A STUDY INTO MARKETING AUTOMATION AND ITS ROLE IN UNIFYING THE SALES AND MARKETING CYCLE WITHIN PRODUCT-SERVICE SYSTEMS B2B MANUFACTURERS

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Declaration

I declare that the work contained in this thesis has not been submitted for any other award and that it is all my own work. I also confirm that this work fully acknowledges opinions, ideas, and contributions from the work of others.

Any ethical clearance for the research presented in this commentary has been approved. Approval was sought and granted through the researcher's submission to Northumbria University's Ethics Online System on 23 March 2017 and again on 2 August 2022 (ref 50998) using the new system.

I declare that the Word Count of this Thesis is 60,108 words.

Name: Mahmoud Elsaid

Signature:

Date: 2 March 2023

Context

This research will investigate the role of Marketing Automation in unifying the Sales and Marketing cycle within Product-Service Systems B2B technology manufacturers within a conceptual framework.

Acknowledgement

I am grateful to my supervisors Dr Matthew Sutherland, Dr David Brown, and Dr Simon Lillystone for all their support and guidance over the past few years. I would like to also thank the Northumbria University graduate school team that ensured we have all the facilities and answers needed. I would like to also thank all the participants that have agreed to spare time for me to interview. I appreciate that all the participants in this study are in very busy executive positions in their organisations in such niche and high-speciality industries, and as such, I truly appreciate your valuable time. Whilst it took years to find and organise the interviews and reach a conclusion, I hope that you enjoy reading the findings of this DBA, which sheds new useful findings for our fast-evolving industry. Finally, I would like to thank my wife for providing me with support and her parents, who escaped the Ukrainian war and were able to provide us with baby care for our wonderful 11-month-old baby boy, which gave me time to work on the DBA alongside running my businesses. Finally, my parents and siblings for always supporting me and teaching me to always persevere till I reach the finish line.

This thesis is dedicated to my father, who has always called me Dr Mahmoud since I was a child.

I live to make you proud, Dad.

Abstract

The economic and social landscape facing Small and Medium Enterprises (SMEs) today means that many are facing significant business challenges. B2B technology manufacturers are one group of small businesses that are now being forced to look for alternative management approaches to compete in their existing marketplaces due to increased competition and rising costs. Indeed, Servitization is considered by many B2B technology manufacturers and business practitioners as a possible solution. However, this shift towards Servitization has created new challenges for B2B manufacturers' sales cycles, which are now more prolonged and complex than traditional sales methods.

This has led this research to examine the impact of Servitization on B2B SME technology manufacturers and how it affects their sales funnel. Additionally, the study examines the role of marketing within such organisations and the potential for Marketing Automation to optimise the alignment of Sales and Marketing activities in Servitized product-service systems (PSS). The specific aim of this DBA research is to "How can Marketing Automation optimise, integrate and evolve the sales cycle within B2B Servitized technology manufacturing businesses?". The study uses a qualitative approach to gather data from 10 participants through semi-structured interviews. It follows a multi-case study approach, examining the sales funnel of five businesses and conducting further interviews with five Marketing Automation experts to discuss the challenges faced by these businesses and how Marketing Automation can help improve their processes. The data is analysed using template analysis to produce a detailed Sales and Marketing funnel framework that unifies Sales and Marketing functions and improves the existing funnel adopted by PSS B2B manufacturers.

The findings acknowledge that there is a clear disconnection between Sales and Marketing alignment in PSS businesses and that Marketing Automation can play an important role in improving the challenges such businesses face in their sales cycle. The proposed master Sales and Marketing funnel framework represents an optimised way to

align Sales and Marketing activities in Servitized PSS businesses. This study makes a significant contribution to professional practice by providing a framework that can be used to align Sales and Marketing activities in PSS businesses. The research also contributes to theory by providing new insights into the impact of Servitization on PSS manufacturers, the challenges that salespeople face in their daily work, and how marketing can help alleviate those challenges. Furthermore, this research has also identified a potential new area for future research to explore the integration of Marketing Automation with technical teams and post-sales activities.

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Chapter 1 Introduction

1.1 Introduction and Background Study

This chapter offers an overview of the DBA, outlining the context and purpose of the study. The research is set within the B2B technology manufacturing industry, where companies have been facing new challenges, such as increased competition from low-cost international manufacturers that have been gaining momentum globally. These changes have prompted technology manufacturers to evolve their business models towards Servitization, which has, in turn, negatively impacted the sales process and sales lead time and added further complexities to their traditional sales cycle.

