

The impact of an economic crisis on the antecedents to the preferred customer status, a case study at Company X.

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ABSTRACT,

As competition in normal economic times for quality suppliers is becoming fiercer, firms are competing for quality resources that are scarcely available. A crisis makes being able to access those quality resources increasingly difficult and having a preferred customer status can ensure that businesses can still operate in these difficult times. This research shows, through qualitative interviews, that the main change in antecedents related to the crisis comes forth from a change in economic antecedents being predominantly important to a shift in relational and competence factors becoming increasingly important. Also some newly emerged antecedents have been discovered that were mostly not mentioned in other research.

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Keywords

Preferred customer status, customer attractiveness, supplier satisfaction, crisis, buyer-Supplier relationship, preferential treatment.

1. SITUATION AND COMPLICATION

Currently, there is additional pressure on purchasers to buy external resources, but they have to do so from a decreasing pool of quality suppliers (H. Schiele, 2008, p. 29; Schröer, Schiele, & Hüttinger, 2014, p. 697). Cordon and Vollmann (2008, p. 55) build on this, stating that “in certain markets there appear to be a low number of quality suppliers and these quality suppliers are in high demand”. In these markets, suppliers have to make the choice which customers they serve and to what extent these customers will be served (Gulati, Nohria, & Zaheer, 2000, p. 210; Holger Schiele, Calvi, & Gibbert, 2012, p. 1179). Due to this phenomenon, suppliers are becoming increasingly selective with whom to conduct business and the issuance of goods may not be equally distributed amongst all of their customers (Holger Schiele et al., 2012, p. 1179). Building on this trend, that the amount of potential quality suppliers is decreasing, it is becoming increasingly difficult in order to access these vital resources that are essential for these firms to function in their competitive environments (Schröer et al., 2014, p. 697). Holger Schiele et al. (2012, p. 1179) state that “in uncertain cases, suppliers first attend to their strategically important preferred customers and only subsequently conduct business with their regular customers”. A clear cut example of this would be the current corona-virus outbreak. Giant companies, such as Apple, GM and Tesla, are diversifying from their product portfolios in order to help hospitals to acquire the needed medical supplies - such as masks and ventilators - in order to combat the corona virus (Axios, 2020, 22 March). This, however, means that this is having an effect on their normal business activities and their outputs and thus buying firms have to compete for these scarcely available resources. This is just one example of the recent catastrophic situations that occurred in supply chains. Examples of other disruptions are the mad-cow disease that lead to a shortage of leather goods in Europe, driving up the prices of all sorts of products such as, handbags, shoes and having an impact on for example the car and furniture industry (Williams, 2001). Another example of a crisis that disturbed operations is the earthquake in Taiwan, that had a major impact on the earnings of Dell due to a severe increase in the memory chip prices (Kanellos, 2002). A more recent impact of a crisis on supply chains comes from the recent corona virus outbreak. With the development of the virus starting in China, steel production in that region remained high, however, the global economy and demand for steel have gone down since. This lead to steel inventories reaching an all-time high and thus having direct influences on the prices of steel (Bloomberg, 2020). This price fluctuation in turn impacted many industries that work with this commodity.

With the shift from closed innovation to open innovation, Mazzocchi (2004, p. 474) argued that “the internal innovation paradigm is considered to be obsolete compared to the external innovation paradigm”. This shift in focus, however, does mean that corporations are increasingly becoming dependent on one another for their strategic and competitive resources (Terpend, Tyler, Krause, & Handfield, 2008, p. 34). They are thus more liable to risk and uncertainty and more dependent on their suppliers compared to the previously used, common, closed innovation paradigm. Abe and Ye (2013, p. 569) have showcased the transformation of a national supply chain into a global supply chain. In doing so they have showed that global supply chains are exposed to an additional amount of (disaster) risk and supply chain disruptions (Abe & Ye, 2013, p. 570). Hendricks and Singhal (2005, p. 35) advocate that disruptions in a supply chain

can cause underperformance with as much as -40% decrease on the stock market.

Measures taken by the government in order to slow down and control the virus, such as social distancing, are not only disrupting the pandemic, but they are also having an impact on the flow of products and people, they are stalling the economy and due to this we are in the process of delivering global stagnation (Carlsson-Szlezak, 2020) Being the preferred customer of suppliers that deliver essential strategic resources to your company can thus ensure that normal business operations can continue in times of crisis. In his research, H. Schiele (2012), has shown that preferred customers gain all kinds of benefits and a competitive advantage can be attained through these benefits which ultimately leads to market share gains. This, however, is not the only benefit of having the preferred customer status. Nollet, Rebolledo, and Popel (2012, p. 1187) showed that preferred customers are getting superior treatment compared to regular customers when it comes to availability and product quality, delivery times, prices and support in the entirety of the sourcing process.

As can be seen, “firms can achieve great competitive advantages if the supplier offers the firm preferential resource allocation” (Holger Schiele et al., 2012, p. 1178). However, a clear conceptual model, regarding the preferred customer status and its antecedents, remains absent in the current literature. From the literature it is clear that the preferential status can give a company a considerable competitive advantage, but there is a lack of knowledge on how to become the preferred customer of leading suppliers and what kind of impact a crisis can have on preferred customership and its antecedents. Hüttinger, Schiele, and Schröer (2014, pp. 703-711) have shown that growth opportunity and reliability are the main drivers of achieving a preferred customer status, whereas relational behavior was not significant in a non-crisis situation. One could expect that in times of a crisis certain antecedents to preferred customer status become more important, think of relational behavior of the customer for example. With the increased uncertainty that an economic crisis brings factors such as solidarity and mutuality might become more important in the eyes of the supplier and thus there may be a shift in focus when it comes to the antecedents of preferential treatment in times of a crisis. One could argue that some suppliers might value superior relational behavior in order to increase resilience to the crisis and improve cooperation through creating a familiar feeling (Walsh, 1996, pp. 1-4), whereas other suppliers may value transparency due to demand uncertainty (Fetzer, Hensel, Hermle, & Roth, 2020). Financial distress due to liquidity problems (Carlsson-Szlezak, 2020) may in turn have an impact on suppliers which means that certain suppliers are going to favor flexibility in payments or just to be more flexible in general. Problems with logistics in times of crisis and longer lead times (Fontaine, 2020) could also be a driver of change and thus flexibility in governance or adherence of contracts may be perceived as more important by a supplier. By doing this research we are trying to find out which antecedents become more important in the eyes of suppliers and purchasers during a crisis. This, of course, raises questions and additional research needs to be done, which brings us to the following research question; **Do the antecedents to preferential customer treatment change in times of a crisis, if so, which antecedents become more important?** In the upcoming part will be shown what the goal of the research is and how this research can have an impact on both the academic and the business community.

The objective of this research is not only to build onto the existing knowledge base and theories that have been used in previous research, but also to put it into the light of a new perspective, namely in times of a crisis. Schröer et al. (2014, p.

713) have conducted research into the antecedents of customer attractiveness, supplier satisfaction and preferred customer status in the automotive industry. In order to enrich the findings more research is needed in different industries in order to come to shared conclusions. On top of that they stated that “it is possible that there are more antecedents deemed relevant for suppliers that were not named in the discussion rounds”. Schröer et al. (2014, p. 713) state that “buyer and supplier perspectives may differ sometimes”. Due to this difference in perception, certain antecedents that are valuable in the eyes of the suppliers might be missing in their so called “world-café” approach. To the knowledge of the researcher, no combined research has yet been conducted with regards to preferential treatment and the impact that a crisis has on the antecedents to preferential customer treatment. Which means that findings on this topic will be generally new and can only be compared to pre-crisis situations. On top of this, the research field of preferred customer status is relatively new and according to Hüttinger, Schiele, and Veldman (2012, p. 1204) and Jarzabkowski and Wilson (2006, p. 348) a field needs so called “actionable tools” for managers and decision makers in order for that field to mature.

By doing this research we are trying to improve the knowledge in the academic and business world in the following way. Firstly, previous research has mostly only taken the buying perspective into account so far when formulating the antecedents (Pulles, Schiele, Veldman, & Hüttinger, 2016; Schröer et al., 2014). In this research, both the perspective of the supplying firm and the purchasing firm will be taken into account. Hüttinger et al. (2014, p. 711) mentioned the following: “we see that not all of the factors that have been identified as influencing factors by the buyers are equally valued by suppliers”. This research will build on the already existing knowledge and thus contribute to a useable conceptual model that can be used by academics, giving a clearer picture on what values are important in times of crisis in order to remain the preferred customer of leading suppliers. It will be compared with a pre-crisis situation to see what differences become apparent. This research is trying to build on the relatively new knowledge and thus build on a conceptual model so that more “actionable tools” can be developed. Mainly, so that the preferred customer status can be maintained during (uncertain) times.

Secondly, the business community will also benefit in the following way. This research will try to offer purchasing managers to have a better understanding of which antecedents to preferential customer status gain importance in a crisis. Managers can then use this in their own supply chain in order to still be able to source (strategic) resources in difficult times. Not much research has been done on what impact a crisis has on supply chains and on the antecedents to preferential treatment in general. This research will build onto the (limited) knowledge that there currently is in this field so that better “actionable tools” can be developed. This research will thus attempt to show what impact a crisis can have on a supply chain and what can be done to remain the preferred customer in such drastic times and how antecedents possibly change in these times. In the following section the history of the preferred customer status will be shown and the theoretical foundation on which the research is based will be introduced.

