

# **Managing strategic accounts with empowerment and management support for co-creation of value**

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## **Abstract**

This study explores managing strategic accounts for co-creation of value, and the utility of management input to account plans and empowering account managers. In recent years, managing strategic accounts (SA) has progressed towards relationship-building with customer relationship management (CRM) and use of service-dominant logic (SDL) for co-creation of value. However, there is limited data regarding managing SA with empowerment and management support for co-creation of value. Accordingly, this research aims to appraise the functions of managing SA with empowerment and management support for co-creation of value. Aligning with a pragmatic research philosophy, semi-structured interviews (n=12) were selected with mixed demographics. Participants were primarily strategic account managers (SAMs) from a variety of business sectors. Thematic analysis was conducted on the interview transcripts to arrive at key issues and themes. The findings imply that the emphasis of managing SA has progressed into a value-creating account relations management approach. Empowerment and support from senior management were felt to be important to SAMs. This study shows the importance of management support and empowerment for successful strategic account management that creates value for both customer and supplier.

**Key words:** Service Dominant Logic (SDL), Strategic Accounts (SA), Co-Creation of Value, Customer Relationship Management (CRM). Empowerment.

## **1. Managing strategic customers**

Managing SA can build and sustain competitive advantage through the creation of valued long-term relationships with B2B customers (Dyer and Singh, 1998; Tzempelikos & Gounaris, 2015). Building customer relationships are essential and considered market-based assets that companies use to obtain competitive advantage (Kozlenkova et al., 2014). The success of developing customers and implementation of strategic account plans is very much dependent on management support towards entrepreneurial spirit and customer centricity (Guenzi & Storbacka, 2015). Also, senior management's involvement is fundamental to the facilitation of strategic account programmes (Guesalaga et al., 2018), along with their input and support towards the overall objectives which creates a customer-oriented ethos enhancing the quality of the relationships (Guesalaga, 2014). This paper explores the importance of senior management's involvement along with empowering strategic account managers (SAMs) by using Vargo & Lusch's (2008a) 10 foundational premises of service-dominant logic (SDL). The questions were based on the foundational premises (Vargo & Lusch, 2008a) to understand what SAMs felt were important factors in building good relationships with clients in order to create value. Strategic account management has progressed towards relationship-building and includes network management for innovation, governance and co-creation (Kumar et al., 2019). Understanding customers' needs and requirements gives opportunities to help foster better relationships to improve business performance (Heinonen et al., 2019).

While there is a body of literature about co-creation of value and about how accounts may be managed efficiently, there is little about how SAMs feel their roles may be made more productive and more successful. This paper explores the views of SAMs and their clients about the strengths of their relationships, what works well and how it might be improved. The aims of the paper are to examine the importance of managing SA with empowerment and management support for co-creation of value and improved productivity.

The paper begins by setting out the key elements of the SAM role – the customer-centric approach, customer relationship management and co-creation of value. The paper then presents the findings of 12 in-depth interviews with SAMs and their clients.

## **2. SAMs and the customer centric approach**

SAMs are highly qualified business professionals that use a customer centric approach, they are considered tangible resources that collaborate and bridge the gap between suppliers and customers (Al-Husan & Brennan, 2009; Guenzi et al., 2009; Ojasalo, 2001). Quintessentially, SAMs require skills, knowledge and professionalism to succeed (Abratt & Kelly, 2002) and this role has evolved to become facilitator of on-going processes of voluntary exchange through collaborative, value creating relationships based around service (Pardo et al., 2014; AL-Hussan & Fletcher, 2014). The role involves network management for co-creation of business solutions and value (Kumar et al., 2019) and responsibilities include a relationship-oriented and revenue-generating approach, which demands skills and behaviours different to those of traditional sales (Guenzi et al., 2009). SAMs work with integrity and trust to develop unique value for clients, and they understand their requirements and competitors, value creation processes and solutions (Abratt & Kelly, 2002; Georges & Eggert, 2003; Guenzi et al., 2009; Nätti & Palo, 2012). The inclusion of processes must also involve senior management's input and support to improve performance with contemporary plans (Bradford et al., 2012).

