



Business from technology

Understanding Corporate Customers' Service Needs

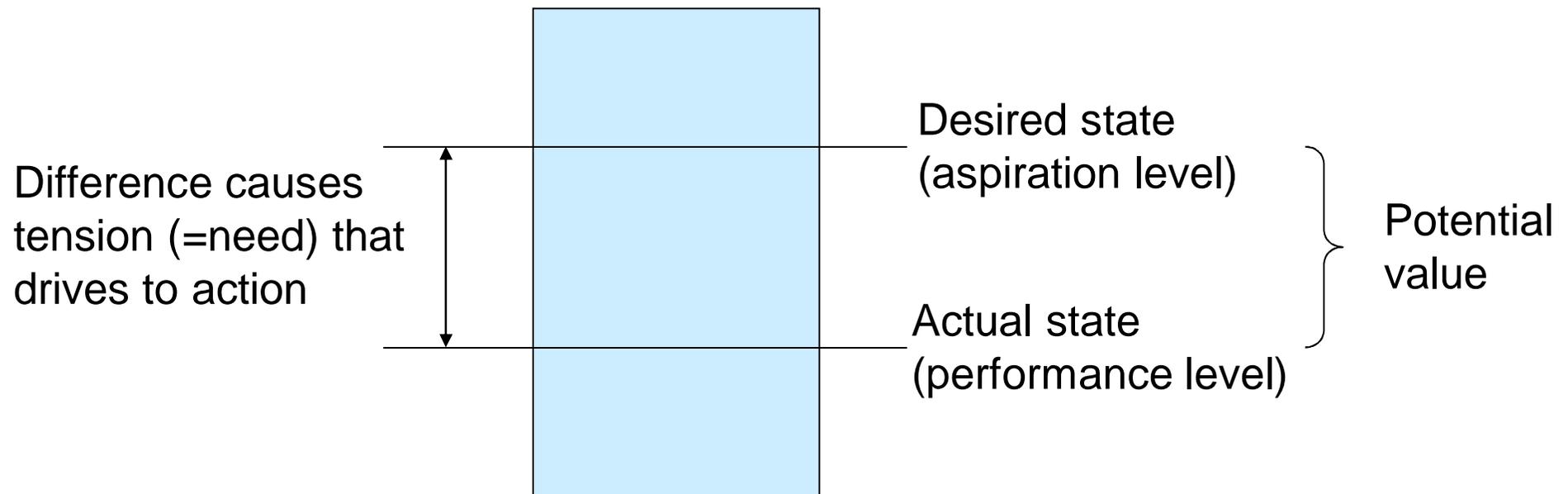
VTT Symposium on Service Innovation 18.8.2011
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Objective and Methodology

- Purpose of this presentation is to describe a point of view into the nature of corporate customers' service needs and to reflect on possible future research.
- The view has developed within a series of several research projects concerning industrial service business in b2b context.
- The view is based on interviews, discussions and workshops covering empirical cases of Finnish industrial service providers and their customers. The empirical insight has been combined with theory from literature.

