

# Constructing Customer Reference Portfolio for Launching Innovations

*Work-in-Progress Paper of the 24<sup>th</sup> IMP Conference in Uppsala, Sweden*

## **Miia Romanainen**

Lappeenranta University of Technology  
P.O. Box 20, 53851 Lappeenranta, Finland  
Tel. +358-5-621 2645  
Fax. +358-5-621 2644  
miia.romanainen@lut.fi

## **Risto T. Salminen**

Lappeenranta University of Technology  
risto.salminen@lut.fi

### **Abstract**

The purpose of the study is to increase understanding of reference usage by constructing a customer reference portfolio for launching industrial innovations. The research questions are: 1) What is an optimal customer reference portfolio for launching industrial innovations like?, 2) How an optimal reference portfolio can be created? The results will provide new knowledge of the use of references when launching innovations and of how to increase efficiency in sales and marketing as well as in establishing customer relationships. As an outcome of the study a customer reference portfolio model for launching industrial innovations will be proposed.

**Keywords:** Customer references, Customer portfolios, Launching innovations, Process equipment, Industrial marketing, Business marketing

## **Introduction**

Global competition, customer and market uncertainties, and rapidly changing and complex technologies have increased the importance of customer references in business marketing. Customers refer more and more each other in these circumstances when making buying decisions. At the same time managing innovations has become important strategic issue in business marketing as companies have to meet the changing customer needs and to compete with new, more advanced product releases. Technology and markets co-evolve over time and developers and potential users interact. Innovation is not just coming up with good ideas – inventions, but it is a process of growing the ideas into practical use. The role of customer references is valuable when introducing innovations to the global markets as standard marketing tools and techniques are of limited use for commercialization of novel and complex new products, and relationships between developers and users are important. (Tidd, Bessant and Pavitt, 2005)

Utilization of customer references is already a common marketing practice in business marketing and references have an essential role in such strategic actions as launching new products and entering new markets, as well as in enhancing a company's competitive position in the industry. However, the concept of reference is used only in a few academic studies in international industrial and business marketing. The latest studies also suggest that more theoretically guided studies on the practices and relevance of referencing behavior are needed and also encourage for new research in this field. (Salminen and Möller, 2003 and 2006). Customer portfolio analysis is a useful tool for analyzing and managing the customer base as it takes the management of the whole portfolio of customers as its starting point. It also helps to form strategies of customer relationships management. When companies have only limited resources, they have to differentiate the resource allocation in relative to the value of customer relationship to the focal firm. Also, instead of managing just individual relationships the firm should concentrate on building the right kind of customer portfolio to ensure a long-term performance. (Turnbull, 1990) Even if there is much theoretical knowledge about portfolio analysis, there has only been little empirical research on portfolios.

## **Research Objectives and Design**

The purpose of the study is to increase understanding of reference usage by constructing a customer reference portfolio for launching industrial innovations. The results will provide new knowledge of the use of references when launching innovations, and of how to increase efficiency in sales and marketing as well as in establishing customer relationships. As an outcome of the study a customer reference portfolio model for launching industrial innovations will be proposed. The research questions are: 1) What is an optimal customer reference portfolio for launching industrial innovations like?, 2) How an optimal reference portfolio can be created?

The research setting of the study is based on constructive research approach. Its objective in the context of business research is to solve relevant problems of business management by creating innovative models, frameworks and methods, and also testing the functionality of the solutions during the research process. The constructions are socially constructed artifacts, meaning that they are invented, not discovered. The phases of the constructive research process are as follows: 1) Find a practical and relevant problem, which also has potential for theoretical contribution, 2) Examine the potential for long-term research co-operation with the target organizations, 3) Obtain deep pre-understanding of the topic area both practically and theoretically, 4) Innovate a solution idea and develop a problem-solving construction, which also has potential for theoretical contribution, 5) Implement the solution and test how it works, 6) Ponder the scope of applicability of the solution, 7) Reflect the findings in prior literature. (Kasanen, Lukka and Siitonen, 1991; Lukka, 2000) As such

constructive research is quite close to design science that widely used in technical sciences, mathematics, clinical medicine, and operational analysis, but it is used also in management research (van Aken, 2007). The present study is currently between the stages 3 and 4. Based on the extant knowledge (pilot study, literature reviews) the bases for the optimality of a reference portfolio for launching purposes (i.e. the relevant dimensions) will be determined.

