

Designing a framework to enhance and implement customer orientation in buyer-supplier dyads.

For commercial suppliers, lost revenue and the **restricted organisational growth due to frustrating buyer experiences** is an incentive to address the customer experience and thus its customer orientation (Meyer & Schwager, 2007). The consequences of not understanding customers result in additional effort and investments in trying to meet the customer's expectations (Brook, 2021). The additional efforts and costs are, in turn, the outcome of organisational challenges like; internal misalignment, tension, and frustration due to the unclarity of the customers' expectations and how to answer them.

This thesis designed a framework for supply organisations to enhance and implement customer orientation in buyer-supplier dyads. **By enhancing customer orientation, the organisation aims to improve service quality and indirectly increase the commercial capabilities of its employees.** More specifically, this thesis designed how the conversion phase of a Dutch service supply organisation, Pezy Group, can be more customer-oriented while addressing their challenges. The conversion phase is defined as the process of translating the buyer's development request into a proposal for executing the product development project.

The framework contributes to the literature of buyer-supplier dyads. From the literature review, the conclusion is made that the buyer-supplier relationship is mostly described from the buyer's perspective. **The opportunity to research buyer-supplier relationships from the supplier's perspective** tries to increase the number of profitable customers (Choy et al., 2003) by acquiring new customers or, more efficiently, by retaining customers (Blattberg and Deighton, 1996; Buttle, 1996) through customer orientation emerged. In addition, the designed framework proposes a solution to the literature gap of **bridging organisational differences** (Lavie et al., 2012).

Understand and tailor experience to specific buyer relationships

The customer orientation framework is based on a buyer-interaction archetype matrix (fig.1) and consists of an archetype specific customer journey and adjoined implementation roadmap for the organisation of Pezy Group. From the research, it is concluded that Pezy Group, **the supplier must organise its conversion phase differently per defined buyer-interaction archetype in order to be customer-oriented.**

By matching the profiles of the interviewees and literary models (Kraljic (1983) & Bensaou (1999)), four archetypes are developed. These buyer-interaction archetypes describe buyer-supplier dyads common in the market of product development services in the Netherlands. The design goals for the selected **buyer-interaction archetype Structured Sophie**, which aims for routine and efficiency in the interactions, is aimed to answer how to improve the alignment of the buyer's expectations in the customer journey (fig.2). The nature of Sophie's product development requests is that of **low risk, clear scope, short-term and transactional projects.**

Empowering operational employees to manage buyer relationships

For the supplier to be customer-oriented in the inter-organisational relationship with Structured Sophie is strengthened by direct and continued contact between the same buyer and the supplier's contact, who is knowledgeable of product development and the buyer's product context. The results show that entrusting the supplier's operational employees, the **senior product developer, with the responsibilities of managing the buyer account** and their request in the conversion phase results in **fewer internal handovers, thus a more aligned proposal and a quicker journey.**

The main insight of this graduation thesis is the suggestion that a cross-functional team or small buyer team of the supplier can enhance the customer orientation for the Sophie archetype. In the description of the Sophie archetype, the continuity of involved stakeholders enables efficient communication by an approachable contact and a more effective way of working. As a result, the account manager, which mainly functioned as a middle man, is not required for this archetype. **This finding of establishing continued interpersonal relationships for Sophie's interaction is interesting since it challenges the relationship management principles of Kraljic and Bensaou.**

"Customer orientation start by employees understanding the expectations of their contacts"

