

Swimming in a sea of sameness: Towards understanding of B2B actor competencies for the production of differentiated customer value propositions.

Introduction

We propose an approach for a qualitative exploration of the competences utilised by marketing professionals in the production and communication of business to business (B2B) customer value propositions. A conceptual model is offered that seeks to connect abstract conceptualisations of actor competences to a pragmatic managerial framework that might have everyday utility in the production of customer value propositions. In this way we seek to embrace the idea of engaged scholarship (Barker 2004, Baines et al 2009, Gummesson 2014) by producing a piece of research that is sensitised to academic theory yet accessible and relevant for B2B practitioners.

The motivation for this research arises from data collected for a doctoral thesis and three consultative research projects undertaken by the authors that examined the nature of product-service offer communication on corporate websites and Twitter feeds in the Telecomm, Datacenter and Higher Education sectors (Kelly Johnston Daneheiser (2018, 2019, 2019a). These projects revealed a thought-provoking real-world problem where organisations seemed to be struggling articulate why anyone should buy from the organisation (Basini 2011) through meaningfully differentiated product-service offers (Levitt 1980). This problem is exemplified by the following statements from the doctoral research participants:

“So therein lies the trick as to how you layer your value propositions such that it's not too generic and it's not too detailed or where it misses the mark.”

Kyle, MD of US Software Company and former Senior Vice President of Marketing at Global Telco

"Again, they take very much an inside-out view of the world. You know, I've got some products or I've got a new thing in my portfolio, how can I present that to the customer in terms of benefits, and quite often that is very me too in terms of how they position and present that in the market."

Greg, Owner of a Sales Consultancy and former Vice President of Sales

“Well if marketing has no customer intimacy then sales have to translate very clearly and articulate a very good assessment of our customers and if we're not good translators to share that intimacy of our customers or our industries with marketing then marketing will have a very poor chance of creating things that resonate with our customers."

Laura, Senior Vice President Sales, Global Telco

Given that communicative content from organisations was produced and/or sanctioned by actors in the sample firms we were puzzled at this apparent lack of differentiation and therefore we wanted to better understand what was going on. As a point of departure, we speculated that this lack of differentiation might be related to actor competence in value proposition production and articulation. We further speculated that variations in actor competence might in some way be related to a lack of attention to, or awareness of, the 'idiosyncratic, experiential, contextual and meaning laden' nature of value (Vargo and Lusch 2006), and the diversity, granularity and dynamic nature of customer value propositions that can be offered by the same organisation (Kowalkowski 2011, Eggert, Ulaga, Frow, Payne 2018:87, Kelly, Johnston, Daneheiser 2017) and we wondered if this tendency might contribute to the observed value propositions being 'principally supplier determined, reflecting a value-in-exchange emphasis' (Payne, Frow Eggert 2017:471).

A foundational assumption in our proposed approach regards actor competence as a generative mechanism (Bhaskar 1988, Danermark et al 2002, Easton 2010, Fletcher 2016). Indeed, we suggest that by treating value proposition creation competences as generative mechanisms it means they can be understood to have the potential to create differential customer value whilst avoiding any claim that such competences have specific direct causes and effects.

We propose that these competences are distinct from and additional to the use of conventional sales and marketing techniques and methods and we have a hunch that they involve forms of communicative and interpretive abilities. As such they are more concerned with knowing how rather than knowing what. We further suggest that these competences might have real company and market performance consequences in terms of the nature and effectiveness of B2B value proposition production and communication.

Despite academic and managerial claims regarding the centrality of value understanding for successful business performance there is evidence that commercial reality does not always reflect this. It seems that marketing practitioners continue to have difficulty articulating differential value to their customers to the extent that 58% of B2B deals end in no deal where the buyer has not been convinced that future benefits outweigh the cost of change (Kelly, Johnston, Danheiser 2017).

The real-world problem and three a priori consultative research exercises.