### **Customer References and Launching**

The interaction approach to marketing and purchasing strategy emphasizes the active role of both buyer and seller. (Håkansson, 1982) Companies are interacting with each others and seeking solutions to their different problems. These companies face a number of uncertainties in their purchases, irrespective of the problems that their purchases are indented to solve. (Ford et al., 2002) Business marketers and their customers are deeply concerned the value that is provided by the market offerings between them (Ford and McDowell, 1999). Relationships can be the primary assets of companies. Without relationships neither business marketers nor their customers can continue to trade and have little value without relationships (Ford and Håkansson, 2006). Customers are often the company's greatest assets in business-to-business markets, which are characterized by small number of players and high degrees of dependency. In particularly in mature markets, it is difficult to break into new customers. The supplier should avoid any erosion of loyalty by the existing customers and maintain the competitive strength with key customers on a regular basis. (Campbell and Cunningham, 1983)

Successful deliveries of equipment, services, projects to customers and the names of existing customers are considered as references. Here a customer reference is considered as "The supplier's relationship to its existing or former customer that can be evaluated by that customer in terms of the supplier's product, service, management, and cooperation performance." (Salminen and Möller, 2006) Emerging reference research has focused e.g. on customer valuation (Cornelsen and Diller, 1998), customer recommendations (Helm, 2000), reference visits (Salminen, 2001) and problems of the first reference (Gomez-Arias and Montermoso, 2007). References have many tasks such as to reduce the uncertainty of a potential buyer (Håkansson, Johansson, Wootz, 1976), re-establish credibility among existing customers (Salminen and Möller, 2006), maintain/reawaken sleeping relationships (Hadjikhani, 1996), enforce to remain loyal to the supplier (Helm, Eggert and Garnefeld, 2007), establishing insecurity and inducing competitors to withdraw from competitive bidding (Gomez-Arias and Montermoso, 2007) and generate credibility among actors the project milieu actors (Cova, Mazet and Salle, 1996). Further, reference customer can also act as third party in initiation of business relationship. According to Aarikka-Stenroos and Halinen (2007) a three-actor perspective, a triadic view, is needed when a third party is involved in initiation. They identified twelve roles of the third actor including scouter, awareness builder, need creator, access provider and accelerator. The third actor can also act as advocate seller e.g. by using testimonials, match maker, trust builder, evaluation assistant, expectations builder, risk reducer and evidence provider.

In this paper a term launch is used to refer to new product introduction, when a product is brought to a market for the first time. Lehtimäki, Simula and Salo (2008) found that launch is used consistently to refer new product introduction and it is not limited only to incremental product innovations, but different degrees of innovativeness of the product have been considered in relation to a launch. The launch phase represents the largest investment in the entire product development process because of the combination of production and marketing expenditures incurred once a decision to launch is approved. However, the launch phase is usually underscored (Urban and Hauser, 1993), although the average failure rate in launching is as high as 40% for consumer and industrial products (Hultink, Hart, Robben & Griffin, 2000). According to Guiltinan (1999) the role of the launch stage is to maximize the chances of profitably achieving acceptance in the target market. In new product and innovation trial and adoption, lead users have an important role. Lead users can contribute insights regarding

solutions responsive to their needs. (Urban and von Hippel, 1988) They are receptive to innovations they have helped to shape because they have identified and struggled with problems. These users develop and use innovations, rather than are passively waiting for manufacturers to commercialise products as in the manufacturer-dominated innovation process (Harrison and Waluszewski, 2004). When the customer determines the value of technological solution in interaction with the producer references can help in customer relationships in heterogeneous business landscape. However, the challenge in utilizing references is that each user context is unique, since what one referring customer brings forward may not fit the other.