Relationship management skills in addition to having capabilities with tasks, planning and processes are necessary (Gruber et al., 2010; Yu et al., 2014). Indeed, Pardo et al. (2014) noted that KAM must have an integrative approach to develop and support the role. The authors stated they did this both through their own ability to communicate, influence and persuade and through enlisting not just the tacit support of senior managers, but their involvement.

The shift with managing SA towards longer-term relationships (Gounaris & Tzempelikos, 2014) requires stronger organisational commitment of people and resources than are necessary in more transactional relationships (Geiger & Turley, 2006). The SAMs role has therefore altered from a transactional sell characterised as a one-off exchange to a long-term relational process based on collaborative working. This includes building trust and a commitment of shared goals with plans based on longer term and integrated goals with objectives planed at granular level (Ryals & Rogers, 2007).

Contemporary account plans include senior management input and the development of relationships in a formal structure (Brehmer & Rehme, 2009) with plans requiring managements emphasis and participation (Homburg et al., 2003). Value proposals may not succeed if there is no management input to strategic account plans (Friend & Johnson, 2014). These advanced changes with management input to plans (Davies & Ryals, 2014; Ryals and Rogers, 2007), facilitated by trust building undertaken by senior managers (Guesalaga, 2014) and problem-solving capabilities in account teams (Ryals & Rogers, 2007). All these points contribute to the realisation of opportunities such as increased profitability, for example. Views regarding the importance of management's input with SA is supported by several authors (Ivens et al., 2009; Piercy, 2009; Sheth et al., 2009), who all state that attention should be paid to how ideas translate into 'organisational devices', or in other words, attention must be given to the 'organisational how-to-do' of several managerial orientations (relationship orientation, customer orientation and, of course, strategic account orientation).

The role requires sophisticated relational practices for SAMs to proactively manage and create value by reducing associated risks (Senn et al., 2013). The relationship in terms of resource usage needs to be linked to the company's structure (Ryals & Davies, 2013) and supported by management in aligning the goals of different functional areas to motivate people to collaborate, share information and support strategic account plans (Guesalaga, 2014). Managing strategic customers with management support requires SAMs to foster close relationships with these SA often involving fluid teams tailored to customer needs as an efficient and effective way to address strategic requirements (Bradford et al., 2012). Davies & Ryals (2013) noted the importance of aligning with customers was a challenge and the importance of internal management, adaptability to customers and planning, which involved goal orientation, close networks and strategic priorities. Managing strategic customers also encompasses the importance of management supporting implementation plans and functions across all organisational areas (culture, structure, team selling, market offering) to achieve enhanced benefits from strategic account management relationships (Pereira et al., 2019). Moreover, Pardo et al. (2014) noted the importance of communication, influence and persuasion regarding customers and senior management's input for successful implementation. The authors also noted the importance of coordinating resources to support co-production and co-creation. In summary, SA require management input and alignment to improve account performance and value creation (Storbacka, 2012). The importance of relationship-building and coordinating resources with senior management's input and support for co-production and co-creation of value (Pardo et al., 2014) is also evident.

## 2.1. CRM and strategic customers

CRM improves customer satisfaction and helps retain existing customers along with providing strategic information to improve customer relationships and lifetime values (Xu & Walton, 2005). This maximises customer relations and supports cooperation to put effort into retaining profitable customers to acquire, retain and maximise customer lifetime values (Opara et al., 2010).

Moreover, CRM supports relationship quality and mediates the effect of strategic account orientation on a supplier's performance (Tzempelikos & Gounaris, 2013). CRM also requires a managerial emphasis on systematic processes linked to a CRM system that supports the storing and availability of strategic account-related knowledge (Salojarvi et al., 2013) with senior executives facilitating employee engagement (Payne & Frow, 2006). CRM requires involvement from the whole company to develop and maintain customer relationships providing a customer centric approach of multiple organisational activities (Ernst et al., 2011). Further, CRM provides management with quick access to measurements including key performance indicators to support performance management and coaching to increase performance (Teau & Protopopescu, 2015).

