



Attitudes and behaviours of key account managers: Are they really any different to senior sales professionals?



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ABSTRACT

This study investigates the range of attitudes and behaviours exhibited by Key Account Managers (KAMs) in their roles as customer relationship managers. Specifically, we test whether KAMs exhibit different behaviours and attitudes towards relationship management compared to other sales professionals based on a range of assumptions currently theorized but untested in the Key Account Management (KAM) literature. Utilizing the existing theoretical models of a KAM role we identify six major areas of relational behaviour assumed in the literature to separate the KAM from the sales professional. Drawing on a cross sectional quantitative study of 10 organizations and 409 key account managers, sales managers, and senior sales executives we explore goal orientation, planning, customer embeddedness, strategic prioritization, adaptability and internal management behaviours of our groups and find that, in certain managerial tasks, KAMs do indeed exhibit many of the different behaviours and attitudes predicted in the literature. However, in many customer-facing, goal orientated and revenue generating activities, contrary to expectations, they display similar attitudes and behaviours to those in senior sales roles. This challenges the way that the KAM role has previously been conceptualized. Our findings raise a potential issue for senior managers, since KAMs' unexpectedly short term orientation may lead to insufficient consideration of the strategic consequences of their decisions for these key customer relationships.

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1. Introduction

Key Account Management (KAM), and its global equivalent global account management, have become increasingly important approaches for managing customers in business-to-business marketing environments (Cheverton, 2008; Guenzi, Georges, & Pardo, 2009; Guenzi, Pardo, & Georges, 2007; Ojasalo, 2001, 2002; Pardo, Henneberg, Mouzas, & Naudé, 2006; Piercy & Lane, 2006a, 2006b; Ryals & Holt, 2007). KAM is a set of processes and practices for managing business-to-business relationships that are of strategic importance to the supplier (Ewart, 1995; Homburg, Workman, & Jensen, 2002; Millman & Wilson, 1995) and focuses on adding value to relationships, thereby creating synergistic partnerships with customers (Ewart, 1995; Ojasalo, 2002). It has grown to become one of the most fundamental changes to the way companies organize both their sales and marketing activities (Homburg et al., 2002).

Literature suggests that, amongst other process, the success of KAM is fundamentally reliant on the skills, capabilities and behaviours of the Key Account Managers (KAMs) (Guenzi et al., 2009; Iacobucci &

Ostrom, 1996; Mavondo & Rodrigo, 2001; Weitz & Bradford, 1999). Although there has been considerable discussion around the desired skills and capabilities of a key account manager (Cheverton, 2008; Platzer, 1984; Ryals & McDonald, 2008; Sengupta, Krapfel, & Pusateri, 2000; Wotruba & Castleberry, 1993), such research has largely overlooked the actual attitudes and behaviours of individual KAMs with a few notable exceptions (Guenzi et al., 2007, 2009; Ulaga & Sharma, 2001; Walter, 1999; Wilson & Millman, 2003). But, this omission of consideration of attitudes and behaviours is a substantial gap in both academic research and managerial practice. Whilst skills and capabilities are important and have justly received considerable attention, attitudes and behaviours are fundamental to customer relationship success (Doney & Cannon, 1997; Foster & Cadogan, 2000; Guenzi et al., 2009; Rackham et al., 1988; Ryals & Davies, 2010).

There are good reasons to suppose that these attitudes and behaviours are different from those expected in the traditional sales role. As long ago as 1980, David Ford argued that the relationship managers' role should be fulfilled by someone able to co-ordinate all aspects of the company's relationships with its major clients and that this was distinct from a normal sales role. Literature has subsequently identified a distinction between the activities of selling and KAM (Homburg, Workman, & Jensen, 2000; Platzer, 1984; Ryals & McDonald, 2008; Sengupta et al., 2000; Wotruba & Castleberry, 1993), which requires a distinctive set of behaviours targeted at long term customer relationship

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development (Holt & McDonald, 2001; Homburg et al., 2000; Woodburn & McDonald, 2011). Moreover, it is difficult to achieve this behavioural shift within a traditional sales force (Guenzi et al., 2007).

In their extensive review of the existing literature in KAM, Guesalaga and Johnston (2010) identify ten fields of KAM research undertaken to date. Through this we can identify that operational characteristics of KAM programs, rationales for KAM adoption, critical success factors and forms of supplier–customer relationships make up the majority of KAM research. They found only nine papers focusing on the characteristics and behaviours of key account managers, none of which empirically explore whether they are different to other front line customer-facing personnel as conceptualized in the extant literature. Guesalaga and Johnston's (2010) study excluded a number of journals that have published papers on KAM. Nevertheless, the findings are supported by both our own investigation and that of Guenzi et al. (2009) who identify only a handful of studies that have investigated the individual attitudes and behaviours of KAMs. Despite a growing body of literature identifying a distinction at the organizational level between the relationship management practices of KAMs and of regular sales people, there has been no empirical attempt to test whether these normative ideals of KAMs actually exist in the attitudes and behaviours of KAMs at the individual level. In this paper we therefore explore whether, in practice, KAMs really do exhibit customer relationship management attitudes and behaviours that differ from those of other senior sales professionals. We show that KAMs do, indeed, differ noticeably in attitude and behaviour from people in middle and senior sales roles. In particular, we show that there are substantial differences with regard to three role components: Planning, Adapting to Customers, and Internal Management. These findings have implications for the recruitment and the training of KAMs.