Chen, Shen and Chiu (2007) suggest that firms specializing in business of Original Equipment Manufacturer (OEM) behave in product launch more like industrial product manufacturers, which usually communicate product-related information to buyers through personal selling or trade shows. On the basis of data collected from an industrial survey of 101 high-tech firms, they also found that informational and relational messages offer the greatest support for new products. On the other hand, technological uncertainty is high when technology is new or rapidly changing. Technological uncertainty means not of knowing whether the technology or the company providing it can deliver on its promise to meet needs. (Moriarty and Kosnik, 1989) In case of radical innovation it may be also difficult to find references to convince the customer of the new technology. According to Ruokolainen (2005) the most difficult task with the start-up technology was to find the first customer reference and several successful customer references prove that a supplier's success has not been a random phenomenon. Launching of industrial innovations into the markets means that credible customer references are needed to reduce the uncertainties perceived by potential adopters of innovations. Therefore, a supplier should be able to plan its launching activities and to have knowledge to construct its launching portfolio accordingly.

### **Customer Portfolio Models**

The portfolio theory has its origin in finance (Markowitz, 1952) and is created to assess risk and return of financial instruments. Already in 1970's the portfolio thinking has been adopted to the literature and practice of general management. Since then the portfolio models have been commonly used in strategic planning at the strategic business unit level. After 1980 there has been a lot academic interest in customer and supplier portfolio research. There is also a lot of IMP-based customer portfolio research, e.g. Cunningham and Homse, 1982; Fiocca, 1982; Campbell and Cunningham, 1983; Shapiro et al., 1987; Krapfel, Salmond and Spekman, 1991; Yorke and Droussiotis, 1994; Turnbull and Zolkiewski, 1997; Zolkiewski and Turnbull, 2002; Johnson and Selnes, 2004 and 2005.

When companies have only limited resources, they have to differentiate the resource allocation in relative to the value of customer relationship to the focal firm. Also, instead of managing just individual relationships the firm should concentrate on building the right kind of customer portfolio to ensure a long-term performance. (Turnbull, 1990) Portfolio analysis can be a very useful tool for developing relationship strategy and a key factor in successful relationship management. Portfolio analysis does not only provide resource allocation but also an important source of knowledge about customers and suppliers. The challenge, however, is to manage each portfolio optimally. The use of multivariate analysis incorporating market- or customer-oriented dimensions can also be recommended, because profitability is not necessarily the only criterion for relationship analysis and management. A company may also seek to achieve non-financial objectives through customer and supplier relationships, such as technical development and reference sites. (Zolkiewski and Turnbull, 2002)

Terho (2007) introduced 21 most central customer portfolio models including their phases, analysis dimensions and their operationalisations, and managerial implications. He also suggests that an

optimal portfolio management matches company resource allocation to customer value for cost-efficient customer treatment. Talwar, Burton and Murphy (2007) classified customer portfolio and relationship portfolio models according to their main focus to relationships, attractiveness vs. position (BCG type), interaction, profitability and attractiveness vs. position (GE type). Terho and Halinen (2007) found that customer portfolio management can be considered as a continuous process involving four central phases relating to the analysis of customers, and responsiveness to the analysis conducted.

The company should also be able to develop its customer portfolio structure according to long-term effectiveness goals. Johnson and Selnes (2004, 2005) have recently argued for applying portfolio theory on different customer relationship stages. The customer portfolio management emphasizes the management of an entire portfolio of relationships, rather than individual customers or customer accounts. Johnson and Selnes (2004) have developed a model of customer portfolio lifetime value, which focus is especially on value of close (partners) versus weak relationships (acquaintances) in customer portfolio. In business-to business context, innovative companies are developing strategies and processes for creating value with all of their customers in the portfolio.