The links between managing strategic customers and CRM, and the importance of management input and support is evident, although there are subtle differences. The literature provides further empirical evidence of the need to consider managing strategic customers from the relationship marketing perspective (Ivens & Pardo, 2007) since strategic account orientation adoption enhances the customer's degree of satisfaction, trust and commitment. This in turn according to the authors, influences the financial and non-financial results of strategic customer accounts. CRM enables influence over the expectations of relationships with suppliers (Durif et al., 2013). It is critical that strategic account management is based on a set of moral and ethical principles designed to operate as mechanisms for building trust and commitment between customers and SAMs (Gatfaoui, 2007). This ultimately helps build relationship capital (Vézina & Messier, 2005). CRM also supports 'trust, stability, relationships and joint working commitments with good revenue SA (Wang, 2012, p. 375). CRM helps build relationships and support SAMs by linking effort and performance based on effective relationships and customer-specific goals. (Friend & Johnson, 2014). The success of the relationship-based approach requires trust, referred to as the ethical bases of relationship marketing (Murphy et al., 2007).

Vargo & Lusch (2004; 2008a) suggested that relationship marketing was a facet of CRM focusing on customer loyalty and long-term engagement that could be classified as service-dominant logic (SDL). Moreover, Lusch et al. (2006, p. 17) noted that in SDL, value can only be created when a customer puts SDL into use. This involves treating employees, value-network partners and customers as collaborators to co-create value for all stakeholders (Lusch et al., 2006), with collaborative processes and reciprocal value creation. SDL emphasising collaborative processes including reciprocal value creation was pertinent to CRM and the social and economic actors (suppliers) of a value network were bound together by competences, relationships and information (Lusch et al., 2010). CRM supports co-creation and management initiatives and brings different parties together to jointly produce a mutually valued outcome (Prahalad & Ramaswamy, 2004). Equally, Vargo & Lusch (2008b, p. 284), cited 'co-creation of value and co-production make the consumer endogenous' which links with mutually valued outcomes.

In summary, CRM enables resources like co-creation of value, value networks and customer relationships to form a dominant logic for marketing and other departments that is entirely focused on services provision rather than goods as the central element of economic exchange (Lusch et al., 2006). The link with managing strategic customers with management input and support is therefore clear and required for SAMs to build stronger relationships, customer loyalty and long-term engagement. Having established that CRM has links with managing strategic customers, the review will now consider the literature regarding SDL and co-creation.

## **2.2. SDL and co-creation of value with strategic customers**

Vargo & Lusch (2004) noted the importance of quality management in marketing with SDL and revealed concepts relating to management activity, such as management intent, managerial focus and investment. The level of implementation related to relational activities involving database, interaction and network (Vargo & Lusch, 2004).

While co-creation embodies the notion that customers and employees jointly created the value that the service delivered to the customer through shared inventiveness, co-design, or shared production (Lusch et al., 2006). Vargo & Lusch (2008a) suggested that SDL premises that are based on service economies and postulate that all businesses are service businesses. Equally, Vargo (2009, p. 378) showed SDL based on a conceptualisation of a relationship that transcends traditional conceptualisations which confirmed that complete value-creation configuration was only possible if understood and dealt with effectively within CRM.

Managing SA is now collaborative with value creating relationships based on service (Pardo et al., 2014; AL-Hussan et al., 2014). The relationship-based skills and competencies were essential for SDL and customer co-creation and gaining a competitive advantage and driving competition (Vargo & Lusch, 2008a). Vargo & Lusch (2008a, p. 6) also stated that the ‘customer-determined benefit and co-creation is inherently customer oriented and relational meaning value is uniquely determined by the beneficiary’. Later, Vargo & Lusch (2014, p. 243) reiterated this when modernising their core ideas, noting; ‘value is always uniquely and phenomenologically determined by the beneficiary’. SDL has its critics and Brown (2009) argued that the reality of GDL to SDL was less straightforward in empirical practice than in academic theory and described the research as having made only rhetorical changes. Nonetheless, as already mentioned, SDL shows the application of competences such as knowledge and skills described as service for the benefit of another party and is the foundation of all economic exchange, even when goods were involved which drive economic activity (Vargo & Lusch, 2008a).