2. THEORETICAL FRAMEWORK

2.1 Evolution of the purchasing function and the Preferred Customer status (PCS)

The evolution of the purchasing function started out with logistics becoming more important, especially in the period after 1940 (Cousins, Lamming, Lawson, & Squire, 2008, p. 11). Of course, World War II had a significant impact on this. In the 1970s, the role of the purchaser was still not seen and recognized as being able to contribute to a competitive advantage and was seen as more of an administrative position (Cousins et al., 2008, p. 11). In the 1980s, firms began to realize that the purchasing function was indeed contributing to the competitive advantage of a firm and terms such as “supply chain management” began to emerge (Cousins et al., 2008, p. 12). The term preferred customer status first made its appearance in the 1970s. Hottenstein (1970, pp. 46-47) was the first to introduce the concept of preferred customer status in which he stated that “most businesses have a preferred customer’s list, which may be based on past orders or expectations of future business”. He mentioned that firms would exercise additional effort in the relationship with their most important customers, so that orders were going out in a timely manner and they were thus able to keep their favorite customers content. A few years later, Brokaw and Davisson (1978) started to investigate the concept of buyers making their firm as attractive as possible for (important) suppliers. The concept was then further investigated by Blenkhorn and Banting (1991, p. 187) under the name of “reverse marketing” in which the traditional dyadic supplier-purchaser relationship was challenged. The concept of reverse marketing has gained more popularity in recent years. Nollet et al. (2012, p. 1186) build on this and state that “suppliers, especially those recognized as excellent or exceptional, are wooed by potential clients, and even by existing ones who want to increase their business with them”. Nollet et al. (2012, p. 1186) claim that “purchasers have no choice but to come up with proactive supply strategies so that the relative position towards these quality suppliers improves”. The research of Nollet et al. (2012) shows the importance of a purchasing firm becoming more attractive in the eyes of a supplying firm and better being able to satisfy suppliers in order to be able to get access to additional resources and more competitive resources. In the following section the scope of the research is shown and different useful theories that could be used are looked into.

2.2 Social exchange theory and preferred customership

In the search for a useful theory or concept that could prove to be useful, the following theories seemed applicable, in helping to explain and analyze the concept further. Firstly, the Transaction Cost Economics theory (TCE) can help us to understand to what extent a company is willing to either make or buy (outsourcing) a specific resource (Cousins et al., 2008, pp. 31-32), but fails to understand the role of social relationships in economic transactions. On top of that it is focused on cost-minimization, which is not necessarily what this research is focused on, even though cost-minimization can be a benefit of preferred customership (Nollet et al., 2012, p. 1187). Secondly, the resource-based view (RBV) according to Steinle and Schiele (2008, p. 5) is that “a firm’s competitive advantage is explained

by its superior internal resources, such as financial, physical, organizational, technological, intangible and human resources". Which could be useful in determining what resources contribute to a firm's competitive advantage. The theory, however, fails to understand how a manager should obtain such resources and the underlying relationship these firms have with each other. It does not employ a strategy that a manager can use in order to obtain these resources. A theory that is better able to understand these dynamics is the social exchange theory. P. M. Blau (1964, p. N.A.) and Emerson (1976, p. 336) define social exchange as "a two-sided, mutually contingent, and mutually rewarding process involving transactions or simply exchange". The following inquirers have used the social exchange theory as their theoretical basis in their research (Pulles et al., 2016; Holger Schiele et al., 2012; Schröder et al., 2014). According to Holger Schiele et al. (2012, pp. 1179-1180) the social exchange theory is popular in explaining preferred customership, since "the core issues that are discussed by the social exchange theory include questions of relationship initiation, termination and continuation". They mention that "this issue is central to the process of becoming a preferred customer or, in the worst case scenario, are suffering from relationship discontinuation" (Holger Schiele et al., 2012, p. 1180). Holger Schiele et al. (2012, p. 1180) have created the cycle of preferred customership to better be able to understand this relationship, see **Figure 1**.

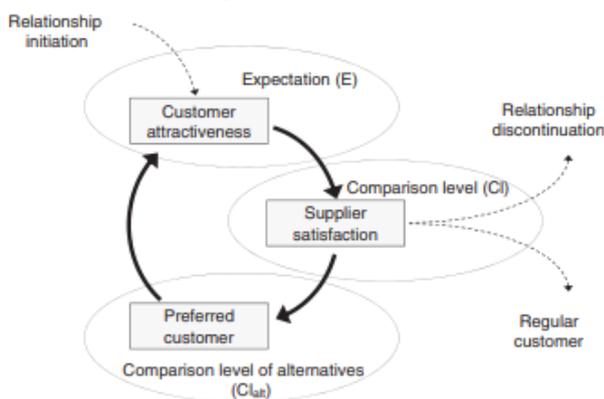


Figure 1. The cycle of preferred customership (H. Schiele et al., 2012 p. 1180)

The cycle of preferred customership has three important elements, namely Expectation (E), Comparison level (CL) and Comparison level of alternatives (CLalt). It all starts with Expectations that firms have of each other, if there is enough attraction a relationship can be initiated. P. Blau (2017, p. 20) explains attraction as "a person expecting an exchange to be mutually rewarding for both himself and the opposing party". Holger Schiele et al. (2012, p. 1180) claim the following; "A customer is seen as attractive by a supplier if the supplier in question has a positive expectation towards the relationship with this customer". The Comparison level is then used in order to judge if the minimum criteria of the relationship have been attained. According to Hüttinger et al. (2012, p. 1194), customer attractiveness must be present in order for a relationship to be initiated or intensified. Thus increasing or improving these, will satisfy a supplier to a greater extent. Meaning that when expectations are met, supplier satisfaction will follow (Hüttinger et al., 2012, p. 1194) Judging by this, the relationship can either be discontinued, or continued to the next stage. The comparison level of alternatives is the next stage and lets a supplier decide whether to assign a "normal" or a "preferred" customer status to their customers. A customer will be assigned the preferred customer status, "if the supplier offers the buyer preferential resource allocation" (Holger Schiele et al., 2012, p. 1178).

Hüttinger et al. (2012, pp. 1194-1195) define it differently and stated that "if a supplier is more satisfied with certain customers then others, the former will receive the preferred customer status and thus enjoy the benefits that are acquired through this status". The concepts of customer attractiveness, supplier satisfaction and preferred customer status are not stand alone concepts, meaning that customer attractiveness influences supplier satisfaction, supplier satisfaction in turn influences the preferred customer status and the preferred customer status in turn has an impact on customer attractiveness again, it is cyclical (Holger Schiele et al., 2012, p. 1178). Since quality suppliers have so much choice in whom to award the preferential treatment to, purchasers are constantly evaluated and could thus be replaced once a more interesting firm comes to their attention. The following section will show the benefits that can be acquired once the status of preferred customer has been attained.

2.3 Benefits of the preferred customer status; working closely with the supplier to achieve a competitive advantage

There are a lot of different drivers to the concept of the preferred customer cycle, which will be looked into in a future paragraph, but it is not clear what kind of benefits can be expected through such a cooperation. The introduction of the preferred customer status already made firms more aware of the fact that different firms get different treatments based on the likings of the supplier. In this section we will thus highlight some of the benefits that can be expected through close collaboration with a supplier.

Blenkhorn and Banting (1991, p. 188) showed that the preferred customer status can be the beneficiary of price savings ranging from as much as 5-30 %. Christiansen and Maltz (2002, pp. 181-182) showed that the PCS can give access to highly skilled employees of that supplier, access to the newest technologies and innovations from their suppliers (even before commercial release), information sharing that allows easier access to other markets and lead time reduction of as much as 10 weeks. Bew (2007, p. N.A.) showed that a preferred customer is ahead on the basis of three aspects compared to a regular customer, namely consistency, scarcity and critical mass. In which consistency and scarcity were explained as: "The supplier consistently addresses your organizations needs above others and acquires more limited available or scarce resources through this cooperation". Critical mass is not important for our research and will thus not be addressed. Through a survey, Bew (2007, p. N.A.) showed that "preferred customers get access to resources that are short in supply, first access to innovations and service ideas and technologies and on top of that the preferred customers were offered unique cost minimization opportunities". Kim and Ok (2009, p. 230) argued that "special treatment comes in the forms of additional or attuned services, faster lead times and better prices". Nyaga, Whipple, and Lynch (2010, p. 111) showed that buyers and suppliers can both benefit from a collaborative relationship and they can both gain performance benefits when taking part in such a relationship. Holger Schiele et al. (2012, p. 1178) showed that the preferred customer status leads a supplier to "dedicate its best personnel for joint product development purposes, customization of products according to the wishes of the buying firm, offering of the newest innovations first to the preferred customer and ensurance of privileged treatment if bottlenecks occur due to constraints in production capacity". Advantages that were highlighted in the research of Nollet et al. (2012, p. 1187) include a higher product quality, more access to

innovations, higher levels of support, a higher delivery reliability, lower purchasing prices and cost-minimization ideas. Pulles, Veldman, and Schiele (2014, p. 415) have shown in their research that the preferred customer status can give a buying firm access to innovations of their suppliers and are thus positively contributing to the competitive advantage of a firm. One can argue, that most of these benefits could be really useful in uncertain times, so that even in times of crisis a company can maintain and keep its normal business operations running. For a better overview a table has been created, it can be viewed in **Appendix A**. In the next section, the main antecedents will be introduced and research that have used these concepts will be highlighted.

2.4 Antecedents of preferred customer status, customer attractiveness and supplier satisfaction

Recently more and more research has been conducted into the antecedents to preferential customer treatment. They can be divided into three main categories, namely **customer attractiveness, customer satisfaction and preferred customer status**. Each antecedent has second tier antecedents that in turn have an influence on the first tier antecedents. For the following part the most important antecedents will be summed up and divided into the three first tier antecedents based on research that has been conducted into the preferred customer status.

2.4.1 Customer attractiveness

Firstly, **customer attractiveness**, the first requirement or threshold in order for a relationship to be initiated with suppliers. Where Fiocca (1982, p. 57) explains customer attractiveness and segments customer attractiveness into different dimensions, in which the following dimensions are used; market factors, competition factors, economic and financial factors, technological factors and socio-political factors. In his research both perspectives in the dyadic buyer-supplier relationship have been taken into account. Harris, O'Malley, and Patterson (2003, pp. 9-11) also conducted research into the concept of attractiveness and state that attractiveness can be split into three main groups of antecedents, which are based on social, resource and economic based factors. They discussed that attraction is interlinked with commitment, trust and relationship development. Hüttinger et al. (2012, p. 1203) researched the concept of customer attractiveness and came up with 5 factors, which included market growth factors, risk factors, technological factors, economic factors and social factors. They based their research on previously conducted research in which they pooled the most important antecedents from that research. Hüttinger et al. (2014, p. 712) later conducted different research into customer attractiveness and tested multiple antecedents, in which only operative excellence, growth opportunity and relational behavior had a significant effect on customer attractiveness. Firms that had an annual turnover of €100 million or less appeared to have a significantly stronger relationship between operative excellence and customer attractiveness. Thus the impact of operative excellence is bigger for smaller firms. A table of customer attractiveness and its antecedents have been created for a better overview, see **Table 1**.