Table 1. Bubble Diagram Dimensions (Cooper, Edgett and Kleinschmidt, 2001)

Rank	Chart Type	Axis		Axis	%
1	Risk Vs. Reward	Reward: NPV, IRR, benefits after years of launch, market value	By	Probability of success (technical, commercial)	44.4
2	Newness	Technical newness	By	Market newness	11.1
3	Ease Vs. Attractiveness	Technical feasibility	By	Market attractiveness (growth potential, consumer appeal, general, attractiveness, life cycle)	11.1
4	Strenght Vs. Attractiveness	Competitive postion (strenghts)	By	Attractiveness (market growth, technical maturity, years to implementation)	11.1
5	Cost Vs. Timing	Cost of implement	By	Time to impact	9.7
6	Strategic Vs. Benefit	Strategic focus or fit	By	Business intent, NPV, financial fit, attractiveness	8.9
7	Cost Vs. Benefit	Cumulative reward	By	Cumulative development costs	5.6

The objective of marketing is to maximise return on capital through investments in the right types of customer relationships. (Johnson and Selnes, 2005) Cooper, Edgett and Kleinschmidt (1998) made a survey of 205 businesses in order to find best practices for managing R&D portfolios. They found that there is no single approach to portfolio management. Bubble diagram or portfolio map was one of the most popular methods shown above (Table 1). The dimensions are rank-ordered in descending order of popularity. Last column shows percentage breakdown of bubble diagram usage as a percentage.

### Constructing a Portfolio Model

Selecting the reference customer is different from selecting another sales prospect and has major strategic relevance. It has implications in terms of revenue generation, technology development, business development and industry focus, and it can be decisive in the introduction of a new technology. (Gomez-Arias and Montermoso, 2007) On the other hand, the most emphasized goals

influencing the choice of portfolio methods for new products are maximization of value, balance and strategic alignment. (Cooper, Edgett and Kleinschmidt, 2001) When constructing a reference portfolio in some cases the technological solution exchange is created in interaction, but in others the producer perspective dominates.

What could be relevant analysis of dimensions for a reference portfolio for launching purposes of industrial innovations then? Potential buyers face different uncertainties in industrial purchasing: need, market uncertainty and transaction uncertainty (Håkansson, Johansson and Wootz, 1976), but also technological uncertainty (Moriarty and Kosnik, 1989). To overcome the two first uncertainties of these a supplier needs a critical mass of positive and recent enough references. It appears that characteristics of a positive customer reference among buyers of process industry can be divided into four categories: 1) Reference customer's application similarity and perceived equipment benefits, 2) Supplier's expertise, reputation and credibility, 3) Continuity, commitment and trust in reference relationship, 4) Reference customer's characteristics (similarity, expertise, and reputation/credibility) with the potential customer (Arpalo, 2007).

According to Gomez-Arias and Montermoso (2007) the principles for selecting the right initial customer may include industry where the new product or service can create exceptionally high value. This industry is very closely related to the potential market for the product in order to serve as a significant reference for the target market. The other selection criteria can be a size. Mid-sized customers are usually a good ground for an initial implementation as a small or mid-sized company is more likely to perceive the performance gains it can obtain from the new product and how to use it to build a sustainable competitive advantage. They can also be more involved in the improvement of the product and are often more technologically dynamic, and typically sustain high growth rates. Third is an approach to innovation. The most innovative companies will be the most appealing pioneer customers for high tech products, since they will with the most to contribute to the vendor and the best references in the marketplace. Further, previous relationship as there is a certain element of trust necessary for a client to adopt brand new technologies and the first reference customer will likely be a company with which the vendor has had a previous relationship.

