



Rethinking customer relationships

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Abstract Success in business markets demands going beyond satisfactory exchanges with customers. Conventional wisdom therefore dictates that firms must build close customer relationships. Yet, unfortunately, the meaning of a close relationship from the customer's viewpoint can get lost in translation. We find that, contrary to the widely held use of the relationship metaphor in business, customers do not actually want interpersonally meaningful relationships; in fact, these are often viewed with cynicism and are seen as a burden. Rather, customers seek value creation attuned to their particular contexts to drive instrumental objectives. This article highlights the thorny, often veiled aspects of customer relationships and re-directs attention to the essential connections that help suppliers successfully co-create value with customers.

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1. Does your customer want a relationship?

How often have budding account managers been told that they need to develop close customer relationships to succeed? Although it is essentially chiseled in granite, we critically reexamine this conventional wisdom and question how helpful it

is for managers to think about business partnerships like they would a marriage or a friendship. Does the process of building intimate personal bonds in a romantic relationship provide useful insight for creating the value that customers are seeking?

Our research suggests that most buyer-seller relationships, when compared to true personal friendships, come off as inauthentic—or ironic at best. Business relationships can play a significant role in creating value for organizations. Yet if such relationships are expected to be something they are not, psychological tension can be created in the lives of buyers and sellers, and valuable resources can be misdirected.

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The key question guiding our research is this: If customers say they want close relationships with suppliers, does this mean that they want genuine, personal relationships that can transcend their professional interests in the situation or those of their company? And, from a practical perspective, is the popular relationship metaphor a useful mental model for guiding effective business interactions?

A quick review of speeches, articles, and the everyday language of executives suggests an emphatic ‘yes’ to these questions. It is also common to see job titles such as Relationship Manager or Supplier Relationship Director for downstream sales or upstream procurement roles. However, frequent evidence of a dark side to business relationships suggests that the answer to our questions may not be so clear cut.

To shed light on the nature of relationships in a business-to-business (B2B) context, we conducted a major study using phenomenological depth interviews with 38 commercial buyers from 25 industries (see Appendix). As expected, our buyer interviews included frequent references to dating, marriage, divorce, and friendship to explain business interactions with suppliers. They even included intimate relationship language, such as ‘getting under the covers,’ ‘finding the ring,’ and ‘seeing behind the kimono.’ Yet, after months of digging deeper into the transcripts to unpack exactly what these terms and phrases actually mean to customers in their business world context, we were surprised to find customers’ language linked to very different thoughts and experiences than the traditional relationship meanings.

Our findings offer insights to critically challenge the mental models that managers apply to developing valuable customer partnerships. These insights also generate new ideas for the types of connections that can, in fact, facilitate superior value co-creation with customers.

2. B2B relationships enhance loyalty. . . except when they don’t

Similar to interpersonal relationships, B2B partnerships are commonly believed to evolve through stages of exploration, formalization, maturity, and decline (Dwyer, Schurr, & Oh, 1987; Jap & Anderson, 2007; Ring & Van de Ven, 1994). And while the term *relationship* can simply refer to repeated business interactions, the prevailing usage by B2B scholars implies intimate social bonds (Wilson, 1995). Businesses have subsequently internalized this philosophy and their actions have followed suit. Many companies, for example, provide funds for salespeople to befriend

their clients through gifts and events, and industry gurus encourage companies to “treat customers as best friends” (Geller, 2006, p. 22) and “make a friend, not a transaction” (Tan & Steinberg, 2007, p. B6).

Yet, while forging close relationships is a seemingly positive goal, researchers continue to uncover a troubling number of exceptions to the expected benefits. For example, researchers are astonished when close personal relationships don’t prevent customers from switching to new providers (Wathne, Boing, & Heide, 2001). Dismay is expressed upon finding that partners in very close business relationships are more likely to cheat than those in less-close relationships (Wuyts & Geyskens, 2005). Commitment to a business relationship can decline even when trust remains unbroken (Lazzarini, Miller, & Zenger, 2008; Palmatier, Houston, Dant, & Grewal, 2013). And a buyer can indicate having a good salesperson relationship, but then avoid them to save time (Palmatier, Scheer, Evans, & Arnold, 2008).

It seems that something may be askew in how suppliers think about buyer needs and what makes business partnerships work (Maddox, 2008; Tuli, Kohli, & Bharadwaj, 2007; Wathne et al., 2001). Perhaps conceiving of repeated B2B interactions via the metaphor of a relationship—a term that implies personal intimacy and a degree of selflessness—is not as helpful as it seems on the surface. What are the limits of the relationship metaphor in aiding to understand and effectively manage B2B interactions? If the relationship metaphor has limits, what model should firms follow to successfully co-create value with customers? Our study sheds light on these types of questions and proposes a new metaphor.

3. Does the relationship metaphor mask reality?

The relationship metaphor is so entrenched in contemporary business psyche that it is rare to speak of such interactions as anything but relationships (Wilson, 1995). Yet, while a metaphor can create powerful imagery to understand some aspect of life, it can also misdirect attention away from reality if those images do not map onto the essence of the real-life experience (Lakoff & Johnson, 1980). Months of analyzing buyers’ stories-in-context revealed a host of ways that the relationship metaphor does, in fact, mask reality in business.

Applied to business interactions, the relationship metaphor extols the virtues of salespersons crafting social bonds, close personal relationships, and even true friendships with buyers (Bolton, Smith, & Wagner,

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