2.4.2 Supplier satisfaction

Secondly, **supplier satisfaction**, in which suppliers and buyers work together to create a competitive advantage through sharing resources, such as capabilities, ideas and materials (Koufteros,

Vickery, & Dröge, 2012, p. 93). This means that for buying firms it can be highly interesting to collaborate with suppliers and thus achieve a better competitive advantage. The following research and their dimensions will give a better understanding of supplier satisfaction. Essig and Amann (2009, pp. 106-109) proposed a structure of supplier satisfaction which contains three dimensions and 6 factors. The dimensions (and factors) are strategic level (Intensity of cooperation), operative level (Order and billing delivery) and accompanying level (communication, conflict management and general view). In **Appendix B**, the structure of the satisfaction index that was created by Essig and Amann (2009, p. 109), can be viewed. Nyaga et al. (2010, pp. 107-111) investigated the concept of supplier satisfaction and performance through three variables which included; information sharing, joint relationship effort and dedicated investment. They investigated the impact of these three variables on performance and supplier satisfaction through two mediating variables, trust and commitment. They found that all three variables impacted satisfaction and performance through the mediators trust and commitment. Meena and Sarmah (2012, p. 1236) found that coordination policy, sourcing policy, corporate image and payment terms were all positively impacting supplier satisfaction. Vos, Schiele, and Hüttinger (2016, pp. 4615-4618) have extended the research of Hüttinger et al. (2014) with the inclusion of one extra variable, namely profitability. They have shown that reliability, profitability, growth opportunity and relational behavior are relevant antecedents of supplier satisfaction in relation to direct procurement (procurement that directly has an impact on the competitive advantage of a firm). Other interesting conclusions were that supplier satisfaction has a positive effect on the awardment of preferred customership which in turn has a positive impact on the supplier giving preferential resources to the receiving firm of that status. A lot of the research is focused on or includes economic drivers of supplier satisfaction, but in their book Cordon and Vollmann (2008, p. 55) specified that supplier satisfaction can also be attained through being a so called "smart customer" and is not always created through economic drivers only. A table of supplier satisfaction and its antecedents have been created for a better overview, see **Table 2**.

2.4.3 Preferred customer status

Thirdly, **preferred customer status**, where the preferred customer differentiates itself from other regular customers due to the fact that the preferred customer gets "preferential resource allocation" (Holger Schiele et al., 2012, p. 1178). The following studies highlight some of the antecedents that have been used. Moody (1992, p. 52) analyzed the buyer-supplier relationship and used terms to define a "best customer" such as early commitment to partnership, crisis management/response, communication and feedback, response to cost reduction ideas, schedule sharing, profitability, quality initiatives, involvement in product design, mutual trust and early supplier involvement. Interestingly technology sharing and training and education were not seen to be very important according to the respondents of the survey. Baxter (2012, p. 1251) tested and used 3 variables in their research, which they thought had an impact on preferred customership, namely customer financial attractiveness, supplier commitment and supplier satisfaction. Both financial attractiveness and supplier commitment were directly significant in relation to preferred customership. However, supplier satisfaction was not seen to be directly significant to preferred customership. Supplier satisfaction did however influence supplier commitment, which then influenced preferred customership, so indirectly it did attribute to higher preferential resource allocation. Ellis, Henke, and Kull (2012, p. 1265) found that good corporate buying behavior does have an effect on the

preferred customer status. They have found that relational reliability and supplier involvement (in New Product Development) in particular positively affect the suppliers perception of the buying firm. Share of sales, however, was not seen to be significantly affecting the preferred customer status in their research. Meaning that growth opportunity and profitability are not always the main drivers awarding preferential treatment and thus smaller corporations can also gain this status through different means. Hüttinger et al. (2014, p. 712) have shown and tested 8 antecedents to preferential customer status, where only growth opportunity and reliability turned out to be significant in their study. The other tested antecedents were innovation potential, operative excellence, support of suppliers, supplier involvement and contact accessibility. As mentioned previously, Vos et al. (2016, p. 4618) researched and found that the preferred customer status directly has an influence on preferential resource allocation and thus ensurance of resources, even in scarce times. A table of the preferred customer status and its antecedents have been created for a better overview, see **Table 3**. In the following part it will become more clear what impact a crisis can have on supply chains.

2.5 The impact of a crisis on (global) supply chains

Natarajarathinam, Capar, and Narayanan (2009, pp. 535-536) stated that with the introduction of concepts such as “built-to-order”, “vendor managed inventories” and “just-in-time” concepts, supply chains are exposing themselves to more risk. These concepts are all creating a leaner supply chain, but ultimately also introduce more risk due to less margin for errors. Munyimi and Chari (2018, p. 2) built on this and argued that “many procurers are developing single source suppliers because of the pressure to increase quality, reduce inventory, develop just-in-time systems and decrease time to market”. These concepts could prove fruitful in a normal economic cycle, however, they could work counterproductively in times of crisis. Another term that gained importance in the 1990s, supply base reduction (Cousins et al., 2008, p. 44), can also prove to be counterproductive in times of crisis. This concept introduced the consolidation of the supplier base to a few major suppliers, which gave significant cost advantages, but in times of crisis, having a small supplier base can have the opposite effect. Even though these strategies may have worked in a normal economic cycle, these strategies could have the opposite effect in a crisis situation (Tang, 2006, p. 451).

In order to better understand the crisis and the additional uncertainties during these times the following conceptualizations are used in order to better be able to understand the crisis and its impact. Knight (2012, p. N.A.) and Paccos (2010, p. 3) define uncertainty as “peoples inability to forecast the likelihood of events that are happening”. Natarajarathinam et al. (2009, p. 536) define a crisis as “an unstable or crucial time or state in which a decisive change is impending, especially one with the distinct possibility of a highly undesirable outcome. They specify this by saying, “crisis in a supply chain occurs when one or more supply chain members’ activities are interrupted, resulting in a major disruption of the normal flow of goods or services”. Another definition of crisis is given by IFRC (2020) in which they specify a crisis as “a sudden, calamitous event that seriously disrupts the functioning of a society or community and causes human, material and economic or environmental losses”.

As mentioned before, a crisis, and especially one that is caused by a global pandemic, interrupts the flow of goods severely and creates changing demand patterns, mostly leading to a rapid

decrease in demand (Bell & Blanchflower, 2011, p. 2). This becomes clear in the agricultural industry, where as much as a 40% decline in demand is expected due to the hospitality sector closing down (Leijten, 2020). This is just a mere example of changing patterns. The flow of goods is also interrupted. In Italy, which was locked down at the time of writing, MTA, which supplies to many large international car companies, has been forced to close (Johnson & Ghiglione, 2020). Their weekly delivery schedules are heavily disrupted due to this shut down. Major car manufacturers to whom they normally supply do not get their components, which has major impacts on the rest of the supply chain, of course. These so called “spillover effects” can be expected in a globalizing world, where Brown (2010, p. N.A.) called the 2007 financial crisis; “the first crisis of globalization”. Besides, the economic crisis also has an impact on employment rates and business closures (O’Reilly, Lain, Sheehan, Smale, & Stuart, 2011, p. 582). The latter authors mentioned that “the internationalization of capital has tied economies together so intricately, creating new interdependencies, that a crisis in one country, has had major repercussions in other economic regions around the world”. Firms who were not able to deal with the loss of demand or firms who were struggling with liquidity or who could not raise any finance, went bankrupt as a result (O’Reilly et al., 2011, p. 582). All-in-all it becomes clear that supply chain disruptions and crises could have a significant impact on a supply chain, but how does this relate to the preferred customer status?

2.6 Changing values in an economic crisis; different perceptions and work-related attitudes and implications for the PCS

Whereas previous research has shown that growth opportunity and reliability were the two main drivers that lead to awardment of the status of preferred customer (Hüttinger et al., 2014), one could argue that in times of uncertainty other drivers may be more important in the eyes of the supplier. In uncertain economic times perceptions may change in both the buying and the supplying firm, which changes the underlying relationship. We will highlight some inquiries that show what effect the crisis can have on employees and work-related attitudes and show how this relates back to the preferred customer status.

A study, conducted by Bell and Blanchflower (2011, pp. 9-12), showed that general levels of happiness are decreasing due to an economic crisis. On top of that unemployment rose. This same study showed that the economic crisis had an impact on work-related evaluations. Another study, conducted in the Iranian banking sector based on the 2007 financial crisis, showed that the crisis had a negative impact on motivation levels and job security (Mehri, Iqbal, Hekmat, & Ishaq, 2011). In a different study, performed by Markovits, Boer, and van Dick (2014, p. 413) was shown that a crisis has an influence on and changes the attitudes of working employees. In their study Markovits et al. (2014, p. 414) explain affective commitment as “an employee, who, strongly identifies with the goals of the organization and desires to remain a part of the organization”. They showed that affective commitment strongly decreased in a crisis, meaning that employees to a certain extent align themselves less with the goals of the company, and this, of course, works counterproductive. On top of that employees in a crisis situation reported significantly lower job satisfaction as well as lower job security satisfaction. This research showed that “attitudes are not stable and can

change due to social influences and developments from the external environment”, thus a crisis can have an impact on perceptions and change them. All these studies have in common that an “uncertain situation” accumulated through a crisis can have a severe impact on work-related attitudes and thus be capable of changing the behavior of employees. Meaning that employees will also behave differently in the day-to-day contact with suppliers. Cordon and Vollmann (2008, p. 42) built on this and state that “perceptions are what really matter in collaboration, so let these be a key part of how you evaluate the results”. They emphasize this and state that “it is the individual perception that counts and supervisors should be carefully looking for complacency and bad stories”. “It is critical for personnel in both firms in order to remain passionate and committed to enhancing the relationship” (Cordon & Vollmann, 2008, p. 42). Meaning that managers should be on the lookout whenever friction arises between employees and their corresponding companies, especially in times of crisis.