Relationship-building and interaction is the nucleus of value creation and this process creates value generating processes and co-create value in a relational exchange (Hammervoll, 2014). These often involve relationship-building, key network management and co-creation of business solutions and values (Kumar et al., 2019). SDL provides opportunities for co-creating experiences with customers and support value-creating networks, integrating resources along with knowledge management skills, and other operant resources, including skill requirements, to improve marketing effectiveness (Flint et al., 2014).

It is clear from literature that there is a benefit from moving from a product focused approach to a service focused business model which fits with the evolution of managing SA. This shift in focus is now to a relational and co-creational approach, as mentioned earlier. In summary, strategic account management is a service and SDL is a sensible theory to apply and co-creation of value fits very well with long-term relationships.

Also building and maintaining long term relationships and configuration is only possible if understood and dealt with effectively within CRM and with support of senior management. There is a gap about SAMs views on what works to help co-create value.

### 3. Research methodology

Our qualitative study solicits information from senior SAMs (table 1) from a variety of business sectors including pharmaceuticals, healthcare and banking. An initial survey of 71 SAMs conducted through LinkedIn showed that there was a shifting contemporary thought about SAM, in which SAM was seen as a facilitator of ongoing processes of voluntary exchange through collaborative, value-creating relationships (Vargo and Lusch, 2004). These issues were further investigated using semi-structured interviews with 12 SAMs.

Table 1. Shows the interview profiles.

<b>Transcripts (P) from interviews</b>	<b>Gender</b>	<b>Age bracket</b>	<b>Job role (level)</b>	<b>Highest qualification</b>	<b>KAM experience</b>	<b>Region</b>	<b>Company</b>
P1	Male	40–59	KAM (Senior)	U/Degree	10+ Years	National	Pharma
P2	Male	18–39	KAM (Middle)	U/Degree	-10 Years	National	Office Supplies
P3	Male	40–59	KAM (Middle)	School Level	-10 Years	SW	Pharma
P4	Female	18–39	KAM (Senior)	School Level	-10 Years	National	Pharma
P5	Male	40–59	KAM (Senior)	U/Degree	10+ Years	O/S UK	Pharma
P6	Male	40–59	KAM (Senior)	U/Degree	10+ Years	Midlands	Healthcare
P7	Female	40–59	KAM (Director)	U/Degree	10+ Years	National	Pharma
P8	Male	40–59	KAM (Middle)	Postgraduate Degree	-10 Years	SE	Pharma
P9	Male	40–59	KAM (Senior)	School Level	10+ Years	SE	IT/Software
P10	Male	60+	KAM (Senior)	School Level	10+ Years	SE	IT/Software
P11	Female	40–59	KAM (Director)	Postgraduate Degree	10+ Years	National	Healthcare
P12	Female	40–59	KAM (Director)	School Level	10+ Years	National	Pharma

The sample was selected through purposive sampling (Robinson, 2014) with specific recruitment criteria, i.e. a minimum of five years of experience in strategic account management as a practitioner. All participants had met the lead author in a professional working environment within the last 10 years. Also, no direct messages were exchanged between the author and participants prior to the interview: they only knew that the lead author was a lecturer in marketing at a UK university, conducting research into strategic account management and human resources.

A total of 15 SAMs were approached in the UK through sales conferences and events and were followed up via LinkedIn and email to invite them to take part in the study. Of the 15 approached, 12 agreed to take part and this included a mixed demographic with 8 having more than 10 years' experience as a practitioner. The characteristics of the selected sample size represented a range of sectors and geographical areas and included men and women. A qualitative approach was considered the most appropriate because it allowed capturing the information and in-depth understanding of the respondents' views (Creswell, 2007). A semi-structured interview method was employed as a data collection technique; which is an authentic technique to deal with a complex research problem (Rubin & Rubin, 2005; Rubin & Rubin, 2012) offering an opportunity to gather rich data through individual narratives. In order to increase validity in the results and reduce bias, all interview transcripts were shared with the respondents for their review before the commencement of the data analysis process (Hagens et al., 2009).

