverted U-shaped relationship between communication effort and customer behaviour; hence this does match the analysis, but it should be included that this level of communication benefits customer satisfaction, but up to a certain threshold. As Fournier, Dobscha & Mick (1998) indicated, too much communication effort has proven to be harmful for customer relationships. For Customer B specifically, the use of a customer platform may be a cause of dissatisfaction rather than satisfaction, contrary to what the literature suggests. This may however be explained by Coven & Slevin (1989) who argue that this type of firm may be reluctant in engaging with other firms and exposing information to these other firms. Finally, in contrast to the findings of Mithas, Almirall & Krishnan (2006), Customer B does not see any benefit in after-sales services as well as communication about the progress of workflows and believes these efforts are not useful. Customer B finds partial support from the literature.

5.3 Results of the Analysis Involving Customer C

The examination of Customer C has yielded several variables influencing the level of customer satisfaction for this organisation. Many of these variables receive support from Hokanson (1995). Inter alia, no problems regarding the method and fulfilment of payments. Furthermore, the quality of the services. Moreover, reasonable pricing of these goods and services as has also been reported by Customer C. The results reported by Kumar, Venkatesan & Reinartz (2008) correspond with the prompt reaction times as specified by Customer C. In contrast to Customer B, Customer C does see the benefit in adequate after-sales service and prefers to be contacted with a standardised mode. In other words, this influence is supported by Mithas, Almirall & Krishnan (2006). At last, the quality of the communication may be a major factor in the determination of customer satisfaction. Kim & Kumar (2018) corroborate this finding. For the greater part, the analysis of Customer C finds support in the literature.

5.4 Results of the Analysis Involving Customer D

Reviewing the interview conducted with Customer D, an in depth understanding of key factors that contribute to their level of satisfaction has been gained. Amidst these key factors are trust. Morgan & Hunt (1994) proposed the commitment-trust theory which evidently provides support to this factor. Moreover, the findings by Kim & Kumar (2018) correspond with the clarity in agreements and on top of that, the quality of communication as an indicator of satisfaction, which in turn led to a new addition to the existing variables: transparency. Amongst others, Hokanson (1995) proposed that proficiency of employees may be beneficial for customer satisfaction. Customer D indicated that the knowledgeable of Firm X appeases them, which matches this proposal. Furthermore, the fulfilment of payments in a timely manner is also conform to Hokanson's findings, with the addition of preference for automated invoicing. All in all, the examination of Customer D has been backed up by the literature, with two new additions proceeding from the interview with Customer D.

6. CONCLUSION AND IMPLICATIONS

In this final section, the conclusion will be presented alongside with recommendations for further research. Furthermore, limitations to this research will be provided as well as theoretical and practical implications.

6.1 Conclusion

As has been given notice before, CRM has provided many insights across a wide variety of business sectors. It has yet provided insights in firms of all sizes and to such extent that some scholars consider the concept of CRM to be matured. Nonetheless, applications of CRM and the potential benefits in niche markets seem to be unspoiled by research which makes this study relevant for academics and practice. Through literature review, an understanding of CRM and its practicalities has been collected. Thereafter, exploratory case studies with Firm X and their customers have yielded qualitative data through the use of semi-structured interviews, and these have been analysed to identify factors that contribute towards customer satisfaction in order to gain insights into the relationship between CRM and customer satisfaction within B2B niche markets. In this instance the German food machinery industry has been analysed. To answer the primary research question, the analysis of the qualitative data has predominantly received support from the literature provided in the literature review section. Through the use of semi-structured interviews, it has become evident that, for this particular industry, there is no ultimate best way to manage all relationships. Rather, it is the appropriate management of every customer relationship as Coltman (2006) has indicated. Since this specific market contains a relatively small number of firms, it may be worth it to invest time and resources into getting acquainted with the respective firm prior to spending on the customer relationship. To support this process, a firm might for instance use a classification of various customer groups such as proposed by Kumar (2018) or equivalent. Additionally, a firm may start tracking revenue streams and costs. When this is in motion, a metric such as CLV may be implemented to determine customers' value contributions. Consequently, a firm is better able to serve customer relationships accordingly and allocate customer management resources appropriately and therewith minimise the needless depletion of resources. Despite of the fact that this study contains a low N (N=4), there are various elements of customer relationship management that have shown to positively benefit the satisfaction of the customer. The literature review, which only resembles a small portion of what CRM embodies, points out that for instance the high-quality communication with customers and the adequate management of customer relationships contribute to the satisfaction of a customer and ultimately to the performance of the business. The case studies have yielded factors that mostly align with the theory. Amongst these factors are splendid communication, the clarity within agreements and others. In addition to the similarities, some more elements contributing to customer satisfaction were identified. For example, the fulfilment of obligations imposed by agreements. An overview of factors contributing to customer satisfaction can be found in Appendix F. In order to determine the significance of the impact of customer relationship management on customer satisfaction in B2B niche markets, further study is required. As an example, the question '*To what extent does customer relationship management have an influence on customer satisfaction in B2B niche markets?*' may be investigated.