1.1. The importance of key account managers

One of the core components of virtually all KAM programs is the introduction of a new type of customer-facing individual – the key account manager (Davies & Ryals, 2009; Guenzi et al., 2009; Homburg et al., 2002; Workman, Homburg, & Jensen, 2003). The literature in this area is somewhat complicated by the number of different terms used to describe largely the same phenomenon. Early literature in the field referred to relationship managers (Ford, 1980; Wotruba, 1996). At a similar time a body of literature on regional or national account managers emerged (Dishman & Nitze, 1998; Shapiro & Moriarty, 1980, 1982, 1984a, 1984b; Stevenson, 1980; Stevenson, 1981; Tutton, 1987; Weilbaker & Weeks, 1997; Wotruba, 1996). These national account managers may be either independent, or may answer to higher level global account managers acting as part of a global virtual team (Wilson & Millman, 2003; Yip & Bink, 2008). Finally there is the more recent research on key account managers, sometimes referred to as strategic account managers (Guenzi et al., 2009; Homburg et al., 2000, 2002; McDonald, 2000; Millman, 1996; Millman & Wilson, 1995, 1996, 1998; Pardo, Salle, & Spencer, 1995; Workman et al., 2003; Yip & Madsen, 1996). Although we use the generic term 'KAMs' to denote those managing the firm's most important customer relationships, we draw extensively on all these different schools of research to gain the broadest understanding of the KAMs' relationship management role.

The role of the key account manager was primarily conceptualized during the 1990s and 2000s, particularly in business-to-business markets where specialized forms of managing customers have gained increasing importance (Homburg et al., 2000). However, as pointed out by Guenzi et al. (2009:300) "individual-level behaviours that should be adopted by those who are in charge of managing relationships with strategic accounts remain an under-developed topic in academic research". In particular, detailed quantitative studies have been distinctly lacking (Sengupta et al., 2000; Workman et al., 2003).

Where research has looked at the impact of KAMs' behaviours on relationship success, it has underlined the importance of the KAMs to the overall success of a KAM program. For instance, Iacobucci and Ostrom (1996) suggest that individual-to-individual relationships are more intense and longer term than individual-to-firm relationships. Similarly, Langerak (2001) demonstrated that suppliers are dependent upon relationship manager attitudes and behaviours to develop lasting relationships with customers. These papers indicate that relationship longevity has more to do with KAM attitudes and behaviours than organizational processes. Alejandro, Souza, Boles, Ribeiro, and Monteiro (2011) found that relationship quality between customers and individual KAMs directly influences loyalty to a supplier although relationship quality with the overall company does not, indicating that KAMs who are able to build and improve relationships with key customers can have a greater impact on key measures of KAM success such as increased customer loyalty than the strategy and processes instigated at the firm level.

In fact, more than customer longevity and loyalty are impacted by KAM attitudes and behaviours. Doney and Cannon (1997) found that a supplier would make faster and more confident decisions when assessing an individual as opposed to assessing an organization. Therefore, decision efficiency is also affected by the KAM's attitudes and behaviours. Latterly, Guenzi et al. (2009) found that the customer orientation of KAMs produced more synergistic problem solving with customers and overall better account performance; thus, the attitude and behaviour of the KAM clearly influences results. Yet, despite the extensive conceptual development of the need for a specialist type of sales person with a strong set of relationship management behaviours set out in previous research, there is no study to date which explores whether the people put into these specialist roles actually demonstrate the distinctive relationship management attitudes and behaviours outlined in the literature.

1.2. The attitudes and behaviours of key account managers

Previous research has uncovered a link between job role, attitudes and behaviours (e.g. Abraham & Sheeran, 2003). In the KAM context, it has already been established that a firm's adoption of a relational selling strategy influences some, if not all, of a KAM's behaviours (Guenzi et al., 2007). This is important because of the impact on outcomes: Homburg, Müller, and Klarmann (2011) have recently demonstrated a link between customer orientation (attitude) and sales performance (outcome) in which behavioural differences are implicit.

The literature provides an extensive list of the skills and capabilities KAMs are supposed to have, and the activities they should adopt above and beyond those of a regular sales person. Cheverton (2008), Platzer (1984), Ryals and McDonald (2008), Sengupta et al. (2000), Sherman, Sperry, and Reese (2003) and Wotruba and Castleberry (1993) identify a wide-ranging list of skills, capabilities and activities expected to be performed by KAMs, running through customer analysis, team management and leadership. Empirical papers such as Schulz and Evans (2002) and Guenzi et al. (2009) have gone on to explore the impact of customer-facing attitudes and behaviours – including collaborative communication, customer orientation, selling orientation and team selling – on customer value. A number of other authors have similarly identified a multitude of requirements for KAMs that additional to those for a sales person (including Corcoran, Petersen, Baitech, & Barrett, 1995; Guenzi et al., 2007; Harvey, Myers, & Novicevic, 2002; Lagace, Dahlstrom, & Gassenheimer, 1991; Leuthesser, 1997; Ojasalo, 2001, 2002; Pardo et al., 2006; Piercy, Cravens, & Morgan, 1997, 1998).

Yet, this still leaves a gap. To date, no one has attempted to synthesize the attitudes and behaviours expected of a KAM, or to demonstrate empirically how these differ from sales. As a first step, these expected attitudes and behaviours are derivable from the skills,

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