The research design was based on Vargo & Lusch's (2008a) foundational premises (FP) of SDL which, as noted earlier, were based on SDL and relationship building (Vargo & Lusch, 2008a). To collate the data, the FP were simplified and tested for internal validity by two independent academics. The questions based on each FP were checked by both academics; they were forwarded Vargo & Lusch's (2008a) FP of SDL with interpreted semi-structured interview questions to ensure that the questions stood up to reliability tests and could easily be understood. The questions and interpreted questions are noted in Table 2.

Table 2 FPs, simplified version and related interview questions

<b>Foundational premise</b>	<b>Simplified version</b>	<b>Question for interviewees</b>
FP1. - Service is the fundamental basis of exchange	Economic exchange involves providing mutual service	Considering your time as an employee at your organisation working with customers, can you recall a time when you felt most alive, most involved, or most excited about your involvement with the organisation?
FP2. - Indirect exchange masks the fundamental basis of exchange	Exchanging competencies for the competencies of others; exchanging service for service	Let us consider for a moment the things you value deeply, what do you value the most about your role, and the nature of your work and your organisation?
FP3. - Goods are a distribution mechanism for service provision	SDL, the basis of exchange, always involves service provision; goods are used for service	Your organisation builds on 'proven strengths' and has a history of being a pioneer in many ways. In your opinion, what is the most important achievement that you recall that best illustrates this spirit of 'being the best'?
FP4. - Operant resources are the fundamental source of competitive advantage	Operant resources are usually intangible and dynamic. SDL provides a refocus by shifting to value creation processes	Can you think of a time when there was an extraordinary display of cooperation between individuals, or groups at your organisation to the customer giving competitor advantage?
FP5. - All economies are service economies	SDL is service-centred thinking, an increase in knowledge and the ability to exchange information	Would say there is a shift towards understanding customer needs and building value around it? In your mind, what is the common mission or purpose that unifies everyone?
FP6. (Conceptual transitions from GDL to SDL question) - The customer is always a co-creator of value	Co-creation of value describes the process of joint application of operant resources among companies and customers to create benefit	How does the customer help to create value?
FP7. - The enterprise cannot deliver value but can only offer value propositions	The company cannot make and deliver value due to the collaborative requirements of value creation. The firm can only make value propositions	In-terms of delivering value, if you could continue, develop, or transform your organisation in anyway, would you wish to develop value and if so, how?



FP8. - A service-centred view is inherently customer oriented and relational	SDL relationships underpin how value is created in service-for-service exchange to form value creating processes	What has been your best customer experience as a strategic account manager, and why do customers choose to work with your organisation?
FP9. - All social and economic actors are resource integrators	(Networking with many organisations or individuals and combining resources from multiple parties to create value	If you think back through your career concerning the environment in which you operate, with service and goods, can you locate a moment that was a high customer point, when you felt most effective and engaged?
FP10. - Value is always uniquely and phenomenologically determined by the beneficiary.	Value creation is implicit in the SDL definition of service (FP6, FP8 & FP9)	What is important about value and who determines the value?

#### 4. Data analysis

The 12 interviews were facilitated in a 3-star hotel in person and took on average 35-minutes to complete. The interviews were recorded and transcribed to form a dataset of around 18700 words. These words were then reduced to over 5000 words using NVivo for thematic analysis to answer the questions based on the interpreted FP of SDL adapted by Vargo & Lusch (2008a). The data analysis used a thematic approach (Braun & Clarke, 2006):

The research team familiarised themselves with the data through reading the transcripts to ensure full understanding of the texts. Three broad predetermined themes were drawn from the literature review – these were:

1. Relationships
2. SDL for co-production and co-creation of value
3. CRM

The transcripts were read in detail to draw out content that was aligned with the themes. Concepts and themes not predetermined by the literature review were allowed to surface from the data under a fourth theme, namely: new themes/concepts arising from the data. The themes were reviewed for accuracy by more than one researcher to reduce the risk of researcher bias. Of the three predetermined themes, the theme that occurred by far the most commonly in the data was that of the importance of building relationships based on SDL. There were also some good examples and comments about the importance of senior management’s input and support with implementation plans along with their ability to empower SAMs to make decisions which they felt increased their productivity.

To establish the trustworthiness of the data analysis Lincoln and Guba’s (1985) four criteria of trustworthiness were applied.