These changing perceptions are not only present in the individual, businesses also adapt their behavior and change strategies during a crisis. Paunov (2012, p. 25) showed in his research that 25% of the firms evaluated in their research had put a halt to innovation investment projects in a crisis situation. In his research, Paunov (2012, p. 25) noticed that process innovation rose, however. He suggested that this may be due to the fact that corporations are focusing more on “efficiency improvements”, thus signaling a change in strategy in times of crisis. O’Reilly et al. (2011, p. 582) conducted research into the crisis and noticed that an immediate effect on the economy is the lay-off of jobs and closure of businesses. In a sense, that companies are essentially losing human capital. O’Reilly et al. (2011, p. 582) also noticed that a lot of firms struggled with their liquidity and those firms, that could not manage these problems, as a result went bankrupt. Factors like these can have a significant impact on the perception of the supplier, and thus attraction and satisfaction levels may diminish. One could also look at it from the perspective of the supplier and focus on improving attraction and satisfaction levels in a crisis situation to strengthen the PCS. Due to the crisis, it became harder for firms to obtain credit which limited them in their normal day-to-day trading activities (Bell & Blanchflower, 2011, p. 2). Signaling that suppliers may favor flexibility in payments, which could lead to a positive change in perception in the suppliers’ eyes. It becomes clear that in times of crisis, perceptions on an individual level change, but also on an organizational level and this can in turn have a serious impact on the buyer-supplier relationships. Meaning that constant evaluation, especially in the relationships that involve strategic resources for a firm, could be beneficial. How does this all relate back to the PCS?

It is to be expected that economic antecedents such as profitability and growth opportunity will disappear into the background in a crisis situation. According to CPB (2020) the GDP of the Netherlands will (in the basic scenario) go down with 6%. With additional uncertainties and risks of a second wave of the pandemic having an additional impact on investor confidence. This directly implies and it is to be expected that a focus on economic factors will become less relevant during the crisis, which leads us to the following hypothesis. Hypothesis 1a: **Economic factors will become less relevant during the crisis.** It is expected that due to growth being less likely in a recession the focus shifts from economic factors, being most prevalent before a crisis, to other categories gaining more importance during a crisis. Moreover, a Dutch minister stated that the key to surviving and minimizing the risk was to focus on cooperation during this crisis (Haverkate, 2020). Implying that to get through this crisis, businesses have to work together and focus on

cooperation and mutual survival. Thus, hypothesis 1b is: **Social/relational factors will become increasingly important during the crisis.** It is to be expected that businesses refocus their attention in which a shift occurs from economic factors to relational factors. A research model has been created that takes into account the antecedents to the preferred customer status and the influence that the crisis has on them, see **Figure 2**. In the next section the company will be briefly introduced, the limitations and strengths of the research design will be discussed, sampling criteria will be shown and the interview design and analysis will be discussed.

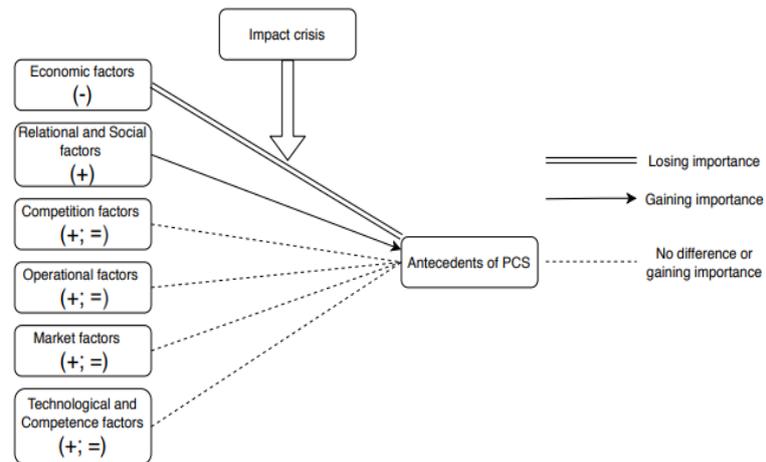


Figure 2. Research model

3. METHODOLOGY

3.1 Company introduction of Company X

Company X is a company that is mainly focused on the installation side of the construction process. They are currently working with a lot of different national and international suppliers with a whole range of different products. Most products are being sold nationally, however, a lot of products are being purchased from a whole wide variety of international suppliers both in Europe and outside of Europe. Most of company X’s customers are active in housing, construction, industry and (semi) governmental sectors. **Some information about company X has been removed in order for company sensitive information to remain anonymous.** In the next section the research design will be discussed.

3.2 Research design

In this section more information about the research design can be found and the strength’s and limitations of the design that have been chosen. Also the research population that is used will be looked into. Hodkinson and Hodkinson (2001, pp. 1-11) showed that Case studies have multiple benefits over quantitative research. Firstly, qualitative research offers a perspective which is called “lived reality”, which quantitative research is not able to show. Secondly, qualitative research is able to show and understand complex inter-relationships. Another strength of qualitative research is that it can bring unexpected relationships to light. On top of that, case studies can show the processes involved in causal relationships. Also, “Case studies are particularly appealing for advancing a field’s knowledge base” (Queirós, Faria, & Almeida, 2017, p. 377), which is the goal of the research. Generalization however can be an issue due to the small sample size (Queirós et al., 2017, p. 379), but more

research has been conducted into these topics and results can be compared with other studies (peers) in order to come to shared conclusions. Quantitative research, on the other hand, has the advantage of a larger scale and more respondents with less to no interviewer bias at all (Queirós et al., 2017, pp. 382-383). However, a weakness of quantitative research is that it does not take human perceptions into account and in-depth questions will not be able to be asked through this method (Choy, 2014, p. 101). In an ideal world the mixed methods approach would be preferable and could lead to better results (Queirós et al., 2017, p. 371), but this is not possible due to time constraints. Thus, a qualitative case study research design is suitable for answering the research question. In the next section the sampling criteria will be briefly explained.

3.3 Sampling

In total 6 interviews have been conducted in which three were conducted with a buying firm and three were conducted with supplying firms of Company X. The interviewees were selected on the basis of a few criteria. For the buying firm employees needed to be active and working for the purchasing department. The supplying firms were selected on the basis of whether a preferred customer status was given by the suppliers to company X. Also, the suppliers were required to be delivering important and strategic resources to company X. Moreover, all the firms needed to be in active in the private sector. On top of this, both the supplying and the purchasing firms needed to have a history with each other and the preferred customer status should have been awarded some time ago by the suppliers. Meaning that there was already a longer lasting relationship in place between the supplying firms and company X and that this relationship or the PCS was not recently initiated. For the buying firm two purchasing managers have been interviewed and one purchasing director. For the supplying firms a key account director, a key account manager and a business manager have been interviewed. Another requirement was that most of the managers and directors had to be working for some years for their companies, so that enough knowledge about their corresponding companies and the underlying relationship between them would be present. The gender of the participants was not necessarily important in this study. All of the managers and directors that have been interviewed were Dutch and thus the interviews have been conducted in Dutch. In the next section the design of the interviews and the analysis process will be introduced.

3.4 Interview design and analysis

In this study, interviews have been conducted that contained a set of structured questions that all had their own sub questions. In order to get the most information rich cases follow-up questions have been asked so that more depth and a better understanding of the concepts could be achieved. By doing so the relationship between customers has been classified and the benefits have been mapped. Also, the antecedents to preferential customer treatment will be looked into, to get a better understanding of what suppliers and buyers value in times of crisis. In order to be able to conduct this in an orderly fashion, two structured interviews have been constructed, which were partly based on previous studies. These interviews were slightly modified to account for the crisis aspect in this study. The interviews have been transcribed using the software from Amberscript (Amberscript, 2020). Once transcription was finished the coding sequence was started. A combination of two strategies have been used when coding the data, in which deductive coding was used most frequently and for the newly emerged categories, that did not fit within any of the categories, new ones have been created, through

inductive coding. This process was done by the use of the software from Atlas.ti 8 (Atlas.ti.8, 2020). In order to reduce negative impact on the outcomes, codes were applied to paragraphs, so that individual codes (codes which were mentioned frequently, such as growth and cooperation) did not inflate the results. Over 200 codes were initially created in which redundant codes have been deleted and overlapping categories were merged together. This ultimately led to 177 codes. The codes were grouped together and depending on the context split to a “before crisis situation” and a “during crisis situation”. In order to categorize and group the quotations 6 different groups were created for the purpose of this study. The groups were constructed on the basis of competition, economic, market, social and relational, and technological and competence based factors. This allowed for a clear overview of all the different concepts and allowed for a consistent coding process. The analysis has been conducted manually with the help of Atlas.ti.8 (2020). This program had an excellent built-in analysis tool which enabled the researcher to create overviews per category. The codes were all assigned to a group, mentioned above, so that all codes have been taken into account. In the following section the findings of the interviews are presented with regards to benefits, impact of the crisis, impact of the crisis on the antecedents and the journey in which the PCS is acquired.

4. RESULTS

4.1 Benefits of being the preferred customer of leading suppliers

The purchasing and supplying managers gave a whole array of benefits that were achieved through the close and intensive collaboration that is established by being the preferred customer status. The most important benefits that focal company X received through being the preferred customer will be shown below.