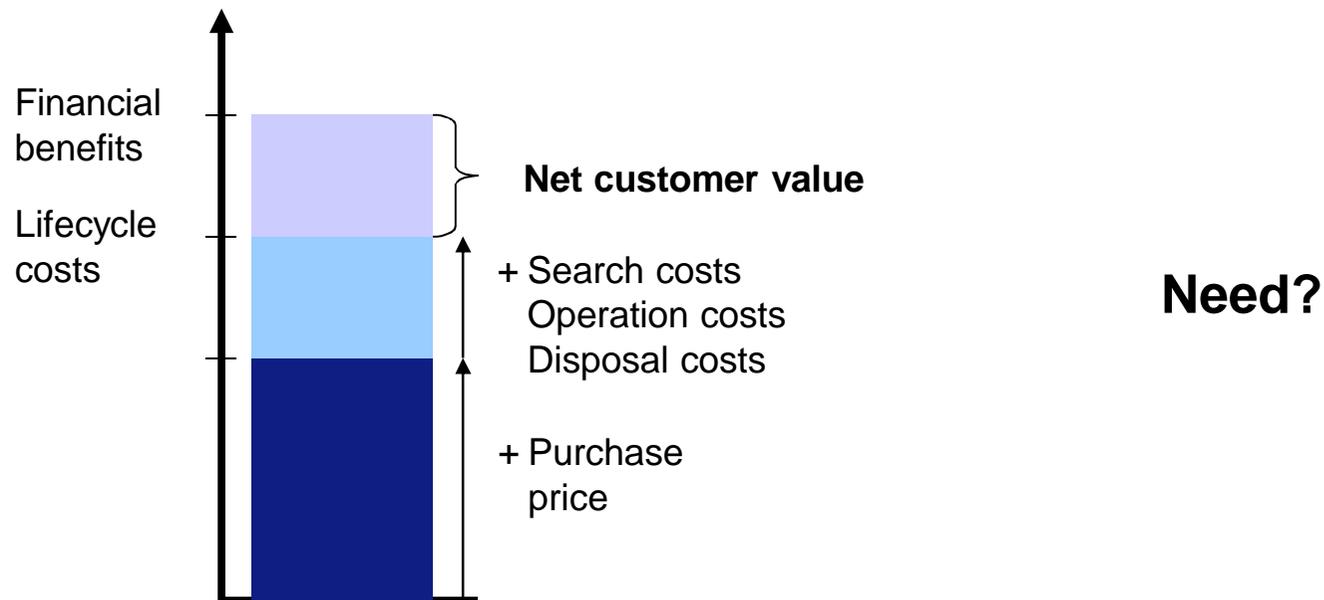
Needs and Value

- A need is an unsatisfactory condition of the customer that leads the customer to an action that will make the condition better.
- Needs are very subjective.
- Value accrues as needs are satisfied.



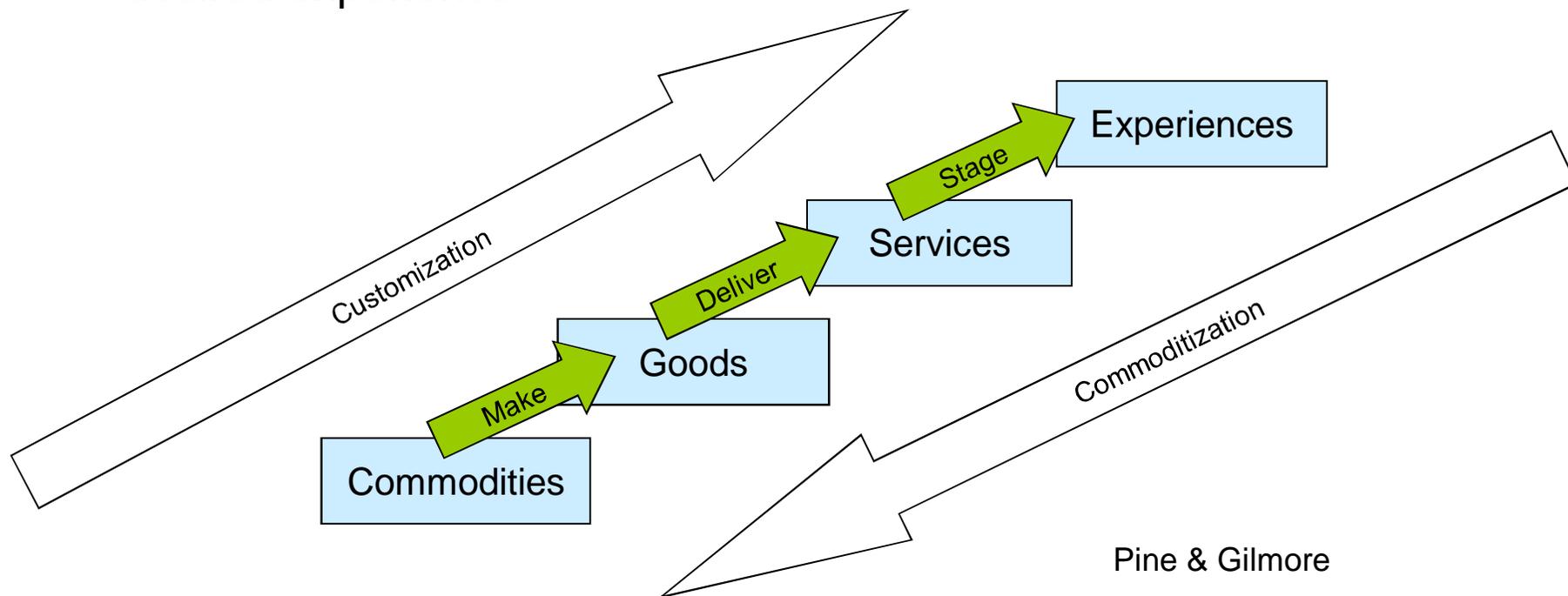
Financial Value

- Within b2b context, customer value is often viewed from a monetary perspective as financial benefits exceeding lifecycle costs for the company (e.g., Anderson & Narus, 1998; Slater & Narver, 2000).