Qualitative studies of 3 industry sectors were undertaken comparing a combined total of 60 websites and organisation Twitter feeds in the Telecoms, Data Center and Higher Education sectors. These sectors were used because the authors were engaged in consultative research commissions in those sectors. Ncapture was used to ‘scrape’ the landing pages, the about pages and the why us pages of organisation webpages which were judged to be the primary pages where value propositional communications were presented. Twitter feeds were also captured as data sets with Tweets excluding re-tweets being used to ensure only original organisation messages were collected. The selection of Twitter feeds alone was expedient. Other social media sources were available such as Facebook, LinkedIn, Instagram and YouTube. The authors decided that Twitter provided a representative idea of things the organisation wished to talk about and together with a need to complete the projects expeditiously only Twitter was captured. Ncapture produced these data in the nvcx file format which were then imported into Nvivo 10 qualitative data analysis software.

Nvivo was used to assist the author’s thematic analysis (Boyatzis 1998) and these data were primary, and pattern coded and interpreted using retroductive and abductive approaches (Danermark et al. 2002). From this a set of common value proposition themes across all organisations in each sector was generated. This led the authors to conclude that customers seem to be swimming in a so called ‘sea of sameness’ because these organisations are failing to communicate clear differential value (Kelly, Johnston, Daneheiser 2018). This lack of differential value can be summarised in examples of overall sector similarity indicated by common propositional claims from the sample organisations in each sector:

Telecom Sector	<ul style="list-style-type: none"> ● We are big innovative and experienced ● We have a big network ● We offer tailored solutions ● We have a wide breadth of services ● We can help you exploit the digital future ● We can help you compete ● We can help you deliver better customer service ● We can help you keep running ● We can help you stay secure ● We can help you do things faster
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Data Center Sector	<ul style="list-style-type: none"> ● We are experienced technology experts ● We provide customer service and advice ● We are a one stop for tailored solutions ● We have financial strength and strong partners ● We help you stay ahead of the tech' curve ● We cover your back so you can focus on your core business ● We support your business growth and agility ● We ensure data uptime and reliability ● We robustly protect your data ● We enable co-location and migration capability
Higher Education Sector	<ul style="list-style-type: none"> ● We have excellent teaching and research ● We have an excellent reputation ● We have excellent buildings, learning spaces and resources ● We provide excellent student support ● We can transform your life and future ● We have impact locally, regionally and globally ● We work with business ● We work with the public sector ● We celebrate diversity and freedom ● We celebrate sustainability ● We have a vibrant student community ● We are a great place to study ● We are a great place to work ● You can transform the lives and futures of others ● You can fulfill your potential ● You will get the career and job you aspire to ● You will be inspired ● You will develop original ideas and thinking

These statements seemed to suggest that in each sector a typified inside-out supplier approach to communicating proposed customer value existed such that any organisation in the sector might recognize themselves in such generic proposition statements rather than standing apart from these typifications with specific aspects of their points of difference. To that end it seems the communications the authors collected and observed were positioned at a very high level of generality consistent with a firm level of granularity rather than inspired by more idiosyncratic segment or customer value granularity (Eggert, Ulaga, Frow, Payne (2018). Furthermore, there is some indication that there is even similarity across sectors with common emphasis on such things as ‘our expertise and capability’, ‘our track record’ ‘our ability to help you improve’, and ‘our ability to help you navigate an uncertain future’.

In order to find out why this might be the case we have currently articulated our primary research question as:

‘What professional competencies do senior officers in business to business organisations believe marketing and sales practitioners should demonstrate in order to avoid the production of generalised competitively similar value propositions?’

Further research is therefore proposed to be undertaken in 2019 which will involve 18 depth interviews with senior sales and marketing professionals to further explore actor competences as generative mechanisms to value articulation.

Literature

This literature discussion considers key ideas in the value, value proposition, value proposing actor and competence literature.