Company X got multiple benefits compared to regular customers that did not acquire such a status. Benefits that were acquired are increased access to knowledge, resources (in scarcity), new business models and access to skilled employees. Also the contact frequency was higher between Company X and their suppliers compared to normal customers of those suppliers. Another major benefit was that Company X had earlier access to innovations and suppliers were often doing the first-to-market with Company X and allowing them to have the best stock availability and thus the best position in the market. Furthermore, Company X got earlier information from their suppliers, for example, when it became clear that some products would become scarce. This enabled company X to be the first to enter their orders into the system (the system worked on a first come, first served based principle). Also, most managers and suppliers mentioned that the intensity of the cooperation was way higher with their preferred customers/suppliers especially in times of crisis. Meaning that more attention would go to both the customers and the suppliers who enjoyed a preferred customer status. Supplier C even mentioned that cooperation between them was so good, that it felt like he was working with colleagues in which the only difference was that they all had a different paycheck and were working for a different company, but they were ultimately serving the same consumers with the same aligned goals. On top of this suppliers stated that their cooperation was so intense and that there was no other party in the market currently that could take over the services that

company X is providing. Due to the preferred customer status, both parties were also mutually sharing more business sensitive information, which would not be shared with regular customers and only with those that showed high commitment to the relationship and that were highly trusted. Suppliers were also actively investing into Company X. These investments came in different forms, for example; knowledge, time, e-learning and physical courses, marketing, financial investments and new business models were initiated with Company X. Also, suppliers were providing higher service levels to Company X with daily deliveries, a treatment other customers were not the beneficiaries of. One supplier actively helped company X with the transition of a management system (SAP) and guided them in this process, so that Company X would not make the same mistakes they made. Company X and their suppliers were constantly looking to logistically and operationally improve the efficiency of their operations and logistics in order to save costs. An example of this is that Company X offered a kind of bin which could collect items which ultimately led to cost savings due to less packaging materials being needed for those products. These kind of mutually beneficial integral innovations make a supply chain more efficient in which they both benefit from such an innovation. Also, to create a more transparent and clear picture of the crisis and its impacts, they would share their problems more actively with each other so that shared solutions for these problems could be found. In the next sections the challenges that the crisis brought and response to those challenges will be portrayed.

4.2 General challenges, impacts, measures and responses to the crisis

Since Company X and their suppliers ultimately serve the same consumers and businesses, the most noticeable impact was the shift in demand. Most managers reported that their end consumers in the first month of the crisis started to hoard and create stocks of their own - whereas before the crisis they would mostly rely on the quick and fast deliverance of Company X - to keep their working capital as low as possible. One manager reported that for the first three months revenue levels were higher than ever before due to this. This hoarding, led to a bullwhip effect in which the suppliers also had to adjust their forecasts and production in the early months of the crisis. This of course came with some challenges and adjustments were needed in production capacity and on top of that it drove up delivery times. Also the forecasts were not accurate anymore and required manual adjustments. After this things started to normalize only demand of their products visibly went down due to a reduced demand in the market. This decrease in revenue meant that company X had to implement the reverse-drop-through. Manager D explained this as and used an example in which decreasing revenue levels had to be compensated by a cut of 50% in the costs. Company X, which is only operating in the Netherlands did not take such a hard hit with regards to the crisis, however, the parental company had to shut down their wholesaling locations in for example Italy, where a complete lockdown was issued. Supplier C saw a change in the prices of commodities in which both the prices of copper and oil were decreasing. Due to this they had to reduce the prices of their products that used these commodities and this had an effect on their profit margins. Most managers and suppliers reported that there were logistical issues due to the crisis and that delivery times were sometimes longer. Company X intensified the frequency of contact with their most important, strategic suppliers in order to get a good overview of where scarcity would

arise and how they could counter this. Products with a higher turnover rate would be more closely monitored.

On the long term, investors (consumers) were more cautious when it came to new investments and new projects were delayed. Projects involving the building of new houses or buildings were delayed and it is yet unsure when investors will regain confidence and start new projects again. On the short term most projects that were started would be finished. One manager was hoping the government would perform anticyclical investments in order to reduce and dampen the effects of the crisis. Another challenge was that different competences were required coming in the forms of different programs having to be used so that most people could be working from home. These changing working environments implied that managers had to come up with creative ways to safeguard the productivity of their employees and the additional stress that this produced. One supplier mentioned that they had to shut down some factories and thus production stopped. This meant that company X had to look at their product portfolio and come up with alternatives regarding those products in order to still satisfy their end consumers. Product availability and fast, reliable service was the existence right of company X and the crisis made this much more difficult. Also the increased measures and strictness of management regarding employees feeling sick, meant that these employees had to stay at home at the slightest inconvenience and managers had to be flexible with regards to their workforce due to this. Moreover, the dependencies on their own suppliers became more apparent in which some suppliers were sometimes reliant on certain goods and resources from their own suppliers. One supplier mentioned that they were reliant for some goods on a social workplace which was completely shut down during the crisis. All-in-all it required managers to be more creative and innovative to come up with solutions for these problems that the crisis brought forth. In the next section the impact of the crisis on the antecedents of the PCS will be discussed.

4.3 Impact of the crisis on the antecedents to the PCS

This paragraph will contain the different findings regarding the antecedents of the PCS and in the discussion section the findings will be discussed and interpreted. The amount of quotations will be between brackets so that for the most mentioned, important groups it will be clear what the exact amount of quotations were and the most important findings for these codes will be summarized with regards to customer attractiveness, supplier satisfaction and the preferred customer status. Overlapping categories, for example professionalism, a factor that could be

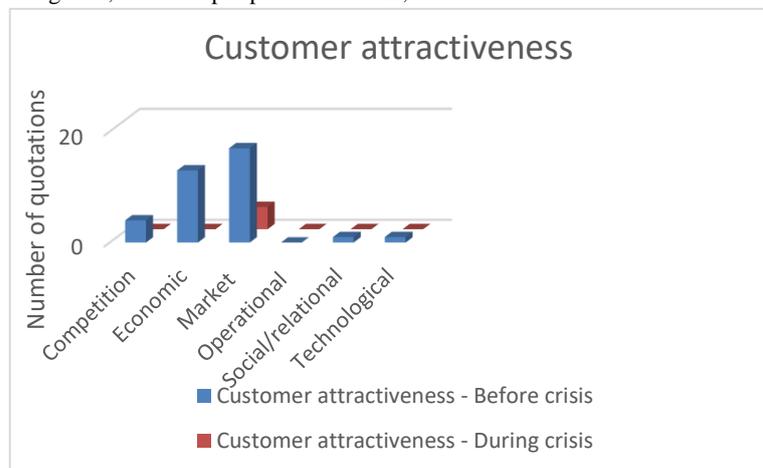


Figure 3. Antecedents of customer attractiveness

influencing all 3 categories, only one category has been created, so that these categories would not distort the results. Meaning that every code that was labeled as professionalism was bundled in one category, and only used in the category of, in this case, supplier satisfaction.

4.3.1 Customer attractiveness

Firstly, the antecedents regarding customer attractiveness **Figure 3**, displays the number of quotations in accordance to the interviews with the purchasers and suppliers.

4.3.1.1 Customer attractiveness before the crisis

It becomes apparent that **before** the crisis mainly competition (4), economic (13), market (17), social/relational (1), technological/competence (1) based factors were important in relation to customer attractiveness. In the market group the two codes that were used were market position and reputation. In the economic group the variable influencing customer attractiveness was size. The competition group contained codes such as; barriers to entrants and exits and power and position. In the social/relational group familiarity was mentioned and in the technological/competence group maturity of the company was mentioned.

All suppliers mentioned that Company X was an attractive customer due to their size and ability to handle large volumes and distribute them throughout the whole of Netherlands within 24 hours. Supplier C did not see anyone in the market capable of taking over these quantities and being able to process these volumes in the near future. According to supplier C there was a barrier to entrants and exits due to the sheer size and scale of operations of Company X and their benchmarks. Also the market position of Company X was valued by most suppliers and managers. With market presence being important to suppliers and managers, but also their knowledge and closeness to the end consumers in the market. Manager F stated that due to the closeness with their consumers they can respond quickly to changes in the market. Most suppliers mentioned that due to them being market leaders they would mostly only conduct business with other market leaders or promising businesses. Other important indicators of attractiveness were reputation, image and maturity of the company. Only companies with a certain amount of volume would be interesting to most suppliers and otherwise they were being directed to company X, who was able to disperse orders and deliver them in smaller quantities.

4.3.1.2 Customer attractiveness during the crisis

During the crisis the market (4) based factors were the only factors that were mentioned with regards to customer attractiveness. This group contained codes such as maturity of the company and market position.

In relation to the crisis most factors that were mentioned were market related, due to the fact that it was important that quick and timely reactions to changes in the market were possible due to the position of Company X. The bullwhip effect, for example, could be taken care of due to company X noticing quickly what happened and convincing end consumers to not hoard products and company X having and showing they had excellent stock levels and that no scarcity would occur. The maturity of the company was also mentioned in which a more mature company would be better capable of handling such a crisis. This was also based on the fact that they experienced and coped with previous crises. One noticeable change was that suppliers and managers were mentioning that financial stability was more important in times of crisis, this category however has been included under customer financial attractiveness, which will be analyzed under the preferred customer status. Not many factors were mentioned

by the purchasers with regards to customer attractiveness, in the discussion this will be analyzed. In the following section the findings with regards to supplier satisfaction will be displayed.

4.3.2 Supplier satisfaction

Secondly, the antecedents of supplier satisfaction. **Figure 4**, displays the amount of quotations in which the suppliers and managers named different concepts regarding supplier satisfaction.



Figure 4. Antecedents of supplier satisfaction

4.3.2.1 Supplier satisfaction before the crisis

Before the crisis the most apparent categories were social/relational (31), technological/competence (27), operational (11) and market (7) and one economic (1) factor was mentioned. Growth opportunity, share of sales and profitability will be analyzed under the PCS. In the social/relational category the main codes were; commitment, adherence to contracts, intensity of cooperation, trust and long-term based relationships. For the category technological/competence the most used factors were; business competence and professionalism and technical competence. For the operational category efficiency and handling of products were the most used categories. The market category contained factors which were closeness to market, market knowledge and bargaining position.