The chapter then presents the rationale for the theoretical concepts of the impact of Servitization on the sales cycle and the role of Marketing Automation in optimising marketing and sales cycles. It then provides a brief overview of the methodology presented before outlining the research question and research objectives. The practical significance associated with this study is formally recognised before finishing with an outline of the forthcoming chapters that make up this DBA thesis.

1.2 Background to the B2B Technology Manufacturing Sector

Since 2006, technology product manufacturers such as manufacturers that produce IT equipment have changed the way they market and sell their products (Baines *et al.*, 2009b; Favoretto *et al.*, 2022). The world's leading suppliers, including Cisco and IBM, are moving towards providing integrated services rather than just capital goods (e.g. Cisco charging ongoing charges in providing complete network design and a build-up with continuous monitoring rather than just selling the network devices). This move drives the manufacturer towards the need for technical knowledge to conduct the sale with the end customer's internal teams. As a result, sales now require deep technical knowledge of the solution and the customer's business, necessitating a closer involvement between manufacturers and their customers (Berggren and Hagstrand, 2015; Peillon and Dubruc, 2019). Ultimately this shift in focus has meant that such businesses have evolved from product-centric (organisations that are focused on products rather than the customer's individual requirement) towards being customer-centric (organisations that are focused on gearing their offering around the customer) by providing services to the client but yet still selling their products (Davies, 2004; Bikfalvi *et al.*, 2012; Clegg *et al.*, 2013; Perillo and Marqui, 2015; Rapaccini and Gaiardelli, 2015; Grandinetti *et al.*, 2020).

One of the main reasons for this change in focus is due to the rise in the competition of foreign technology product manufacturers producing similar products at a lower price with the same quality (Rogelio and Robert, 2003; Paschou *et al.*, 2020; Favoretto *et al.*, 2022). In addition, businesses are focusing their internal investments on departments that are customer facing whilst outsourcing other supporting departments such as network infrastructure and telephony management (Rogelio and Robert, 2003; Kamalakar, 2021). This has forced many of these businesses to outsource part of their operation or to rely on cheaper, cost-effective components from foreign manufacturers, which means technology manufacturers have to either compete on cost or evolve their offering to include services with their products that can integrate with the customer's business processes, thus increasing the value of their offering in order compete in the market (Ryals and Rackham, 2012; Favoretto *et al.*, 2022).

In response, many technology product manufacturers have started to add services as a value to their main product offering (Clegg *et al.*, 2013; Paschou *et al.*, 2020). For example, with higher competition in the business PC industry, IBM had to phase out its hardware, storage and PC business as the only differentiator would have been the price, thus diminishing the profit margins whilst retaining the high overheads. IBM shifted its focus towards implementing and operating data mining software and services to customers on any hardware or from IBM's new cloud infrastructure (Berggren and Hagstrand, 2015). In fact, a closer inspection of the technology manufacturing sector shows that many businesses since 2006 have been drawn towards this new customer-centric business model known as 'Servitization' (Baines *et al.*, 2009b; Forrer *et al.*, 2021). Servitization is described as “Offering fuller market packages or 'bundles' of customer-focused combinations of goods, services, support, self-service, and knowledge.” (Reim *et al.*, 2015; Forrer *et al.*, 2021), implying a change in the core business model of such organisations. The major commercial benefits associated with the Servitization business model are presented by Raddats and Easingwood (2010) and include:

1. Increasing its competitive arguments since services are intangible and cannot be produced from overseas suppliers—locking out competitors.

2. Delivering new sustainable sources of revenue.

3. Increasing the reliance of the customer on the manufacturer in running their business activities—locking in customers.

Thence, making the customer more dependent on the manufacturer's products, where the manufacturer also ensures efficiency in the product service delivery (Raddats and Easingwood, 2010; Kamalakar, 2021).