Value

Extensive academic business management effort has been devoted over several decades to the subject of customer value. Scholars have noted the central importance of understanding customer value in the pursuit of competitive advantage and recognised the ambiguity and fluidity of the term. Several helpful literature reviews have been published including those by Lindgreen and Wynstra (2005) and Lindgreen Hingley Grant and Morgan (2012). Notable studies include Zeithmal (1988) and her exposition of perceived value as a counter to purely rational-economic explanations of value, Ravald and Gronroos (1996) who considered relationships and the value concept Woodruff (1997) who proposed that value understanding was a fundamental source of competitive advantage, and the articulation of value as value in use drawing attention to the reciprocal nature of value co-creation in the Service Dominant Logic discourse (Vargo and Lusch 2004, 2006). Additionally a number of value attribute frameworks have been produced including Holbrook's 1999 consumer framework, which Coutelle-Brillet et al (2014) suggest has relevance to business markets, the B2B relational value framework presented by Ulaga and Eggert (2005) and the B2B value model of Kelly, Johnston and Danheiser (2017) the B2B value framework of Almquist, Cleghorn and Sherer (2018). Each of these frameworks reflects broad similarity insights in respect of the multi-faceted nature of value ranging broadly from monetary, perceptual, relational experiential and societal attributes.

Value Propositions

The subject of value proposition is a specific aspect of value study. It is related yet distinct from determining, creating, delivering and measuring value. Indeed, it was Vargo and Lusch (2006) who suggested that firms are only able to propose value to their customers rather than embed it as value added prior to purchase. A value proposition can therefore be understood as a promise of value that will be garnered by the customer at some point in the future (Johnston 2014; Payne et al. 2017; Vargo & Lusch 2008). The value proposition concept is a significant topic in management literature and developing a value proposition is seen by some authors as a critical strategic issue for marketing managers (Payne & Frow 2014). Thus, Eggert et al (2018) note that value propositions have the very practical role of communicating 'how firms help their customers "get an important job done" (Johnson, Christensen, & Kagermann, 2008, p. 60).' Barnes et al. (2009) state that the evolution of the term value proposition is rooted in the 1950s with the notion of the Unique Selling Proposition (USP). This led to the notion of benefit-led selling (Rackham 1988) where sales and marketing teams were coached to move from product features through to describing customer benefits. The origination of the term value proposition is attributed to McKinsey consultants Bower and Garda (1985) where they consider the making of promises of satisfaction as part of the logic of a marketing-oriented value strategy for business (Ballatyne et al. 2011). Lanning and Michaels (1988) then developed this into a consultancy framework that focused on the creation of value propositions and the design of a value delivery system management model, consisting of three steps: choose the value, deliver the value, and communicate the value.

Anderson et al. (2006) classified value propositions into how organisations were deploying them, and proposed three classifications. Firstly 'all benefits' value propositions that provide a so-called laundry list of potential benefits. Secondly points-of-difference value propositions that showed and organisations points-of-parity with competitors and highlighted points-of-difference. Thirdly 'resonating focus' concentrating on the two or three known benefits that the customer is seeking. These sought benefits will have been established by prior customer research and indicate a more outside -in approach to value proposition creation. Most recently Eggert, Ulaga Frow and Payne

(2018) have produced a very useful summary of themes, issues and perspectives in relation to value proposition understanding whereby the authors provide a summary model indicating the change from what they term as the inside-out value in exchange market offering perspective, through the transitional customer experiential promise of value perspective to the contemporary outside -in value in use reciprocal proposal of value. Indeed it was Vargo and Lusch (2006) who suggested that firms are only able to propose value to their customers rather than embed it as value added prior to purchase.

Competence

There is sparse empirical research on the nature of the value proposing actor (Johnston 2014) and unpacking and understanding the expertise and professional competences deemed relevant to their practice and performance. The notion value proposing actor originates in Service Dominant Logic literature of product and service solutions (Vargo and Lusch 2004, 2011). Wasseem, Biggemann and Gary (2018:6) observe that ‘...Detailed investigations of individuals and their associated competences relative to a firms operant and operand resources in value creation processes remains scant’. Wasseem et al (2018) further note that ‘The role of individual actors in value creation processes has long been recognized within an industrial marketing context’. However they go on to observe that there is ‘limited conceptual understanding of the competence construct’ in relation to actor competence in value creation processes in a business to business marketing context.