Suppliers and managers both mentioned that (supplier) commitment was important. In which both parties were showing that they were committed to the relationship and both showing that they wanted to grow harder than the market. Also adherence of contracts was seen to be important – “doing what you promise” – according to manager D. On top of that all managers and suppliers mentioned that the intensity of the cooperation was becoming higher with regards to preferred customers. This would show in the frequency and length of contact between buyers and suppliers. Supplier C mentioned that they were cooperating over all axes and that attention between them was more intense, also because the interests of both parties were greater than for smaller customers. Another important antecedent according to 4/6 interviewees was that the relationship was based on longevity and not on short-term results or profit gains. Trust was also mentioned by 3/6 interviewees, in which a cooperation’s main foundation was built on trust, otherwise a strategic cooperation would not be present. Also pre-crisis business competence and

professionalism and technical competence were mentioned a lot. In the highly technical market that company X operates in it requires knowledge of all the different products, not only that, but also how the different products work in relation to each other and which products can and cannot be composed. Efficiency was often named due to Company X being a highly professional organization, but also their superior competences in handling and processing the different products. Adding value by for example being able to cut cables, labelling them, bundling orders and being able to quickly transport them in an efficient manner. On top of this, company X had excellent knowledge of the products of their suppliers but also market wide knowledge of technical products. Allowing them to provide a total solution instead of just being able to sell the different products separately. The closeness to the market was an antecedent Supplier B and manager E thought were of importance, due to being able to faster respond to the end consumer's needs. Also, Company X had many pickup points, sales offices and was able to deliver throughout the Netherlands. A dissatisfier was the sometimes stiff culture of Company X, mostly on office level, which was sometimes rigid and had a tendency towards a preservative culture according to supplier A.

4.3.2.2 Supplier satisfaction during the crisis

During the crisis the most apparent categories were social/relational (41), Technological/competence (24), Operational (1) and market (1) factors. Codes that were used in the social/relational category are; commitment, flexibility in adherence to contracts, intensity of cooperation, solidarity, trust and willingness to accept suggestions for improvement. The following technological/competence codes were used; business competence and professionalism, corporate culture, payment policy and shared forecasting. The operational category contained the code "efficiency" and the market category contained the code market knowledge.

During a crisis suppliers valued commitment, for example, when certain products of these suppliers were not available that Company X would look for an alternative solution in the range of products from that same supplier, especially during a crisis in which demand decreased. Also, flexibility in contract adherence was asked, since most contracts and targets were established in a pre-crisis situation and were not attainable during the crisis. During a crisis all managers and suppliers put extra effort in the intensity of the cooperation and were often working more closely together with their stable strategic partners. The impact of the crisis made sure that these strategic partners would intensify the cooperation between one another. Supplier B noticed that they would lean more towards their stable strategic partners. Meaning that both company X and their suppliers would first reach out and contact each other in case of problems and would try to find shared solutions. Contact frequency would also go up during a crisis situation. Another factor that was mentioned during a crisis situation, that was not mentioned beforehand, is solidarity. Manager E noticed that due to the crisis parties would start to act more in their own businesses' interest and due to this, interests could converge and cause friction in the relation. Also, during the crisis a factor gaining significance was trust, even though this was mainly built before the crisis already, the crisis was mainly a test to Company X and their suppliers and could reestablish this. Trust was the basis of the relationship and was of ever increasing importance in a crisis cause the dependencies on each other became more clear. Also willingness to accept suggestions for improvement was mentioned in which it would be appreciated if both parties were open for discussion regarding improvements. Shared forecasting was mentioned by many suppliers and managers becoming more important during crisis

times, in order to detect problems early and guarantee availability of products. With the bullwhip effect, which was mentioned earlier, also having an impact and causing major demand fluctuations - forecasting and being transparent about the demand and possible shortages - was becoming more important. Also the corporate culture during a crisis seemed to be important according to Supplier A and C. Supplier A mentioned that this crisis required a different way of thinking. Supplier A mentioned that due to some parts of Company X's culture being rigid and stiff, the employees would sometimes think in threats, not opportunities. Different times required a different mindset, if you continued business as usual, times would be tough according to Supplier A.

4.3.3 The preferred customer status

Thirdly, the antecedents of the preferred customer status. Figure 5, displays the findings regarding the preferred customer status.

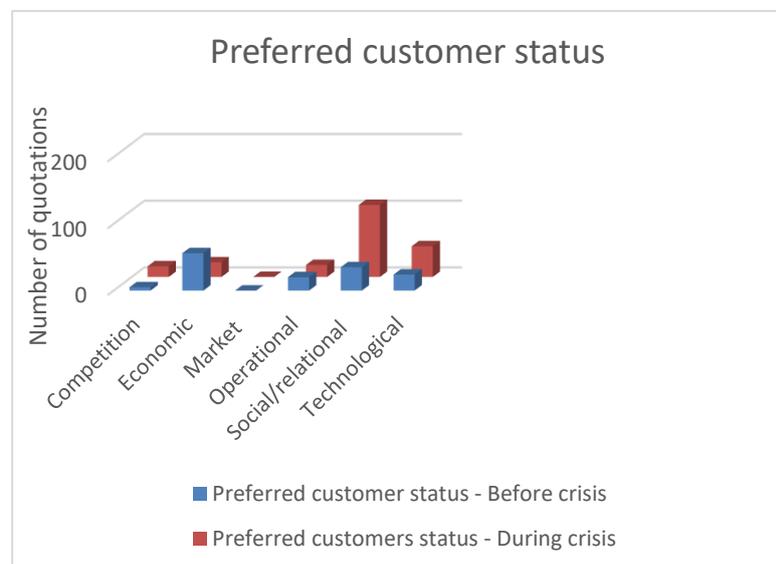


Figure 5. Antecedents of the preferred customer status

4.3.3.1 PCS before the crisis

Before the crisis the most important categories were economic (56), social/relational (35), technological (24), operational (20) and competition (5). In the economic category the codes used were; growth opportunity, profitability and share of sales. In the social/relational category the codes are; communication, contact accessibility, dependency, flexibility, length of cooperation, loyalty, mutuality, relational behavior, reliability and transparency. In the technological/competence category; future planning, looking for new opportunities and strategic compatibility. In the operational category; operative excellence, performance and product availability. In the competition category only customer financial attractiveness was used.

Before the crisis the most apparent category was growth opportunity. All managers of the supplying and buying firm mentioned that growth was important and that a shared strategic course was mapped to grow harder than the market every year. In relation to growth, profitability was often mentioned in coherence. Meaning that both companies would be able to add enough value that allowed both the supplying and buying firm a profitable business model. Longevity was important in this, in which companies with a long term goal were often chosen above the short term fortune seekers. Also, the high share of sales meant that suppliers and buyers were mutually dependent on each other

for the deliverance of those volumes and thus worked more closely together. But also dependency was greater between suppliers and buyers of the PCS, since their processes were so closely integrally aligned and in most of the cases the interest were intertwined. The factor loyalty was mentioned once. Mutuality also got attention in a pre-crisis situation, in which both companies had to think in each other's interest and not only in their own interest. Reliability and relational behavior were also important factors in a pre-crisis situation. Also, transparency was important. When problems occurred in a non-crisis situation often transparency was valued. Strategic compatibility was mentioned a lot by both purchasers and suppliers, in which suppliers mentioned that the brand fixation strategy that company X was following was important to them. Also, Company X was providing the additional value that most suppliers were looking for due to their agile and quick service and large reach throughout the Netherlands. This additional value ultimately created so much extra value for consumers that they were willing to pay extra for these combined services. Thus strategic compatibility was really important for both suppliers and buyers. Before a crisis importance was also made known in the operational category. The operative excellence with which Company X was able to function on a daily basis and achieve a high product availability and delivery rate, in which processes were smooth and well aligned, allowed for a high performance in deliveries and ultimately made sure consumers were retained. This served both the interests of company X and their suppliers. A high product availability was often mentioned simultaneously with performance. With regards to the competition group, customer financial attractiveness was mentioned in which suppliers and buyers found it important that they were working with a financially stable company.

4.3.3.2 PCS during the crisis

During the crisis the following categories were found to be important; social/relational (108), technological/competence (46), economic (23), operational (18), and competition (16) factors. In the social/relational category the following codes were created; communication, contact accessibility, dependency, flexibility (in contracts), long-term cooperation, loyalty, mutuality, relational behavior, reliability, shared problem solving, support of suppliers, and transparency. For technical/competence; (future) planning, crisis management, cultural identity, innovation potential, looking for new markets, strategic compatibility. The economic category contained the following factors; growth and volume, profitability, response to cost-reductions, share of sales and survivability. In the operational category; operative excellence, performance and product availability were used. In the last category, competition factors, the only code that was used is customer financial attractiveness.

Communication and transparency seemed to become really important in both the eyes of the suppliers and the managers. Knowing beforehand (if possible) where painful situations would occur and to be able to act accordingly was important. Due to the hoarding, forecasts had to be adjusted manually and thus the suppliers needed to know how much extra was needed in a timely fashion. So that production could be ramped up beforehand and no product shortages would occur (until now). Also, the capacity of Company X and their access to the market allowed them to acquire timely information and act accordingly. Contact accessibility was also mentioned as an important factor during the crisis. When suppliers reached out, that they would be able to get in touch with a capable person. It appeared to supplier B and C that contact availability would only improve in a crisis situation. Dependencies would increase in a crisis and this could