Today, the most commonly applied approach amongst technology product manufacturers such as Cisco and IBM is known as a Product-Oriented Product–Service System (PSS) (Fan and Zhang, 2010; Grandinetti *et al.*, 2020; Favoretto *et al.*, 2022). PSS is referred to as an “Integrated product and service offering that delivers value in use, where Servitization involves the innovation of an organisation's capabilities and processes so that it can better create mutual value through a shift from selling the product to selling Product–Service Systems” (Neely, 2008; Raddats and Easingwood, 2010; Annarelli *et al.*, 2021). This implies an additional responsibility and complication burden on the manufacturer to deliver such benefits (Davies *et al.*, 2007; Raddats and Easingwood, 2010; Reim *et al.*, 2015; Kamalakar, 2021). This dependency on other systems and services has an effect on all areas of the business (Reim *et al.*, 2015).

Sales departments are one of the most affected functions within PSS businesses (Putkinen, 2014; Perillo and Marqui, 2015). The specific purpose of the sales force inside technology manufacturers has changed to become solution-centric sales that are "Demand Driven" rather than "Supply Driven", where manufacturers have to create the need now and nurture it to fruition (Berggren and Hagstrand, 2015). This change has transformed the nature of how the manufacturer's offering is marketed and sold (Ryals and Rackham, 2012; Perillo and Marqui, 2015), which has led to shifts in the normal sales cycle resulting in a more complex sale. This subsequently requires more touch points and more stakeholders involved in the decision-making process (Adamson *et al.*, 2013; Dubey and Easwarapillai, 2015).

This change that the sales department has brought about has severely affected how manufacturers market and sell their new Servitized offers (Dubey and Easwarapillai, 2015). In fact, sales departments are no longer dependent on the number of phone calls made to prospective customers (Sheth and Sharma, 2008; Zancul *et al.*, 2016). The salesperson has to be (a) closer to the customers' stakeholders, (b) be technically qualified to architect the solution offering to tailor the customer's business and ultimately, (c) spend more time with each customer to close the sale with the various stakeholders involved rather than attempt to acquire new customers (Tyler and Sharma, 2007; Favoretto *et al.*, 2022). The points above clearly show the additional responsibility and extra time investment required by each salesperson and sales department without support or involvement from other areas of the business, such as the marketing department. Technology manufacturers currently rely on various traditional marketing initiatives developed by the marketing department, which is unsuited to service offerings (Kotler *et al.*, 2006; Berggren and Hagstrand, 2015). From such implications, one of the reasons that the majority of Servitized manufacturers fail is that they underestimate the effort required by the sales force and do not adopt a suitable customer acquisition and sales support strategy to aid the organisation through that phase.

Consequently, the S-D logic (service dominant) marketing framework has emerged, focusing on marketing for services rather than tangible transferable products (Vargo and Lusch, 2004). Indeed, closer inspection of the extant marketing literature shows that the majority of marketing initiatives are primarily focused on basic customer acquisition, meaning that the role of marketing stops once a potential customer makes an enquiry which is then transferred to the sales department to qualify and follow up on (Sabnis *et al.*, 2013; Lo *et al.*, 2016; Maurice, 2016). Thus, Marketing Automation is an emerging new area aimed at supporting sales cycles (Putkinen, 2014). Various vendors define Marketing Automation as "A set of tools and techniques that allow companies to align marketing and sales system interfaces to improve and accelerate lead qualification processes via 'lead scoring and nurturing,' thus targeting potential buyers through the use of personalised content and channels" (Järvinen and Taiminen, 2016, p. 165). At this point, Marketing Automation is an area that remains undeveloped; nevertheless, it has been used in various areas such as B2C customers, single-service online services and physical product sales due to the simplicity of the sales process. Its main fundamental success is that Sales and Marketing functions are integrated into one funnel that allows an educated and precise movement of the customer (or their stakeholder) within the funnel's stages through digital marketing communication initiatives (Putkinen, 2014). However, little understanding of the specific touch points has been researched or published in the extant marketing literature (Järvinen and Taiminen, 2016; Koski, 2016; Mattila, 2016b; Rapaccini *et al.*, 2016; Shannon Cummins *et al.*, 2016).

Therefore, there is a clear need for further research to specifically investigate the sales stages and the various touch points required by Servitized technology manufacturers. This can help businesses evolve their sales process to be more efficient as they shift towards Servitization. In addition, further research is also needed to produce an integrated hybrid Sales and Marketing funnel built on Marketing Automation at its core with measurable activities at each stage of the customer's buying journey to provide the business practice with clear, actionable activities. Such research would (a) generate more qualified scored leads for the sales force and (b) attempt to speed up and influence the various stakeholders at the different stages without sales interference, thus ultimately freeing the salesperson's time. These activities can inform the business practice for clear implementation guidance that allows them to improve their business whilst clearly monitoring and measuring its results.