Case Pezy Group Overview Specific Customer Journey focussed on archetype Sophie

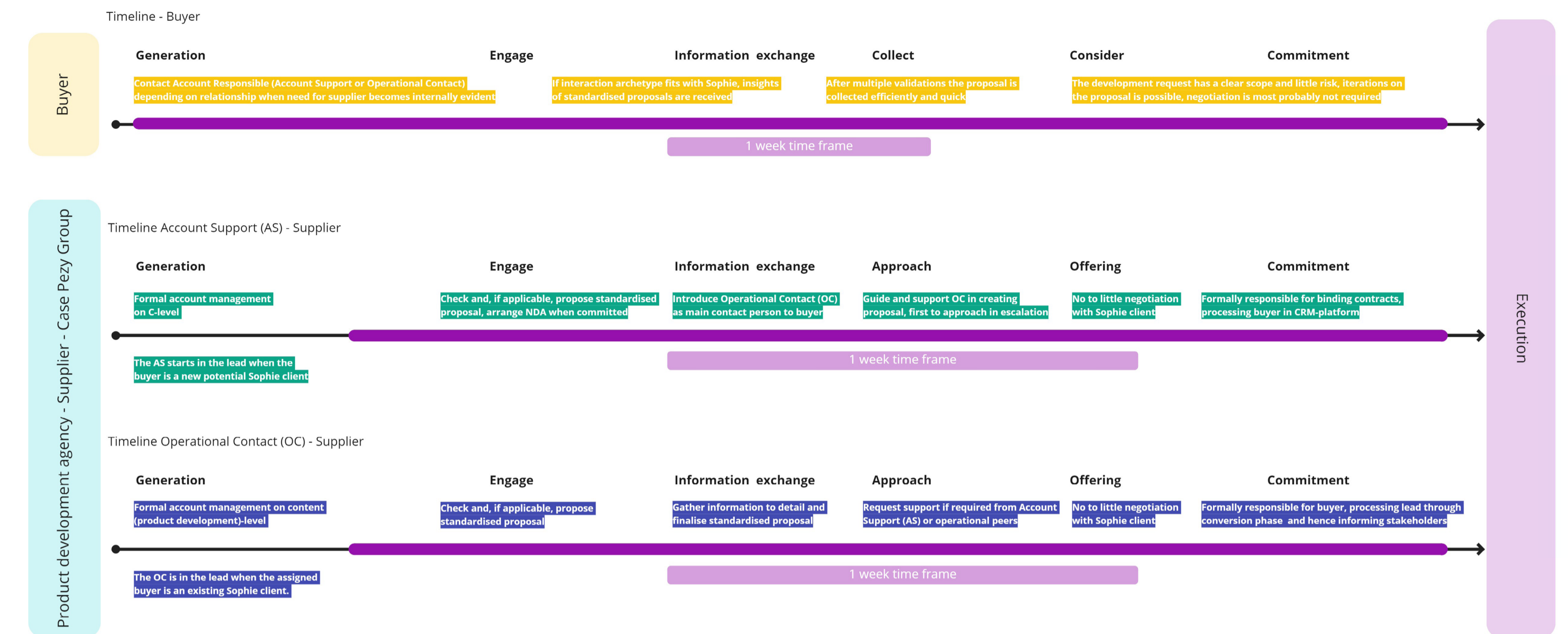


Fig 2. Structured Sophie specific customer journey

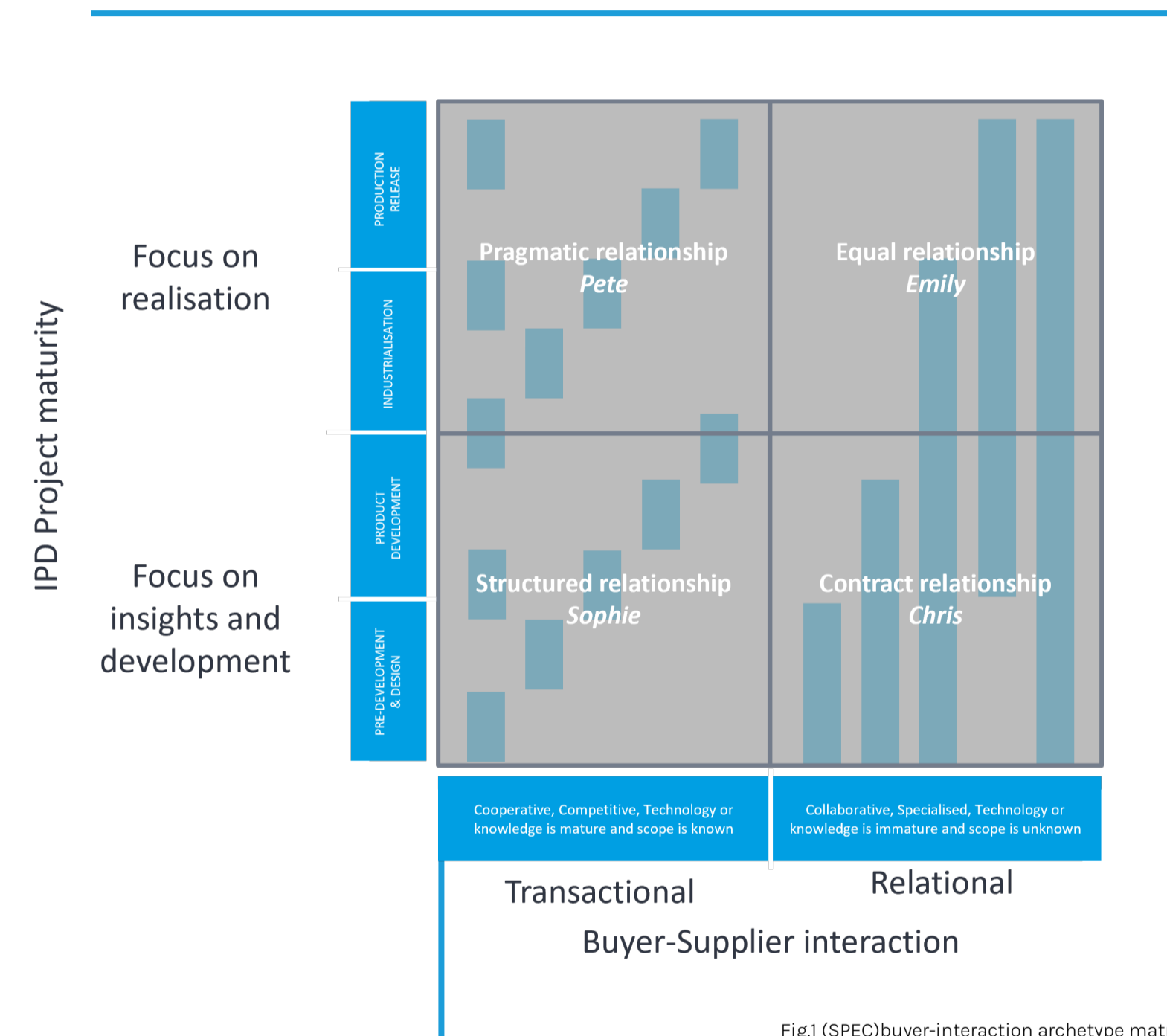


Fig1 (SPEC) buyer-interaction archetype matrix

Enabled by standardisation & guidance

Supporting these operational employees is enabled by using **standardised proposals** and the **guidance of the commercial department** such as the account manager.

The archetype specific framework for Sophie believes that **customer orientation is possible by standardisation, contradicting the literature** of Hong-kit Yim et al. (2001) to some degree. Standardised proposals are possible for the development request of Sophie. The archetype description enables the supplier to understand the buyer and their expectations. Hence, predefined modules or proposals can be made as long as **some degree of personalisation** is possible, just as Peppers and Rogers (2004) describe. According to Williams & Attaway (1996), the empowered employee should be able to vary the product offering to achieve a mutual goal in the buyer-supplier relationship. However, this requires a supportive environment or culture, which stimulates creativity.

Roadmap for implementation

To realise this supportive environment and **implement the changed way of working and role change of the operational employees**, a roadmap is designed that follows the advised **systemic transition management methodology**.

By implementing the proposed archetype specific customer journey for Sophie, Pezy Group can enhance the customer orientation of the conversion phase. **The designed framework provides a set of rules that support the conversion phase-related activities and interactions, which contribute positively to the service quality and may increase the profitability of the supply organisation.**

The customer journey addresses the organisational challenges of Pezy Group: by identifying the buyer-interaction through the archetype matrix, the commercial approach in the conversion phase is less ad hoc. Because of the proposed role change, fewer handovers are required, resulting in a proposal meeting the buyer's expectations. The buyer-supplier relationship for Sophie is built on a product development content level.

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