Credibility – the transcripts were offered to the respondents for checking prior to data analysis. This ensured that the transcripts were true accounts of the respondents' views. Data triangulation was achieved through use of a survey in addition to depth interviews. The lead researcher consulted with colleagues several times during data collection to ensure there were no identifiable issues with data collection.

Transferability – the results are transferable to SAMs working in sectors other than those covered in the research sample as the issues around relationships are not dependent on the product/service category. The survey of SAMs reached 71 individuals covering a range of sectors and did not raise any inconsistencies with the interview data.

Dependability – the research process has been clearly outlined so that others may use it in similar research. This ensures transparency of approach and trust in the process.

Confirmability – the initial coding of the data was conducted by two independent members of the research team who then reviewed and discussed the data and the themes that had arisen. This guarded against bias in the data analysis phase. The reasons for methodological choices have been clearly explained.

In addition, full anonymised transcripts and notes on all the methodological decisions taken were kept (in accordance with GDPR and ethical guidance) in order to provide an audit trail, should another research team wish to analyse the same data.

Having met these criteria, the trustworthiness of the data analysis was ensured.

In the following discussion, interviewees are referred to using participant numbers, from P1 to P12.

## **5. Research analysis and discussion**

The analysis showed the importance of customer relationships which was underpinned by service and joint working to co-creation of value. The analysis disclosed specific citations from P1, P3, P7, P11, and P12 who all specifically stated that their companies' focus was based on service, CRM and partnership working to co-creation of value.

Vargo and Lusch, (2008b) stated SDL, CRM and building relationship with customers was essential for co-production and co-creation of value. Also, the customer determines the benefit and co-creation is customer oriented (Vargo & Lusch, 2014). P12 also said today's environment was all about service and partnership working with customers using CRM as a resource. CRM supports co-creation and management plans for joint working (Prahalad & Ramaswamy, 2004) and co-creation of value and co-production is led by the customer (Vargo & Lusch, 2008b). Moreover, value creating relationships are based on service (Pardo et al., 2014; AL-Hussan et al., 2014) and value-creation design requires CRM (Vargo, 2009).

P14 stated that the economy was now based on service, observing that 'the product does have its place, but more importantly it's got to be the service that is delivered, and the way it is delivered'. Both P12 and P14 noted the importance of partnership working with the customer.

Managing strategic customers has shifted towards longer-term relationships (Gounaris & Tzempelikos, 2014) that require greater commitment of people and resources (Geiger & Turley, 2006). Relationship-building is crucial for managing strategic account relationships and coordinating resources to support co-production and co-creation with management support (Pardo et al., 2014). P11 stated that knowledge gained through interaction with the customer was vital for competitive advantage, they also noted the importance of CRM as a resource and having empowerment with management support. P12 used stories to express how knowledge had been gained through interaction with customers to gain competitive advantage.

Managing strategic customers is a contemporary relational approach which is integral to the organisation and is supported by management for value creation (Storback, 2012; Senn et al., 2013). Strategic account relationships in terms of resource usage needs to be connected to the organisations structure and supported by management (Ryals & Davies, 2013; Guesalaga, 2014). To develop greater relationships management support is necessary to help with the market offering (Pereira et al., 2019). Also, the development of relationships is crucial for managing strategic customer relationships (AL-Hussan et al., 2014; Heinonen et al., 2019) and relationship-building to co-creation of value (Kumar et al., 2019).

Management input and support while empowering SAMs was also essential for co-creation of value. P1 stated the importance empowerment and the ability to make decisions at a higher level which led to innovation and creativity. Making decisions and having the ability to communicate, influence and persuade with management support and involvement is vital for managing SA (Pardo et al., 2014). Also, relationship-building, value creation with customer centric methods (Abratt & Kelly, 2002; Guenzi et al., 2009; Natti & Palo, 2012). Moreover, 11 SAMs stated management support and being empowered to make decisions was essential to developing solutions and value for customers which was comparable to those in SA (Abratt & Kelly, 2002; Georges & Eggert, 2003; Guenzi et al., 2009; Nätti & Palo, 2012).