On a personal level, the knowledge acquired during the researcher’s career in running an SME, which specialises in manufacturing displays through Servitized offerings, puts me in a good position to pursue this research. To date, the business has focused on export activities and strategies, which have given the researcher a wide range of first-hand experiences, having had to Servitize the business to differentiate it from competitors as well as having to compete with other large international Servitized manufacturers in the international and local market. This research came about from having experienced a direct negative impact on our sales process, length and costs incurred being an SME through the implementation of Servitization. Whilst this was a very difficult journey, the challenges faced have allowed the researcher to observe the trend in the market towards Servitization and experience the problems within Servitized manufacturing. It gradually became clear that there is a practical gap in the Servitized manufacturing industry, in particular the impact of Servitization on Sales and Marketing roles and processes, along with the rise in attempts to utilise digital marketing techniques to assist in such areas through what is called Marketing Automation. This relation between sales, marketing and Servitization is illustrated below in Figure 1-1.

Research Area

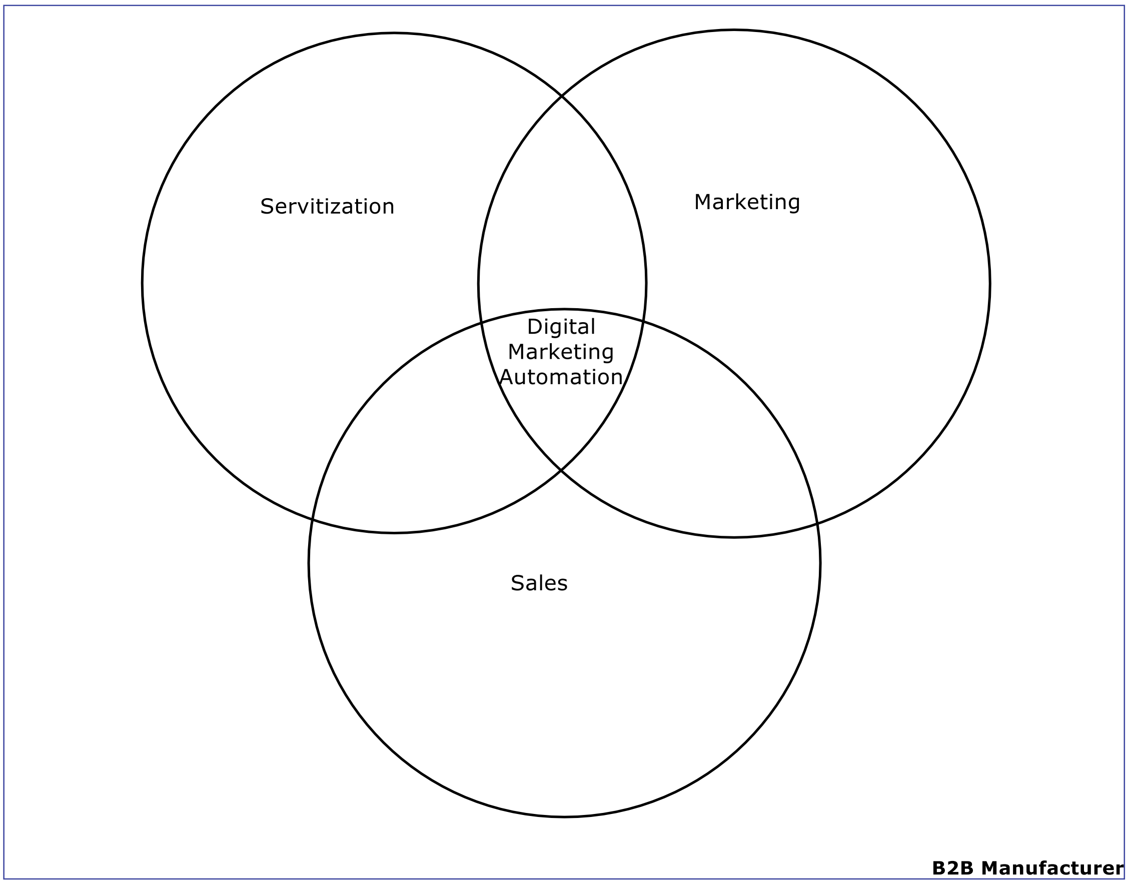

Figure 1-1. Research area.