either improve or decrease the trust both corporations have in each other. Two out of three suppliers mentioned that flexibility in payments was valued during the hoarding behavior, since a credit ceiling was in place. This meant either Company X had to pay earlier or the supplier had to heighten the credit ceiling. Also, flexibility with regards to the contracts that were set pre-crisis were valued and discussion about these contracts during a crisis situation seemed more than logical. Flexibility and transparency were asked with regards to personal situations of the companies, in which all companies had to adapt and change accordingly to shared problems that arose. Supplier A mentioned that they were seeing the crisis as a catalyst for change, in which you have to reinvent yourself as a company. This also entailed looking for opportunities in a crisis. Most suppliers and managers valued longevity during a crisis and loathed fortune seekers who were looking for a good deal. Even though they sometimes had to accept and get an extra revenue stream in times of a crisis for the survival of the company. Mutuality was a term that was often mentioned in relation to longevity of the relation. Mutuality worked both ways, if a customer treated a supplier better, they would get the same treatment and vice versa. Also loyalty was mentioned with regards to longevity of the relation, in which loyal customers will be served first in a crisis situation, but also coming out of the crisis they will be better taken care of. The focus shifted from growth being the predominant driver of the preferred customer status to relational behavior according to Supplier C in order to both be able to get out of the crisis in a healthy fashion. Reliability was also a term often mentioned by many suppliers and managers and was seen as a foundational factor, which was mostly built up pre-crisis. This factor, however, was coming to the attention and was reevaluated due to the crisis, but it appeared and confirmed that company X was a reliable company on which the suppliers could count. This was also reliability in performing operational activities. It remained more important than ever for everyone to keep a good performance, otherwise market share loss might be a direct result of this. Product availability was of ever greater importance, since this is essentially how company X achieved its competitive advantage. If this was not retained during the crisis consumers could be lost to competitors and thus communication with regards to product availability was intensified. Shared problem solving also got a lot of attention from both managers from the purchasing and supplying firms. This ranged from problems in decrease of demand to changing work environments and ensuring continuity of the business. Proactivity in this was essential, making plans for during and after the covid-19 crisis. The crisis asked for adaptation and an innovative way of looking at things and doing things differently for both the supplying and buying managers. Also, marketing was still important, in which they were actively trying to retain consumers, but also trying to get in touch with new consumers for which the goal was to stimulate sales. Strategic compatibility was found to be important due to all the companies going into survival mode, it was more important than ever that strategic interests were aligned and everyone was thinking in the common interest and not only in the interest of their own businesses. During the crisis also some economic factors were mentioned, this was growth related but could almost always be linked directly to survivability of the business and not to growth opportunity. Customer financial attractiveness was mentioned a lot and seen to be an important factor during a crisis.

4.4 The journey of the PCS

Most managers reported that the PCS was not something that was given from one moment to another, but it was earned through

dedication, loyalty and commitment to the relationship in which the ultimate goal was of course to make profit together (in a non-crisis situation). Aligning the strategic interests of both companies which ultimately worked so well that they could all grow harder than the market. Supplier A mentioned that the crisis could be seen as a catalyst for change and that such a crisis could either bring parties closer together and intensify the cooperation or drift them further apart due to diverging interests. Supplier B noticed that if you were going into the crisis with a healthy relationship based on mutualities, reliability and trust, that parties would respond in a quicker fashion with regards to each other when problems occurred during a crisis and more mutual attention would be spent on each other. The intensity of the cooperation and whether or not the preferred customer status was given, was in all of the cases built throughout the years, meaning that such a status was not given during the crisis. However, actions (positive and negative) with regards to the antecedents of attractiveness, satisfaction and preferred customer status all influenced whether a status was given or not. Supplier C saw it as a foundational basis in which some factors, such as reliability, commitment, increase of contact intensity, and trust became more important. Building these up during a crisis with a company that had not established these kind of traits in a relationship would not be doable when it was “thundering” outside according to supplier C. Only manager E reported friction in the relation between company X and their suppliers due to the crisis. This was explained as interests diverging due to the crisis, in which both companies would do whatever serves them best in order to survive the crisis and stay as healthy as possible. The same manager noted that a relationship is reliant on so many individual factors and the crisis has a different impact on all of those individuals coming in the form of additional stress during a crisis. Manager E noticed that due to the crisis, parties would start to act more in their own businesses’ interests and due to these interests diverging friction could be caused in the relationship. Also manager E was the only one to notice that employees appeared to be more stressful and that this could cause irritations in the dyadic relationship between buyers and suppliers.

5. DISCUSSION

5.1.1 *Customer attractiveness*

Managers did not seem to mention many factors of customer attractiveness and their main focus was on the antecedents of supplier satisfaction and preferred customer status. This might be due to the fact that customer attractiveness is a concept that has to be established if a preferred customer status is already given, otherwise no relationship would have been developed in the first place (Hüttinger et al., 2012, p. 1194). Suppliers and managers did not seem to mention them all too much which could imply that and judging from the interviews, it was already established for those firms and thus not much antecedents were mentioned. One can argue that Company X is a highly attractive company and most often suppliers and purchasers would mention the size of company X as an attractive trait before the crisis. During the crisis mostly market based factors were important so that a timely reaction on the changing market needs could be implemented. Not much can be said about this with regards to the research model and thus no affirmations will be made.

5.1.2 *Supplier satisfaction*

Secondly, the antecedents having an influence on supplier satisfaction, in which growth opportunity, profitability, reliability and relational behavior were predominant in previous literature before the crisis (Vos et al., 2016, p. 4615). With

profitability and growth opportunity falling under the economic category and reliability and relational behavior falling under the social/relational category. Congruent with the findings of Vos et al. (2016, p. 4615) it became clear that before the crisis started, relational behavior was important. During a crisis this even became more important in the eyes of the buying and supplying managers. With terms such as commitment, flexibility, intensity of cooperation, solidarity, trust and transparency gaining more attention during the crisis. Technological and competence factors were also important before the crisis started, but they remained important during the crisis. This is due to the fact that Company X is operating in a highly technical market. On top of this, business competences and professionalism remained important during a crisis, so that issues could quickly be resolved in a professional manner. It was interesting how less to none operational factors have been mentioned during the crisis situation. It could well be that these were taken for granted for Company X and that these factors were already exceptionally well established. Judging from the fact that Company X is a market leader this can most probably be assumed. All-in-all it became apparent that social and technological factors were important pre-crisis, but remained important during a crisis, confirming the research model for those two groups of antecedents. Additional research needs to be conducted and due to the small sample size these results cannot be generalized.

5.1.3 *Preferred customer status*

It becomes clear that the preferred customer status is a concept which is gained and built throughout the years. The cycle of preferred customership (Holger Schiele et al., 2012, p. 1180) explains this phenomenon really well, which was also supported by our literature, in which every action is either positively or negatively having an influence on customer attractiveness, supplier satisfaction and the preferred customer status. Previous research has shown that before a crisis situation growth opportunity and reliability were the two main drivers (Schröer et al., 2014, p. 711). With growth opportunity again falling under the economic category and reliability falling under the social/relational category. From our findings we can conclude that pre-crisis economic factors clearly had the upper hand, in which mostly growth related attributes were mentioned, this changed during the crisis in which a shift from purely economic to more survivability mentioned factors was noticed. Also, whereas the social factors category was the second most important category pre-crisis – this changed during the crisis - in which the social category became the most important category. Technological and competence factors were also becoming more important. It becomes clear that suppliers and buyers are turning their attention towards a more relational based focus in which economic factors (which are still important for the survival of the company) are falling to the background. All-in-all, as the research model suggested, a shift from economic to social and relational factors becoming more important becomes apparent. Also, technological factors were still important during a crisis. Even though operational factors were not mentioned that often, it is expected that these remain important - but were just not mentioned that often - possibly due to company X having superior operations, even in times of crisis. For the remaining two categories, competition and market factors, not many factors were mentioned, which seems logical due to shift in focus on survivability and wherein demand is dropping.

6. CONCLUSION

Whereas previous research (Pulles et al., 2016; Schröer et al., 2014) has mainly only taken the buying perspective into account when it comes to formulating the antecedents, this research also includes the supplying side of the supply chain when it comes to the antecedents of the preferred customer status. It becomes clear that a shift in focus is certainly apparent when it comes to the preferred customer status, but also some new antecedents emerged, which were not mentioned in previous literature. Examples of newly emerged antecedents were cultural identity and strategic compatibility, which to the knowledge of the researcher, have not been mentioned with regards to preferred customer research. Other factors that were often mentioned are entailing reliability, mutuality, solidarity, transparency and communication becoming more important to both buyers and suppliers. When comparing these factors to previous research (Schröer et al., 2014) it becomes clear that due to the crisis certain antecedents “resurface”, antecedents which most probably are important in a pre-crisis situation, however, those were not the main drivers of awardment of the PCS in that research. It could be that these factors are well established and thus not mentioned that often in a normal situation, but gain significance in a crisis situation. Managers and companies that are either trying to acquire or have already acquired the status of preferred customer should pay additional attention to these relational and social factors during a crisis. Additionally, technological and competence factors should not be neglected and remain important during a crisis. Other factors that are important in a crisis situation are future planning, crisis management, strategic compatibility, business competence, professionalism and forecasting. Thus having highly competent employees could also prove to be creating a significant advantage for companies that are struggling in a crisis. All-in-all a shift in antecedents mostly to the social and relational category is apparent and economic factors are disappearing more to the background in which the focus in the economic category mainly became survival of the company.

7. LIMITATIONS AND RECOMMENDATIONS

The crisis has just started to unfold and the scope of the crisis and the magnitude of the crisis remains unknown. It would have possibly been better to conduct this research when the crisis was in a more mature stage so that the impact of the crisis is better understood and the consequences and the magnitude of the crisis on the different industries becomes clearer. Furthermore, the interviews that were conducted were with 4 large, financially

stable companies that were all market leaders in their corresponding industry. Meaning that the crisis may not have had as big of an impact on their businesses due to their highly diversified product portfolios. According to CPB (2020) recovery can be accelerated by investments in the housing and energy sector, which are two main sectors company X is operating in and could thus be benefitting from. On top of this, when taking into consideration that Northern-Europe did not take such a hard hit compared to Southern-Europe, meaning that the businesses whom were interviewed also reported less irregularities and disruptions in their supply chain. For future research regarding the preferred customer status and the impact that the crisis has on it, it may be interesting to get interviewees from those countries that were hit the hardest by Covid-19 and thus a bigger impact could be apparent regarding the preferred customer status and its antecedents and indirectly the underlying relationship. Also, one of the interviewees made clear that regarding the preferred customer status it could be highly interesting to research how newer companies tried to attain the preferred customer status with important suppliers and the strategies that were taken to acquire such a status in order to become a customer of leading suppliers and thus creating a competitive advantage through this. These three suppliers and company X had already well established and long lasting relationships, in which strategic partnership was already established a long time ago. Regarding the sample size it is hard to generalize this study and apply the findings to other research. More research thus has to be conducted into this subject. A good addition to this research would be a quantitative study in which data was quantified and tested whether the crisis has an impact on the antecedents of preferred customership, on a larger scale. Also, the findings might be industry related and work differently for different industries. Thus more research is needed into the concept of the preferred customer status, both qualitative and quantitative or preferably a mixed methods approach, so that the concepts can be better understood and a useable conceptual model can be created.