According to Cooper, Edgett and Kleinschmidt (2001) assessing of the customer's industry, company's market, and a competitive analysis along with voice-of-the-customer research and working with lead users, leads to the identification of emerging or unmet customer needs and new opportunities for new products and solutions. When mapping the battlefields, arenas of strategic focus will be identified. For drawing an arena diagram two dimensions; products and markets are used. Each cell represents a potential strategic arena. Arenas are assessed for their potential and the company's business position. Stars designate top-priority arenas, where new product efforts will be focused. This kind of mapping can also be applied and proposed for assessing the company's reference base for launching innovations. Stars designate then top-priority arenas, where marketing efforts of new innovations will be targeted. These top-priority arenas may include arenas with application similarity with potential customer, and previous experience and expertise, as well as arenas where the supplier has gained reputation and credibility. Established customer reference base is an excellent vehicle for introducing new products from established source. This requires a minimal customer search effort and prospects selected on the basis of past usage of similar or complementary products. (cf. Guiltinan, 1999) In the Figure 1 ways to define reference arenas, a product/market matrix is shown.

Based on the view of Cooper, Edgett and Kleinschmidt (2001) the next step after identifying a number of potential arenas will be assessing and selection of the most potential ones. The definition and prioritization of arenas helps to decide resource allocation. This analysis provides the arenas and specific opportunities as the two major sets of insights. An understanding of the potential arenas where the company wants to operate include the attractiveness and viability of the current arena in which the

company operate, as well information on other potential arenas or business areas the company wish to consider such as new markets, new technologies or new product categories. Specific opportunities provide the basis for potential new product offerings. They are insights into some of the new product, new service, and new solutions opportunities.

		Products				
		Product1	Product2	Product3	Product4	Product5
Markets	Market1			*	*	*
	Market2		*		*	
	Market3		*		*	
	Market4		*		*	*
	Market5	*			*	

Figure 1. A Product/Market Matrix (Adapted from Cooper, Edgett and Kleinschmidt, 2001)

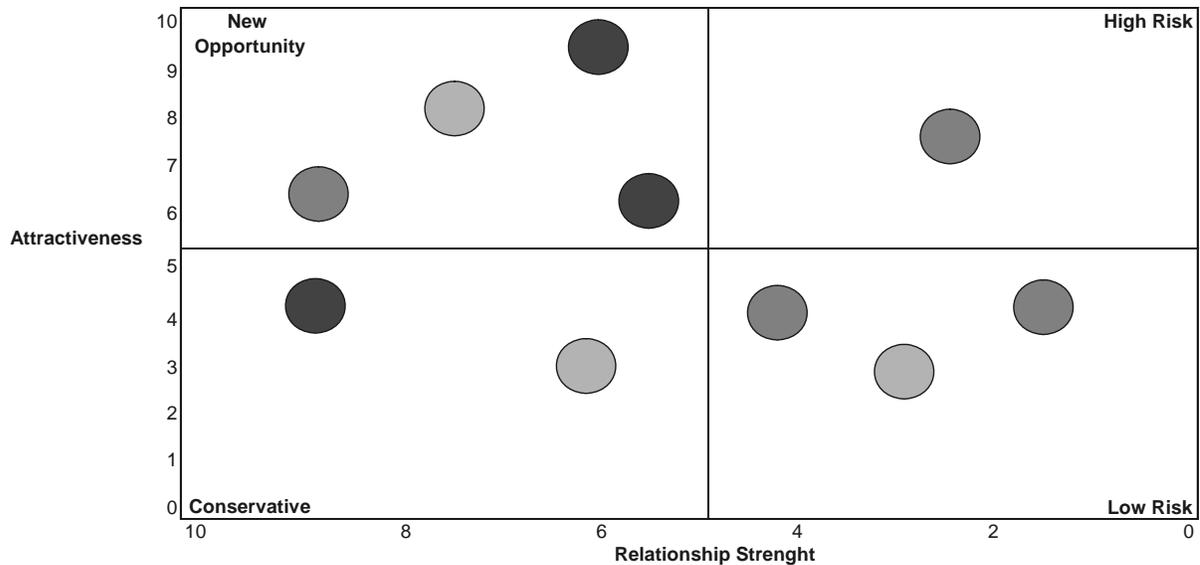


Figure 2. Strategic Reference Map

In Figure 2 the strategic map for references is shown. The plots are color coded and describe importance of different groups of reference customers. The arena opportunity or attractiveness is an external measure that captures how attractive this arena or battlefield is and a composite dimension consisting of market attractiveness e.g. the size, growth, competition and potential of market opportunities within the arena. Technological opportunities mean the degree to which technological