The research will aim to construct a framework that simplifies the role and activities needed by salespeople through unifying marketing and sales cycles through the adoption of Marketing Automation in Servitized manufacturers. Figure 1-1 highlights digital Marketing Automation as a common area of interest between Servitization, marketing and sales, which represents a particular gap in the research which is where this study comes into place to address. The framework produced will directly impact the author's business by providing a deeper understanding of the industry and the ability to design a Sales and Marketing funnel that comes from research and professional experience.

1.3 Research Methodology

This research is an inductive qualitative study which focuses on the exploration of the experiences and perspectives of the participants. The research methodology used in this research involved conducting an in-depth multiple-case study on five PSS technology manufacturing businesses. The data collection was conducted through in-depth interviews of each sales director in such businesses between 75 and 90 minutes. The interviews were recorded, transcribed, and analysed using thematic template analysis (King *et al.*, 2018). The data were analysed in a way that identified themes, patterns, and relationships in the data.

The case study approach was chosen as it is suitable for exploring complex phenomena in real-life settings. It allows for a deep understanding of the issues being studied, including the context, process, and interactions of the businesses involved (Yin, 2013). The reason for using case studies was to obtain a detailed and comprehensive understanding of the sales process in each business through the sales directors of such organisations. Such results were then synthesised, and five further interviews with Marketing Automation experts were conducted to discuss the sales process and challenges identified by the sales directors to identify ways to improve the sales process and, ultimately, the sales process.

1.4 Overall Researchable Question and Research Objectives

The aim of this DBA thesis is to explore: ***"How can Marketing Automation optimise, integrate and evolve the sales cycle within B2B Servitized technology manufacturing businesses?"***

To achieve this aim, this study will:

- Examine the critical digital marketing literature to understand the underlying principles of the Sales and Marketing cycles and the impact Servitization has on both functions **(Chapter 2).**
- Critically review the literature to identify the impact of Marketing Automation on both Sales and Marketing cycles, resulting in the development of a theoretical framework for a unified, integrated marketing and sales cycle for PSS Servitized manufacturers (**Chapter 2).**

- Use the theoretical framework and the literature to develop a suitable methodology to collect and analyse the data that addresses the research question **(Chapter 3)**.
- Synthesise the data from the qualitative research methodology together with the extant literature to provide a better understanding of how Marketing Automation can impact the sales cycle within the B2B PSS manufacturing business **(Chapter 4).**
- Present practical contributions from this study, comment on the implications of these findings towards existing practices within the PSS manufacturing sector and make recommendations for future research **(Chapter 5).**

1.5 Contribution to Practice

Further to fulfilling the research question and objectives, this DBA thesis hopes to directly contribute to extant practice in the following ways:

- The study contributes to the existing body of literature to examine the benefits of Servitization and its impact on the sales cycle. Despite active research on Servitization and Marketing Automation, limited research has been attempted to bring the two areas together in a coherent process. This research responds to calls by Järvinen and Taiminen (2016) to explore its critical juncture through engagement with the practitioner community through a systematic analysis of five real B2B Servitized technology manufacturing businesses, using this theoretical model (Figure 2-10 and Figure 2-11) as a basis for discussion with the sales directors. It was possible to drill down to expose and examine practical challenges within their sales funnel's stages, allowing the research to provide insights into the granular detail in each stage of the sales funnel, and what the marketing and sales function does in each stage.
- Drawing on an elite group of the practitioner community with unique and privileged access to the sales funnel in their organisations, and through the

researcher’s own network and significant position in the industry, the researcher was in a prime to position to access such practitioners that traditional researchers would not have access to. This allowed a multi-case study approach to be developed, the first of its kind, resulting in rich and thick descriptions of actual business practices in relation to the sales funnel in actual organisations.

- This study provides a paradigm shift into a new unified Sales and Marketing funnel framework that adopts Marketing Automation. This shift has been developed with the aid of Marketing Automation experts critically analysing, reviewing, and improving the activities and stages within the identified funnel from the multi-case study. Additionally, it has been achieved by clearly defining key activities and actions that can inform and be applied by PSS manufacturing businesses in the real world.