P7 provided many stories describing the new way of working being different to many years ago, noting customers require SAMs to help them problem solve and work in partnership with them. Moreover, P3 stated the importance of autonomy in a multifaceted role to build relationships with management support and being empowered. P9 stated that having empowerment and autonomy with a supportive manager who mentors you and supports customers with solutions is necessary and this links with the quality management associated with relational activities involving interaction and network by Vargo & Lusch, (2004). P12 and P14 also stated the importance of being empowered and working with collaborative processes for reciprocal value creation (Lusch, 2008b).

In summary, the analysis supported the FP of SDL of Vargo & Lusch (2008a) and confirmed that importance of being empowered when managing SA with management input and support. The results showed clear themes which were comparable but also the importance of management input and support while empowering SAMs to work with customers to co-creation of value.

## 6. Research findings

The dataset using NVivo with superfluous words removed in Table 3 reveal that customer, value, service and creation were amongst the top 5 key words which align to Vargo & Lusch's (2008a) SDL for co-creation of value. The findings also showed management, relationships and being empowered all featured in the top 15 words used by SAMs. Table 3 shows the top 20 words used to answer the 10 FP of SDL questions (Vargo & Lusch, 2008a).

Table 3. NVivo word count answers based on 10 FP of SDL (Vargo & Lusch, 2008a).

No.	Word	Count
1	Customer	579
2	Value	527
3	Company	396
4	Service	345
5	Creation	196
6	Product	171
7	People	159
8	Management	136
9	Relationships	116
10	Sales	111
11	Goods	99
12	Economic	98
13	Deliver	97
14	Business	88
15	Empowered	88
16	Involvement	82
17	Processes	76
18	Economy	74
19	Trust	72
20	Resources	67

When analysing the reduced number of words using NVivo, Table 4 shows the following one-word answers relevant to each FP-based question adapted from Vargo & Lusch (2008a).

Table 4. SAMs FP-based question one-word answers (source: author).

SAMs						
	P1	P2	P3	P4	P5	P6
<b>FP1</b>	Empowered	Service	Service	Empowered	Service	Service
<b>FP2</b>	Empowered	Support	Empowered	Empowered	Empowered	Trust
<b>FP3</b>	Agility	Service	Collaborative	Trust	Collaborative	Service
<b>FP4</b>	Partnership	Knowledge	Collaborative	Collaborative	Knowledge	Knowledge
<b>FP5</b>	Trust	Customer	Service	Service	Customer	Service
<b>FP6</b>	Customer	Customer	Customer	Customer	Customer	Customer
<b>FP7</b>	Customer	Customer	Collaborative	Customer	Collaborative	Collaborative
<b>FP8</b>	Customer	Customer	Collaborative	Customer	Customer	Customer
<b>FP9</b>	Collaborative	Customer	Collaborative	Collaborative	Collaborative	Customer
<b>FP10</b>	Customer	Customer	Collaborative	Customer	Collaborative	Customer

	P7	P8	P9	P10	P11	P12
<b>FP1</b>	Relationships	Empowered	Relationships	Relationships	Collaborative	Leadership
<b>FP2</b>	Partnership	Empowered	Relationships	Empowered	Empowered	Partnership
<b>FP3</b>	Relationships	Service	Ingenuity	Collaborative	Partnership	Relationships
<b>FP4</b>	Partnership	Collaborative	Partnership	Partnership	Partnership	Relationships
<b>FP5</b>	Partnership	Service	Partnership	Customer	Service	Service
<b>FP6</b>	Customer	Customer	Customer	Customer	Customer	Customer
<b>FP7</b>	Collaborative	Processes	Collaborative	Customer	Customer	Relationships
<b>FP8</b>	Collaborative	Partnership	Relationship	Relationship	Partnership	Collaborative
<b>FP9</b>	Partnership	Partnership	Partnership	Partnership	CRM	Partnership
<b>FP10</b>	Customer	Customer	Customer	Customer	Customer	Customer

In brief, the FP1-based question was why customers choose to deal with their organisation and all stated because of their relationships and partnership approach. P1 stated that it was because they were empowered to make decisions with senior managements input and support. P4 and P8 stated similar reasons.