The notion of competence is ambiguous and has been described as a nebulous (Wasseem et al 2018;6) and a ‘fuzzy concept’ (Boon and van der Klink 2002:6) with various ways of describing and defining the concept ranging from different perspectives (actor, work based, constructivist; behaviourist, functionalist, and holistic). Nevertheless some useful definitions have been suggested and Murphy (2014) presents a range of these such as Norris (1991:332) defining competence in functional terms of demonstrable action, behaviour or outcome that can be assessed, Berman, Brown and McCartney (1995:45) relating competence to being capable and able to do things, Messick (1984) linking competence to potential and the International Federation of Accountants (2001) definition as ‘A potentiality to perform in a future which is yet to be experienced and which may be unknown’. Teodorescu (2005) cites David Dubois and Thomas Gilbert to provide two further definitions. ‘Those characteristics—knowledge, skills, mindsets, thought patterns, and the like—that when used whether singularly or in various combinations, result in successful performance’

(Dubois 1998) and ‘Competent people are those who can create valuable results without excessively costly behavior’ Gilbert,1996, p. 17).

The common idea in relation to competence is that it is a multi-faceted notion that blends a variety of abilities. Le Deist and Winterton (2005) consequently present an holistic model that shows the inter-relationships between an actors cognitive, functional, social competence (hard and soft skills) and the binding notion of meta-competence which Murphy, Brown and McCartney (1995:48) cited in Murphy (2014) describe as:

‘those abilities, skills and capacities which exist above and beyond any competence which an individual may develop, guiding and sustaining them, and from which they originate...the higher order abilities which have to do with being able to learn, adapt, anticipate and create rather than being able to demonstrate that one has the ability to do ...a prerequisite for the development of capacities such as judgement, intuition and acumen upon which competences are based and without which competences cannot flourish’

The holistic idea of competence can additionally be related to the idea of Aristotelian notion of Metis (Pressey, Gilchrist, Peters 2016) which represents what the authors describe as a ‘triumvirate of intellectual virtues’ made up of techne (technique or practical ability), episteme (theoretical knowledge - know why) and phronesis (wise judgment) that draws from so called ‘grey-hair’ experience (Maister 1993)

Murphy (2014) presents the argument however that consideration of professional competence necessarily requires an understanding what is meant by profession. Murphy notes that professions ‘operate within a certain system or ‘ecology’ ‘that is sensitive to the endeavours of their competitors as well as themselves. Professions are also sensitive to the idea of differentiation in terms of task differentiation and client differentiation and represent certain types of people with a common world view such that professions are ‘a set of practices whereby professionals have a certain job to do and do so in a certain way. This involves ‘thinking’ as well as ‘doing’ (Murphy 2014: 14). A profession can thus be characterised by actors who have a proprietary body of skills, unique culture, an emphasis on service that includes a subordination of self-interest to general interest, and autonomy and expertise. Ultimately the notion of professional competence is connected to the idea of an ‘anticipated performance related outcome’ (Wasseem et al 2018).

Building our conceptual model

In order to combine ideas of generic competence and sensitise these to principles of metis and professionalism we propose the following model that encompasses, technical and functional competence, professional expertise and an overarching wisdom. The aim being to suggest that these competences might be deployed simultaneously and act as generative mechanisms in value creating processes by mirroring the idea of holistic competence suggested by Le Desist and Winterton.

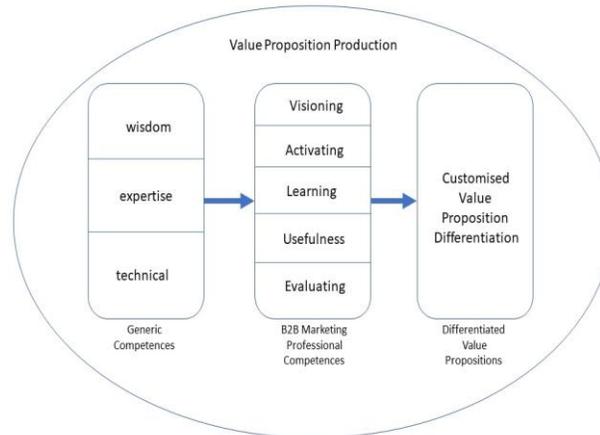


Our next step was to map these generic competences onto our professional competencies model. We deliberately chose the mnemonic term VALUE as the linking competence element believing it had the merit of topic relevance, practitioner accessibility and memorability. This assumption will be explored through its use during interviewing.