6.2 Limitations

This study is confined by the fact that time spent on this research is limited. This written dissertation is designed to fit 10 weeks. Taking into account the portion of time devoted to the proposal of this research, this limits the timeframe of actual research. Moreover, Firm X and their customers retain limited resources. The financial resources a firm possesses may regulate the limits of spend on relationship management. Besides that, Firm X is a relatively new firm. There may be a lack of experience in the management of an organisation and thus the outcome of this

study could be somewhat distorted and could be a misrepresentation for other firms. Also, the geographical and demographical scope of this research is largely limited to solely Germany. The investigated niche market is also bound to the German food machinery industry. This may raise potential discrepancies in for instance company cultures, methods of management, or conducting business when investigating different niche markets and therefore these markets should be given plenty of thought before generalising conclusions. Ultimately, niche markets in general is a limitation for CRM practicality due to the distinct nature of different niche markets. Generally, the number of customers and suppliers in a particular niche market are relatively small. Also, the findings of this study are based on a small sample size, limiting generalisability. On top of that, each unique market is likely to have diverging motivating drivers, processes and habits. For these reasons, specific niche markets should be examined further prior to concluding which CRM applications are feasible for an organisation. Taking all of this into consideration, the validity and reliability of this research are fairly restricted to the unit of analysis researched in this study.

6.3 Theoretical Implications

Some of the limitations that have been mentioned in the previous subsection are also partially attributable to the absence of theory associated with the research topic of interest. As has been mentioned previously, generalisability is limited. Partial reason for this is the lack of applicable theoretical frameworks but also research on niche markets in general, not to mention studies on niche management. Plenty of research publications are available regarding the elements of customer relationship management but reports on niche markets and adequate management of these markets are scarce. Henceforth, the conclusions that have been drawn in this study need to be approached carefully and future research should aim to provide clarity in the discussion of niche markets and how they should be managed.

6.4 Practical Implications

According to the data retrieved throughout the interviews, it is often showing that the particular niche market investigated in this study may be, to a certain extent, observed as old-fashioned. Choice of preference often goes out to older methods which seemingly expresses itself in the form of little resistance towards technology (i.e. CRM in this study). Therefore, it is particularly important to take into account the background of the niche market of interest before applying changes to current systems or procedures. In addition, business in this market happens a lot based on good faith which implies that a purchase is frequently based on a verbal agreement and nothing more. Other niche markets could very well be different, and trust may definitely play a role in the implications for different niche markets. Furthermore, as mentioned before, Firm X is a young firm. Nonetheless, the employees of the firm encompass considerable experience in this industry. Therefore, the data suggests that the knowledge about the market itself is abundantly present but that of running the business suggests that there is still room for improvement.

6.5 Acknowledgments

I would like to thank my supervisors and the teaching staff for the support I have received whilst writing this paper. My recognition goes to my supervisors and my study advisor who all have provided me with feedback and also for being continuous support throughout this process. Furthermore, I would like to thank Firm X for this opportunity and the provision of a pleasant cooperation. Lastly, I would like to express my gratitude towards my family and friends for their support. Thank you.

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8. APPENDICES

Appendix A

Left out due to confidentiality.

Appendix B

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Appendix C

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Appendix D

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Appendix E

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Appendix F

Factors That Lead to Customer Satisfaction

Literature	<ul style="list-style-type: none"> • Appropriate management of the customer relationship • Prompt timing of communication efforts • High quality of the communication efforts • Friendliness of employees • Courteousness of employees • Proficiency of employees • Helpfulness of employees • Timing of billing • Clarity of billing • Correctness of billing • Reasonable pricing of goods/services • Good quality of goods/services
Customer A	<ul style="list-style-type: none"> • High quality communication • Simplicity in relationship management • Communication of the workflows • Quality of after-sales services • Clarity in agreements • Timeliness of payments • Correctness of billing
Customer B	<ul style="list-style-type: none"> • Maintaining agreements • Deadlines are being met • High quality communication • Mode of communication • Goodwill and cooperativeness regarding safety requirements
Customer C	<ul style="list-style-type: none"> • High quality communication • Quality of after-sales services • Maintaining agreements • Prompt reaction times • Flexibility • The ability to dispose larger sales volume simultaneously • No issues regarding payments • Reasonable pricing of goods/services • Good quality of goods/services • Goodwill and cooperativeness regarding safety requirements
Customer D	<ul style="list-style-type: none"> • High quality communication • Maintaining agreements • Clarity in agreements • Trust • Transparency • Proficiency of employees • Timing of billing • Automated billing • Goodwill and cooperativeness regarding safety requirements