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Appendices

Appendix A – Benefits of the preferred customer status

Category / Subcategory	Benefits acquired through preferred customer status	Author
Economic		
Price reduction	Price savings ranging from 5-30% on purchasing prices	(Blenkhorn & Banting, 1991, p. 188; Kim & Ok, 2009, p. 230; Nollet et al., 2012, p. 1187)
Cost reduction	(Shared) efforts in order to reduce costs	(Bew, 2007, p. N.A.; Nollet et al., 2012, p. 1187)
Performance		
Performance increase	Mutual performance gain due to improved collaboration	(Nyaga et al., 2010, p. 111)
IP/performance increase	Access to personnel and their knowledge	(Christiansen & Maltz, 2002, pp. 181-182; Holger Schiele et al., 2012, p. 1178)
Performance increase	Increased delivery reliability	(Nollet et al., 2012, p. 1187)
Accessibility		
Market accessibility	Shared information allowing easier access to other markets	(Christiansen & Maltz, 2002, pp. 181-182)
Contact accessibility	First in line when problems arise, first to be contacted	(Bew, 2007, p. N.A.)
Supply accessibility	First access to resources that are either scarce or in short supply	(Bew, 2007, p. N.A.; Holger Schiele et al., 2012, p. 1178)
Innovation		
Innovation	New product development	(Holger Schiele et al., 2012, p. 1178)
Innovation	Customized products	(Holger Schiele et al., 2012, p. 1178)
Innovation	Improvement (of the product) quality or better tailored service of current technologies	(Bew, 2007, p. N.A.; Kim & Ok, 2009, p. 230; Nollet et al., 2012, p. 1187)
Innovation	(First) access to newest innovations and technologies	(Bew, 2007, p. N.A.; Christiansen & Maltz, 2002, pp. 181-182; Pulles et al., 2014, p. 415; Holger Schiele et al., 2012, p. 1178)
Efficiency/innovation	Lead time reduction up to 10 weeks	(Christiansen & Maltz, 2002, pp. 181-182; Kim & Ok, 2009, p. 230)
Relational behavior		
Support of suppliers	Higher level of support by suppliers	(Nollet et al., 2012, p. 1187)

Table 1 – Overview of relevant factors possibly influencing customer attractiveness

<i>Category</i>	<i>Subcategories</i>	<i>Author</i>
<i>Market factors</i>	share, share of key products, growth rate, market share, reputation	(Fiocca, 1982, p. 57)
	Demand stability	(Ramsay & Wagner, 2009, p. 131)
<i>Competition factors</i>	Position, weaknesses and strengths, technological vulnerability, barriers to entrants and exits	(Fiocca, 1982, p. 57)
	Power and position	(Harris, O'Malley, & Patterson, 2003, pp. 23-27)
<i>Economic factors</i>	Margins, scale and experience, compatibility	(Fiocca, 1982, p. 57)
	Growth opportunity	(Schröer, Schiele, & Hüttinger, 2014, p. 711)
<i>Technological/competence factors</i>	Degree to cope with changes in environment, skills of employees.	(Fiocca, 1982, p. 57)
	Innovation potential	(Schröer et al., 2014, p. 711)
	Ability to adapt to social changes.	(Fiocca, 1982, p. 57)
<i>Social/relational factors</i>	Complementarity, trust, commitment, similarity, familiarity	(Fiocca, 1982, p. 57; Harris et al., 2003, pp. 23-27)
	Behavior	(Ellegaard & Ritter, 2006, p. N.A.; Hüttinger, Schiele, & Veldman, 2012, p. 1199)
	Communication.	(Hald, Cordón, & Vollmann, 2009, p. 965; Hüttinger et al., 2012, p. 1199)
	Contact accessibility, relational behavior, supplier involvement, support of suppliers, reliability	(Schröer et al., 2014, p. 711)
<i>Risk factors</i>	Risk sharing	(Christiansen & Maltz, 2002, p. 189)
	Dependence	(Christiansen & Maltz, 2002, pp. 182-183)
	Ability to protect assets through licenses and patents	(Fiocca, 1982, p. 57)
<i>Operational factors</i>	Operational excellence	(Schröer et al., 2014, p. 711)
	capacity.	(Fiocca, 1982, p. 57)

Appendix B - Supplier satisfaction index (Essig & Amann, 2009, p. 109)

Structure of the supplier satisfaction index.

Dimension	Factor	Indicator	
1	1.1	1.1.1	Strategic level
		1.1.2	Intensity of cooperation
		1.1.3	Strategic value
		1.1.4	Intensity of integration with RandD
		1.1.5	Number of strategic contacts
		1.1.6	Possibility of cross-selling
		1.1.6	Degree of earliness of integration in production processes
2	2.1	2.1.1	Operational level
		2.1.2	Order process
		2.1.3	Ordering procedure
		2.1.4	Adherence to arrangements
		2.1.5	Adherence to long-term contracts
	2.2	2.2.1	Bargaining position
		2.2.2	Time schedule
		2.2.3	Billing/delivery
		2.2.4	Payment habits
		2.2.5	Payment procedures
		2.2.6	Delivery deadlines
		2.2.6	Required effort needed for delivery
		2.2.6	Receiving procedure
		2.2.6	Support during preparations for first-time delivery
3	3.1	3.1.1	Accompanying level
		3.1.2	Communications
		3.1.3	General care
		3.1.4	Availability of direct contact
		3.1.5	Politeness of employees
		3.1.6	Image
		3.1.7	Technical competence
		3.1.8	Business competence
		3.1.9	Communication media used
		3.1.10	Quality of information
		3.1.11	Frequency of information
	3.2	3.2.1	Preciseness of communication
		3.2.2	Support by quality management
		3.2.2	Conflict management
	3.3	3.3.1	Quality of reaction
		3.3.2	Reaction speed
		3.3.3	General view
3.3.4		Intensity of cooperation	
3.3.5		Order process	

Table 2 – Overview of relevant factors possibly influencing supplier satisfaction

<i>Category</i>	<i>Subcategories</i>	<i>Author</i>
<i>Market factors</i>	Bargaining position	(Essig & Amann, 2009, p. 109)
<i>Competition factors</i>	Degree in earliness of integration in NPD or production process.	(Essig & Amann, 2009, p. 109)
<i>Economic factors</i>	Strategic value, image.	(Essig & Amann, 2009, p. 109)
	Dedicated investment	(Nyaga, Whipple, & Lynch, 2010, pp. 107-111)
	Corporate image	(Meena & Sarmah, 2012, p. 1236)
	Growth opportunity.	(Schröder et al., 2014, p. 711; Vos, Schiele, & Hüttinger, 2016, p. 4615)
	Profitability	(Schröder et al., 2014, p. 711)
<i>Technological/competence factors</i>	Technical competence, preciseness of communication, quality of reaction, quality of information, reaction speed, business competence.	(Essig & Amann, 2009, p. 109)
	Purchasing policy, payment policy, coordination policy.	(Meena & Sarmah, 2012, p. 1236)
	Innovation potential	(Schröder et al., 2014, p. 711; Vos et al., 2016, p. 4615)
	Being a “smart customer”	(Cordon & Vollmann, 2008, p. 55)
<i>Social/relational factors</i>	Number of strategic contacts, willingness to accept suggestions for improvement, adherence to arrangements, adherence to long-term contracts, availability of direct contact, politeness of employees, frequency of information, conflict management, intensity of cooperation.	(Essig & Amann, 2009, p. 109)
	Information sharing, joint relationship effort, trust.	(Nyaga et al., 2010, pp. 107-111)
	Reliability, support, involvement, contact accessibility, relational behavior.	(Schröder et al., 2014, p. 711; Vos et al., 2016, p. 4615)
	Commitment.	(Nyaga et al., 2010, pp. 107-111)
<i>Operational factors</i>	Ordering process/procedure, planning/time schedule, billing and delivery, delivery deadlines, handling of products, receiving procedure.	(Essig & Amann, 2009, p. 109)
	Operative excellence	(Schröder et al., 2014, p. 711; Vos et al., 2016, p. 4615)

Table 3 – Overview of relevant factors possibly influencing the preferred customer status

<i>Category</i>	<i>Subcategories</i>	<i>Author</i>
<i>Market factors</i>	-	-
<i>Competition factors</i>	Early commitment or involvement to partnership/NPD, quality initiatives	(Moody, 1992, p. 52)
	Supplier satisfaction, customer financial attractiveness	(Baxter, 2012, p. 1251)
	Supplier involvement in NPD	(Ellis, Henke, & Kull, 2012, p. 1265)
<i>Economic factors</i>	Profitability	(Moody, 1992, p. 52)
	Share of sales	(Ellis et al., 2012, p. 1265)
	Growth opportunity	(Schröer et al., 2014, p. 711; Vos et al., 2016, p. 4615)
	Profitability	(Vos et al., 2016, p. 4615)
<i>Technological/competence factors</i>	Crisis management/response, feedback, response to ideas, technology sharing	(Moody, 1992, p. 52)
	Corporate buying behavior	(Ellis et al., 2012, p. 1265)
	Innovation potential	(Schröer et al., 2014, p. 711; Vos et al., 2016, p. 4615)
<i>Social/relational factors</i>	Communication, schedule sharing, mutual trust, training and education, response to cost reductions	(Moody, 1992, p. 52)
	Supplier commitment	(Baxter, 2012, p. 1251)
	Relational reliability	(Ellis et al., 2012, p. 1265)
	Reliability, support, involvement, contact accessibility, relational behavior	(Schröer et al., 2014, p. 711; Vos et al., 2016, p. 4615)
<i>Operational factors</i>	Operative excellence	(Schröer et al., 2014, p. 711; Vos et al., 2016, p. 4615)