and opportunities for new products and innovations exist within the arena. Relationship strength means ability to successfully exploit the arena and a key concept is to the ability to leverage it to advantage. The map is also a composite of dimensions and consists of ability to leverage the technological and marketing competencies as well strategic leverage, the potential to gain product advantage and differentiation. The strategic map guides in the selection of the target arenas i.e. reference customers, the areas that the company wishes to focus on. The areas represent new opportunity, conservative approach or high or low risk. In the low risk arena the company has not established relationship or it is weak. On the other hand, that arena is not attractive for the company as there are not e.g. application possibilities for the new products. The conservative arena represents very strong relationship strength. The supplier has well established relationship and gained reputation and trust as well as expertise in this arena. In addition, there are not a much uncertainties. This arena represents high application similarities with the reference customer. So does the arena of new opportunities, but it is also attractive and offers future growth. The high risk arena is attractive, but it is not considered a target arena for the company's new products as those potential customers may not represent high enough application similarity or benefits. Also, it is not considered worth for further developing the relationships in this arena.

## **Conclusions and Future Research**

The purpose of the study is to increase understanding of reference usage by constructing a customer reference portfolio for launching industrial innovations and as an outcome a customer reference portfolio model for launching industrial innovations will be proposed. This paper has introduced the research setting and the first proposal for a customer reference portfolio model. Currently, a pre-understanding of the topic area both practically and theoretically is obtained. Also, a solution idea is innovated and a problem-solving construction is developed.

The previous knowledge, i.e. pilot study and literature reviews, will be used as the basis for further proposals to create relevant dimensions and a portfolio model for launching purposes. The pilot case company is a supplier of cutting-edge flow control technology, serving a wide range of process industries worldwide. The company has well established reference customer base that tracks a vast portion of the 50 000 products. Several reference practices were found in the pilot study – reference visits, reference lists and success stories were considered the most common reference practices. The first launch target group of customers was the ones with whom the company has established a good, long-term relationships. In the next phase of this study, the portfolio model will be further developed and tested on the empirical data of the case company.

## **References**

- Aarikka-Stenroos, L. and Halinen, "The promoting role of third actors in initiating business relationships", **Proceedings of 23<sup>rd</sup> IMP Conference, Manchester**, Great Britain.
- Arpalo, J. (2007), **Characteristics of a good customer reference for a process supplier**, Master's Thesis, Department of Industrial Management, Lappeenranta University of Technology.
- Campbell, N. and Cunningham, M. (1983), "Customer analysis for strategy development in industrial markets", **Strategic Management Journal**, Vol 4 No 4, pp. 369 - 380.
- Chen, C-W., Shen, C-C. and Chiu, W-Y. (2007), "Marketing communication strategies in support of product launch: An empirical study of Taiwanese high-tech firms", **Industrial Marketing Management**, Vol 36, pp. 1046 – 1056.
- Cooper, R. G., Edgett S. J. and Kleinschmidt E. J. (2001), **Portfolio Management for New Products**, Basic Books, New York.