FP2-based question was about what was important in strategic account management and SAMs said customer relationships built around service, many also considered being empowered essential for the role. P1 regarded empowerment as the most important part of the role which led to innovation and creativity. P3 also stated that being empowered, having autonomy, and being trusted by management to make decisions was essential. P11 said the same.

FP3-based question on whether goods or service was important revealed service. Service involved co-production and co-creation. T5 and T8 stated it was a service economy. T7 said partnership working and co-production based on service.

FP4-based question regarding the importance of knowledge was answered by respondents simply by explaining customer relationships was more important for co-production and co-creation. P11 stated collaboration and joint working is more important.

FP5-based question on service or goods economy was answered with service, T3 cited ‘service economy is important for us, we are also a service provider that is what we do across the pillars of our business’. P11 also stated ‘it was all about service’.

FP6-based question regarding the company's role was answered with respondents suggesting the delivery of value propositions by co-production and partnership working. P6 cited that 'The customer has to create the value' and P9 also said that the customer leads the process and that their role was to understand their needs and requirements and work with them to develop the solution. Equally, P10 cited 'The customers lead discussions, they are the ones that know their needs and requirements and we develop solutions along with them.'

FP7-based question about value had 9 respondents claiming that the customer created the value. Others said value was achieved by co-production and partnership working. P1 stated that 'the customer engages to create value; the customer creates the value.'

FP8-based question about customer orientation revealed the importance of relationships and joint working. P1 indicated that value was created by the customer and that they required being empowered to work with them. P3 cited 'the customer tells us what they need, they are creating the value.'

FP9-based question about supply chain and environment creating value showed that joint working to develop solutions was key. P7, P9 and P10 said joint working to develop solutions and problem solve was necessary.

FP10-based question about who determines the value showed the customer. P6 cited 'Value is determined by the customer'. Also, P8 stated that 'it is virtually impossible to deliver value without the customer'. P9 also cited that 'the customer determines the value'.

## **7. Conclusion and avenues for future research**

In conclusion, managing SA for co-creation of value requires management input and support empowering account managers to make autonomous decisions. Managing SA is based on SDL, CRM and value creating relationships for co-creation of value. The results show that SAMs need to be empowered and work with customers with the autonomy to make decisions. The literature revealed that managing SA requires a relational-based network approach for co-creation of value (Kumar et al., 2019). The analysis also showed the importance of relational skills to build and develop strategic customer relationships (AL-Hussan et al., 2014; Heinonen et al., 2019) with input and support from senior management to develop value creating relationships (Pardo et al., 2014; AL-Hussan et al., 2014).

Future research might usefully explore links between empowerment and wellbeing in the workplace, particularly among highly pressurised roles such as SAM. It is implicit in the responses that a feeling of being empowered and having more control improved job satisfaction in line with psychological research (e.g., Kotera et al., 2021): a link with wellbeing may be important in the post-Covid working world.

Further testing of Vargo and Lusch's foundational premises for co-creation of value using qualitative methods would be useful for gathering more rich data to assess whether they fit a variety of product and service categories and work settings. The link between empowerment and successful relationship building could also be further examined.

## **8. Contribution and limitations of research**

The importance of empowerment has been demonstrated as a mediator for success in building relationships in SAMs. Empowerment is not mentioned in Vargo and Lusch's foundational premises and therefore this research adds to the knowledge of service-dominant logic in practice, showing that co-creation of value is more likely to happen if those building the relationship are empowered in their work. Empowerment may, therefore, be seen as an antecedent of successful co-creation of value.

Those working on strategic accounts and those managing SAMs may draw on these findings to ensure (1) that roles are designed to empower workers to make their own decisions and take control of their work and (2) that adequate support is given to SAMs to take actions without the fear of failure – this research indicates that a supportive working environment will help to foster better SAM relationships with clients which should lead to more efficient business practice.

This research does have limitations as it is based in the UK and included a small purposive sample which derived from the author's professional LinkedIn network, as already noted. However, there were no studies at the time of review that addressed whether companies are evolving with managing strategic customers and using CRM and SDL for co-creation of value. The study also reviewed the importance of SAMs being empowered when working with customers by senior management and the importance of their input and support.

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