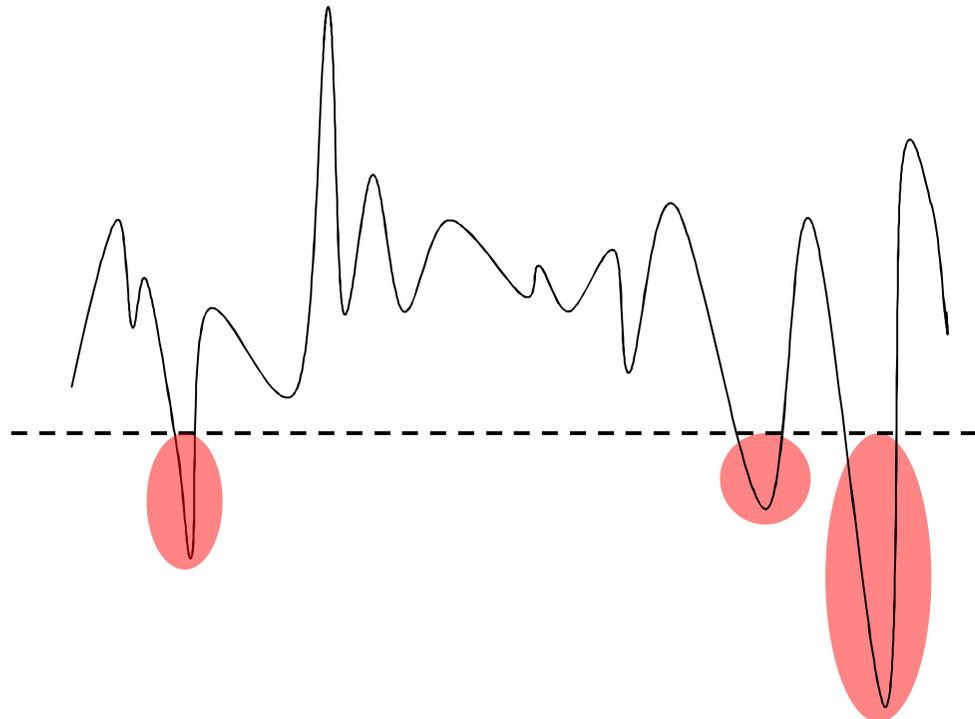
Emotional Experience

- Within b2c context there is more emphasis on experience and emotions as the basis for value than within b2b context (e.g., Gilmore & Pine, 1997; Holbrook, 2006; Prahalad & Ramaswamy, 2004).
- Need as the tension caused by difference between actual and desired experience



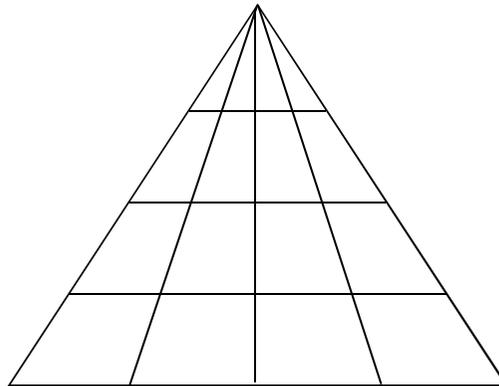
Experience and Need in Time

- Industrial services need to be viewed as experience creating processes in time and not only through their end results.
- How well do we serve customers' needs in time?
- What is the total experience?



Organizational Need and Experience

- A customer company consists of multiple individuals who may experience the service in very different ways. Their will and needs may be in contradiction with each other and with the common good of the firm.
- Needs arise on multiple levels (individual, group, company, industry)



Systems View and Context Specificity

- Economic actors are resource integrators that together co-create value (Normann, 2001; Prahalad & Ramaswamy, 2004; Vargo & Lusch, 2008, 2010)
- Value of a resource or service is dependent on the other resources and actors it is connected with
- Value is created as service is used within customer's context
- Customer needs derive from customers' contexts and customers' systemic value constellations where the elements are linked and aligned to each other.

Dynamic Service Needs

- Customers' prioritization of needs and choice of solutions is affected by intra- and interorganizational interaction.
- Customer needs and understanding about them are co-created.
- Through the interaction both the supplier and customer itself learn about the needs.
- Needs are influenced through interaction.



Nature of Corporate Customers' Service Needs

- Need as affective tension on multiple levels (individual, group, company, industry)
- Importance of financial value as a source of human experience within business context
- Subjective needs of customer employees
- Different and even contradictive needs in different parts of customer organization
- Temporal dimension of need and experience
- Needs deriving from customer's systemic context
- Dynamism of needs

Future Directions

- Implications for
 - Service concept development
 - Service innovation process
 - Creating and utilizing customer insight
 - Market change for sustainable development