- Cooper, R. G., Edgett S. J. and Kleinschmidt E. J. (1998), "Best Practices for Managing R&D Portfolios", **Research Technology Management**, Vol 41, No 4, pp. 20 - 33.
- Cornelsen, J. and Diller, H. (1998), "References within the Context of Customer valuation", in Halinen-Kaila, A. and Nummela, N. (Eds.), **Interaction, Relationships and Networks: Visions for the Future**, Proceedings of the 14<sup>th</sup> IMP Conference, Turku, Finland, pp. 203 - 222.
- Cova, B., Mazett, F., and Salle, R., (1996), "Milieu as a Pertinent Unit of Analysis in Project Marketing", **International Business Review**, Vol 5 No 6, pp. 647 - 664.
- Cunningham, M. and Homse, E. (1982), "An interaction approach to marketing strategy", in: **International Marketing and Purchasing of Industrial Goods**, ed. by H. Håkansson, pp. 328 - 345. John Wiley & Sons, Chichester.
- Fiocca, R. (1982), "Account portfolio analysis for strategy development", **Industrial Marketing Management**, Vol 11 No 1, pp. 53 - 62.
- Ford, D. and McDowell, R. (1999), "Managing Business Relationships by Analyzing the Effects and Value of Different Actions", **Industrial Marketing Management**, Vol 28 No 5, pp. 429-442.
- Ford, D. et al. (2002), **The Business Marketing Course, Managing in Complex Networks**, Chichester, John Wiley & Sons.
- Ford, D. and Håkansson, H. (2006), "IMP – Some Things Achieved: Much More to Do," **European Journal of Marketing**, Vol 40 (3/4), pp. 248 - 258.
- Gomez-Arias, J.T. and Montermoso, J.P. (2007), "Initial reference customer selection for high technology products", **Management Decision**, Vol 45 No 6, pp. 982 - 990.
- Guiltinan, J.P. (1999), "Launch Strategy, Launch Tactics, and Demand Outcomes", **Journal of Product Innovation Management**, Vol 16, No 6, p.509 - 529.
- Hadjikhani, A., (1996), "Project marketing and the management of discontinuity", **International Business Review**, Vol 5 No 3, 319 - 336.
- Harrison, D. and Waluszewski, A. (2004), "How to Create Lead-Users and New Economic Resources - a biotech tools journey from science to use", **Proceedings of 20<sup>th</sup> IMP Conference**, Copenhagen, Denmark.
- Helm, S. (2000), **Kundempfehlungen als Marketinginstrument**, Doctoral Dissertation, University of Düsseldorf.
- Helm, S., Eggert, A., and Garnefeld, I., (2007), "Word-of-mouth as a source of customer loyalty – an experimental investigation in the service sector", In: Mohr, J., Fisher, R., (Eds.), **Enhancing Knowledge Development in Marketing. AMA Summer Educators' Proceedings**, Washington, D.C. (forthcoming).
- Hultink, E.J., Hart, S., Robben, H. and Griffin, A. (2000), "Launch Decision and New product Success: An Empirical Comparison of Consumer and Industrial Products", **Journal of Product Innovation Management**, 17 (1), pp. 5-23.
- Håkanson, H. (Ed.) (1982), **International Marketing and Purchasing of Industrial Goods. An Interaction Approach**, John Wiley & Sons Ltd, Chichester, pp. 289 - 296.
- Håkansson, H., Johanson, J. and Wootz, B. (1976), "Influence Tactics in Buyer-Seller Processes", **Industrial Marketing Management**, Vol 5 No 6, pp. 319 - 332.
- Johnson, M.D. and Selnes, F. (2004), "Customer Portfolio Management: Toward a Dynamic Theory of Exchange Relationships", **Journal of Marketing**, Vol 68 No 2, pp. 1 - 17.
- Johnson, M.D. and Selnes, F. (2005), "Diversifying Your Customer Portfolio", **MIT Sloan Management Review**, Vol 46 No 3, pp. 11 - 14.
- Kasanen, E.; Lukka, K. and Siitonen, A. (1991), "Konstruktiiivinen tutkimusote liiketaloustieteessä" (Constructive approach in business economics), **Liiketaloudellinen Aikakauskirja** (The Finnish Journal of Business Economics), Vol 3, pp. 301 - 327.
- Krapfel, R.E. Jr; Salmond, D. and Spekman, R. (1991), "A Strategic Approach to managing Buyer-Seller Relationships", **European Journal of Marketing**, Vol 25 No 9, pp. 22 - 37.
- Lehtimäki, T., Simula, H. and Salo, J. (2008), "Clarifying the terms launch and commercialization:

- Reflections from theory and practice”, **Proceedings of 37<sup>th</sup> EMAC Conference**, Brighton, Great Britain.
- Lukka, K. (2000), “The key issues of applying the constructive approach to field research”, in Management Expertise for the New Millennium. **In commemoration of the 50<sup>th</sup> anniversary of the Turku School of Economics and Business Administration**, Reponen, T. (ed.) Publications of the Turku School of Economics and Business Administration, A-1: 2000.
- Markowitz, H.M. (1952), “Portfolio Selection”, **The Journal of Finance**, Vol 7 No 1, pp. 71 - 91.
- Moriarty, R.T. and Kosnik, J. T. (1989), “High-Tech Marketing: Concepts, Continuity, and Change”, *Sloan Management Review*, Vol 30 No 4, pp. 7 – 17.
- Ruokolainen, J. (2005), “Key Concepts for Building Customer References - Creation of a Domain Model for Start-up Technology Companies”, **Proceedings of the 21<sup>st</sup> IMP-conference** in Rotterdam, Netherlands.
- Salminen, Risto T. (2001), “Success factors of a Reference Visit – a Single Case Study”, **Journal of Business & Industrial Marketing**, Vol 16 November, pp.487 - 507.
- Salminen, R.T. and Möller, K. (2003), **The Role of References – The Last White Area in Business Marketing?** Lappeenranta University of Technology, Research Report 147, Department of Industrial Engineering and Management, Series Q.
- Salminen, Risto T. and Möller, Kristian (2006), “Role of References in Business Marketing – Towards a Normative Theory of Referencing”, **Journal of Business-to-Business Marketing**, Vol 13 No 1, 1 - 52.
- Shapiro, B.P., Rangan, K.V., Moriarty, R.T. and Ross, E.B. (1987), ”Manage customers for profits (not just sales), **Harvard Business Review**, Vol 65 No 5, pp.101 - 108.
- Talwar, V., Burton, J. and Murphy, J. (2007), “Comparing Customer Relationship Portfolio Management Practices in the UK and India: A Case Based Empirical Investigation”, **Proceedings of 23<sup>rd</sup> IMP Conference**, Manchester, Great Britain.
- Tidd J., Bessant J. and Pavitt K. (2005), **Managing Innovation: Integrating Technological, Market and Organizational Change**, Wiley Corp., Chichester.
- Terho, H. (2007), “A measure for companies’ customer portfolio management”, **Proceedings of 23<sup>rd</sup> IMP Conference**, Manchester, Great Britain.
- Terho, H. and Halinen, A. (2007) “Customer portfolio analysis practices in different exchange contexts”, **Journal of Business Research**, Vol 60, pp. 720 - 730.
- Turnbull, P. (1990), “A review of portfolio planning models for industrial marketing and purchasing management”, **European Journal of Marketing**, Vol 24 No 3, pp. 7 - 22.
- Turnbull, P. and Zolkiewski, J. (1997), Profitability in customer portfolio planning, in: **Understanding Business Markets: Interaction, Relationships and Networks**, 2nd edition, ed. By Ford, D., pp. 305 - 325. The Dryden Press, London.
- Urban, G.L. and Hauser, J. (1993), **Design and Management of New Products**, 2nd Edition. Englewood Cliffs, NJ: Prentice-Hall.
- Urban, G. L. and von Hippel, E. (1988), “Lead user analyses for the development of new industrial products”, **Management Science**, Vol 34 No 5, pp. 569 – 582.
- van Aken, J.E. (2007), “Design Science and Organization development Interventions, Aligning Business and Humanistic Values”, **The Journal of Applied Behavioural Science**, 43, 1. pp. 67 - 88.
- Yorke, D.A. and Droussiotis, G. (1994), “The use of customer portfolio theory: An empirical survey”, **Journal of Business & Industrial Marketing**, Vol 9 No 3, pp.6 - 18.
- Zolkiewski, J. and Turnbull, P. (2002), “Do relationship portfolios and networks provide the key to successful relationship management?”, **Journal of Business and Industrial Marketing**, Vol 17 No 7, pp. 575 - 597.