

Velkommen til Erhvervskonferencen: Salg- og marketingfunktionen i den digitale æra – Muligheder og udfordringer

COPENHAGEN BUSINESS SCHOOL



Customer and Commercial Development Program

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Business landscape

Changes in business environment <ul style="list-style-type: none">• Increasingly global nature of competition• More demanding legislative requirements• Increasing social awareness• Market deregulation• Physical distance less important	Changes in company <ul style="list-style-type: none">• Limited resources• Few opportunities for product differentiation• Increase in the use of private labels• Product modification rather than product innovation• Faster production processes
Changes in industry <ul style="list-style-type: none">• Technology-maturity investment• Overcapacity in many industries• Stabilization of production methods• Technology and cumulative experience common• Stabilization and concentration of market shares• Advances in new information technology	Changes in customer demand <ul style="list-style-type: none">• More sophisticated customers• Rising customer expectations• Lower brand preferences among customers• Market saturation• Inelastic demand• Increased price sensitivity

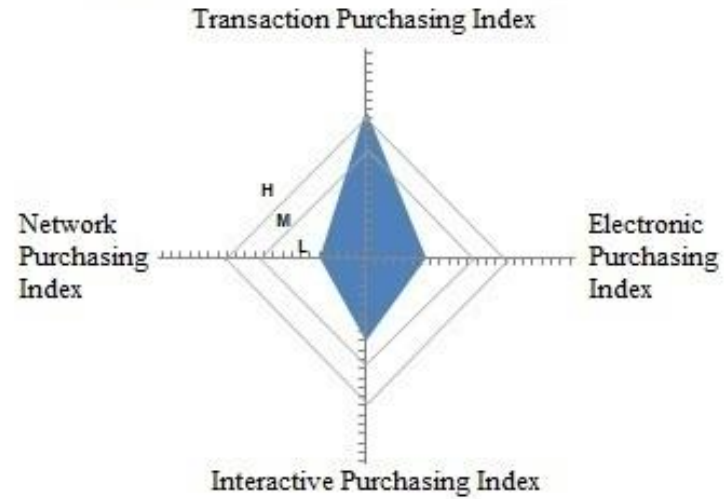
Marketing side

Traditional Marketing Practice	New Marketing Practice
Many alternatives	One or few alternatives
Every deal is a new business, and no one should benefit from past performances; independent and discrete market exchanges	A deal is part of a relationship, and the relationship is part of a network context; dependent and ongoing market exchanges
Exploit the potential of competition; anonymous and efficient market	Exploit the potential of cooperation; numerous market networks
Short-term, arm's-length distance, and avoid coming too close	Long-term with tough demands and joint development
Hierarchical, functional organization	Cross-functional, process-based organization
Renewal and effectiveness by change of partner, and choose the most efficient supplier at any time	Renewal and effectiveness by collaboration and team effects, and combine resources and knowledge
Buying products; standardized products	Buying capabilities; customized products
Services only augment the core product	Services are basis for differentiation
Price orientation, strong in achieving favorable prices in well-specified products; marketing is through the 4Ps	Cost and value orientation, strong in achieving low total costs of supply and developing new value; marketing through relationships, networks, and interactions