A Conceptual Model

We therefore propose the following conceptual model to explain how we have produced a set of B2B marketing practitioner competencies that have a bearing on the performance related outcome of differentiated value proposition production. The left side of the model depicts generic /abstract notions of competence. These are mapped onto a professional competence model in the middle which we suggest underpins customised value proposition differentiation production (performance outcome) on the right-hand side of the model. The professional competences in this model can also serve as semi structured interview themes that we wish to explore.



In order to develop our investigation of the primary research question; *‘What professional competencies do senior officers in organisations believe marketing practitioners should demonstrate in order to avoid the production of generalised competitively similar value propositions?’* We propose embarking on our line of questioning by inviting participants to consider the professional expertise that is required by marketing practitioners in their organisation; in particular the ability of marketers to put themselves in the shoes of customers and salespeople. We anticipate this to be a free ranging response. From this question we propose to then explore questions relating to each element of our B2B professional competence framework in turn using the following suggested question framework to guide the interviews.

Visioning	Q. How business savvy are senior marketers in your organisation Q. How important is the need for marketers to have vision, imagination, see the forest through the trees, be agile and able to course correct. Q. Do your marketers have an ability to creatively avoid duplication of what your competitors are doing. Q. How able are your marketers to scan the business environment and identify weak signals in order to spot the next big wave, changes in customer environment, PEST factors etc
Activating	Q. In order to get anything done in the organisation how competent are your marketers to sell their ideas, create buy-in internally and mobilize the team. Q. How collaborative and pervasive are your marketers Q. How competent are your marketers at negotiating Q. How competent are your marketers as project managers Q. How competent are your marketers at interviewing skills, listening, writing and storytelling.
Learning	Q. How competent are your marketers at keeping up with sector, technological, business model and customer developments Q. Do your marketers continually learn and experiment with new things Q. Do your marketers reflect on their practice Q. How inquisitive are your marketers
Usefulness	Q. Do your marketers distinguish between difference and relevance Q. How deeply do your marketers understand particular customers needs Q. How competent are your marketers in translating features into benefits
Evaluating	Q. How competent are your marketers at pattern spotting Q. Are your marketers able to avoid analysis paralysis Q. Do your marketers demonstrate the ROI of their activities Q. Do your marketers know about and understand the priorities of colleagues in other functions such as sales and finance.

Potential implications for professional education and development

By understanding more about the nature of sales and marketing actor competence in value proposition production we anticipate that this might help practitioners in several ways. Firstly, we might be able to create of a competency framework that serves as an ‘audit tool’ and framework that can be used for recruitment and continual professional development design. Secondly, we might be able to create of educational experiences that develop expertise and wise judgement as well as impart knowledge of analytical tools and techniques. For example, master’s degree marketing modules that accelerate the acquisition of ‘grey-hair’ wisdom through role play and simulation and developing in particular:

- understanding the idiosyncratic and changing nature of customer value
- understanding the idea of value in use
- understanding the nature of meaningful differentiation
- simultaneously managing several levels of value proposition granularity and customisation
- being adaptive
- being critically self-reflective.
- living an outside in rather than an inside out orientation.
- living a service orientation towards colleagues and customers

Summary and Conclusion

Data from doctoral research and three consultative research projects indicated a real-world problem in business to business marketing practice. The issue of similarity of value propositional statements noted by the authors caused them to wonder why this might be the case. To that end a more specific investigation was considered focusing on the issue of understanding professional marketing competence. An outline research approach has been presented that seeks to provide a link between abstract understandings of competence and practitioner usefulness to bridge theory

and practice. The aim of the proposed research is to further illuminate the professional competences needed to produce customised, differentiated value propositions in business to business contexts.