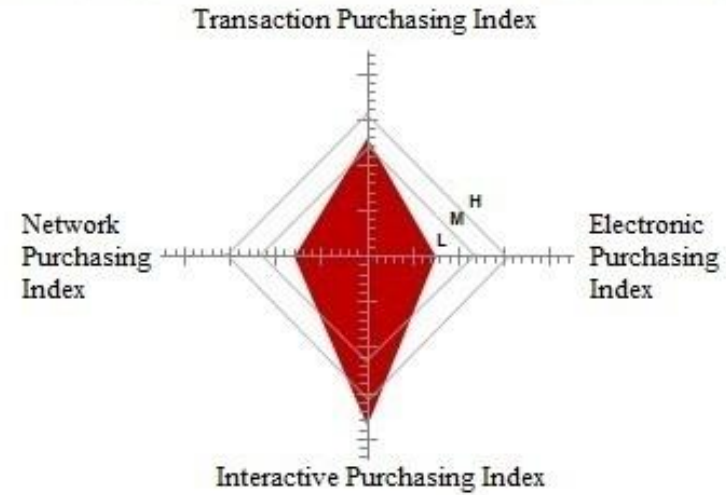
Purchasing side

Aspects	Transactional Perspective		Relational Perspective		
	Transaction Purchasing		Electronic Purchasing	Interactive Purchasing	Network Purchasing
Purpose of exchange: When dealing with our direct suppliers, our purpose is to:	achieve cost savings or other 'financial' measure(s) of performance (monetary transactions)		create information-generating dialogue with many identified suppliers	build a long-term relationship with specific supplier(s)	form relationships with a number of organizations in our supply market(s) or wider purchasing system
Nature of communication: Our communication with direct suppliers can be characterized as:	our organization using undifferentiated communications with all suppliers		our organization using technology to communicate with and possibly among many individual suppliers	individuals at various levels in our organization personally interacting with individual suppliers	senior managers networking with other managers from a variety of organizations in our supply market(s) or wider purchasing system
Type of contact: Our organization's contact with our direct suppliers is:	arm's-length, impersonal with no individualized or personal contact		interactive via technology such as the Internet	interpersonal (e.g. involving one-to-one interaction between people)	across firms in the broader network (from impersonal to interpersonal contact)
Duration of exchange: The type of contact with our direct suppliers is characterized as:	transactions that are discrete or one-off (i.e. not ongoing)		technology-based interactivity that is ongoing and real-time	interpersonal interaction that is ongoing	contact with people in our organization and wider purchasing system that is ongoing
Formality of exchange: When people from our organization meet with our direct suppliers, it is:	mainly at a formal business level		mainly at a formal level, yet customized and / or personalized via interactive technologies	at both a formal business level and informal social level on a one-to-one basis	at both a formal business level and informal social level in a wider organizational system / network
Managerial intent: Our purchasing exchanges are intended to:	continuously search for new suppliers to find the best deal (i.e., low prices)		create two-way, technology-enabled data exchanges with our suppliers	develop cooperative relationships with our suppliers	coordinate activities between ourselves, suppliers, and other parties in our wider purchasing and supply system (e.g., second-tier suppliers, key customers, service providers, and other organizations with which we interact through our purchasing activities)
Managerial focus: Our purchasing strategy is focused on issues related to:	the purchase item and its price		managing IT-enabled relationships with many individual suppliers	one-to-one relationships with suppliers, or individuals in supplier organizations we deal with	the network of relationships between individuals and organizations in our wider supply system
Managerial investment: Our purchasing resources (i.e. people, time, and money) are invested in:	specifying products, negotiations, ordering, and expediting activities		operational assets (IT , website, logistics) and functional systems integration (e.g., purchasing with IT)	establishing and building personal relationships with individual suppliers	developing our organization's network relationships within our supply market(s) or wider purchasing system
General indicator: Overall, our organization's general approach to our direct suppliers (of product-related items) involves:	using aggressive sourcing (continuously search for new suppliers) to obtain purchase items at the most favorable conditions		using the Internet and other interactive technologies to create and mediate data exchanges between our organization and our suppliers	developing personal interactions between employees and individual suppliers	positioning organization within a wider organizational system or network

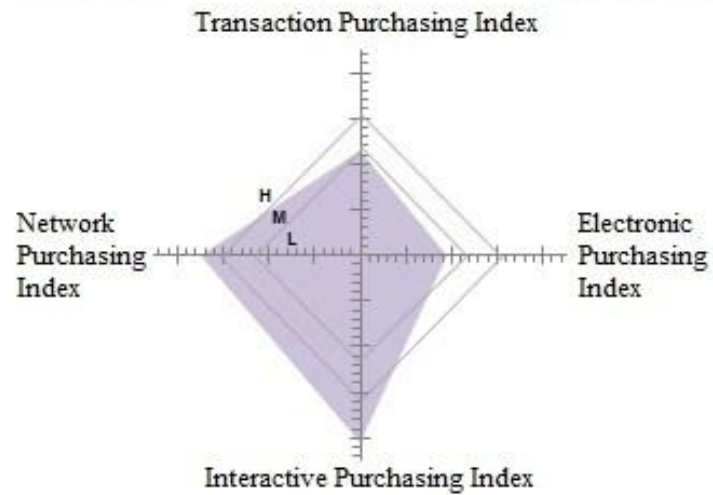
Transactional Configuration



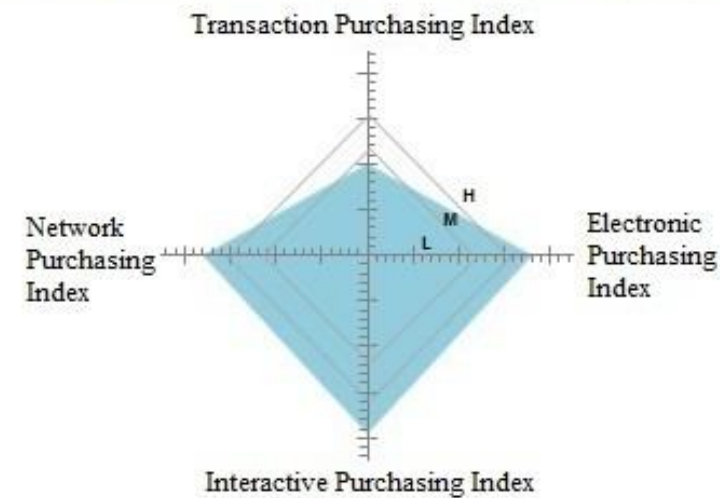
Interpersonal Dyadic Configuration



Interpersonal Network Configuration



Integrative Relational Configuration



Students@Customer&CommercialDevelopment

Students

- ▶ Are introduced to aspects of relevant theories and practices in marketing and sales functions
- ▶ Develop a critical appreciation of fundamental constructs behind these theories and practices
- ▶ Learn how to identify, evaluate, and translate different corporate strategies into marketing and sales strategies for different markets and segments
- ▶ Understand how to adjust sales methods and selling behavior in relation to a specific market and strategy
- ▶ Can select and use appropriate conceptual tools and theoretical models for building, managing, and positioning digitally based integrated marketing and sales functions across multiple channels and markets

Thank you! 😊