1.6 Chapter Summary

This chapter began by providing an overview of the product manufacturing sector along with the expansion of Servitization. From here, the theoretical concepts of Servitization and Marketing Automation were introduced to provide a theoretical foundation for this DBA study. Next, the overall researchable question and research objectives were reviewed, along with highlighting the practical significance attached to this research. The chapter concluded by providing an outline for the remainder of this DBA thesis. The next chapter roots the study in marketing and introduces the theory of Servitization that provides the theoretical basis for this study.

Chapter 2 Literature Review

2.1 Introduction

This chapter's objective is to examine the critical digital marketing literature to understand the underlying principles of the Sales and Marketing cycles and the impact Servitization has on both functions. Furthermore, it aims to critically review the literature to identify the impact of Marketing Automation on both Sales and Marketing cycles, resulting in the development of a theoretical framework for a unified, integrated marketing and sales cycle for PSS-Servitized manufacturers. Such a framework can then be used to develop a methodology to collect and analyse the data of this research.

2.2 Marketing And Sales functions

This section aims to provide a comprehensive analysis of two key areas in this research, namely Marketing and Sales functions, as presented in Figure 1-1. Specifically, the discussion will begin with an exploration of Marketing from a digital perspective. This will be followed by a critical examination of the challenges that arise in the interface between sales and marketing followed by known attempts to address such challenges.

2.2.1 An Introduction to the Digital Marketing Function

Approaches to understanding the strategies for revenue generation have been the focus of marketing academics' attention since the 1950s (Vargo and Lusch, 2004; Mattila, 2016a). Many of these contributions can be attributed to Sales and Marketing, with extensive existing research focusing on B2B services (Mattinen, 2016; Ohiomah *et al.*, 2016; Forrer *et al.*, 2021). One sector that has received a lot of attention in this area is manufacturing (Jeannet *et al.*, 2001; Madhani, 2016). Within the technology manufacturing sector, the manufacturer's focus traditionally evolved around being a product-centric business (PCB) which defined the vendor's marketing and sales effort towards the product benefits and features (Araujo and Spring, 2006).

PCB manufacturers often have their Sales and Marketing functions separated from each other because each department has different independent objectives (Putkinen, 2014).

This is illustrated throughout the literature, where the sales function is always responsible for finding prospective customers through a pre-defined sales process and closing the sale (Dubey and Easwarapillai, 2015). On the other hand, marketing departments are responsible for creating product awareness and exposing product benefits to customers through offline and digital channels (Biemans *et al.*, 2010). Digital Marketing is considered one of the key technology advancements used by marketing to reach targeted mass customers and achieve their objectives (Patterson, 2007). However, despite the technological advancements in Sales Departments, marketing does not have a powerful direct impact in supporting the sales function in the acquisition of customers due to the separation in objectives.

The Digital Marketing Institute refers to digital marketing as "the use of digital technologies to create an integrated, targeted and measurable communication which helps to acquire and retain customers whilst building deeper relationships with them" (Royle and Laing, 2014, p. 65). Nowadays, Digital Marketing plays a vital role in marketing departments within the industry, allowing the vendor to interact with customers through digital channels (Järvinen *et al.*, 2012; Mero *et al.*, 2020). Recently businesses have shifted their focus from traditional offline print marketing towards digital marketing such as email, search engines and social media marketing. Much of this shift is due to the rise in technological advancements; businesses can now reach customers quicker and more cost-effectively than traditional marketing (Geraint and Jennifer, 2014). Nevertheless, with this shift towards employing digital marketing techniques, manufacturers are still approaching digital marketing with empirical measurement performance indicators and objectives of traditional marketing (Järvinen *et al.*, 2012). For example, the objective of digital marketing in such organisations is solely targeted towards brand awareness, organisational development and product promotions (Tiago and Veríssimo, 2014). This means that its measurement is primarily focused on reach and engagement rather than customer acquisition, which is measured in the number of enquiries and percentage of closed sales from such enquiries (Järvinen *et al.*, 2012).

Madhani (2016) believes that Sales and Marketing approach the same customer segment but from different angles. For example, salespeople interact with customers face to face, whilst marketing utilises digital channels to communicate with customers and understand their online behaviour. Given that each has different objectives, salespeople see marketing as being distant from the reality of the customer, and thus they do not share the information they have. With each department holding different information about the customer, the organisation misses out on potential opportunities, and in some cases, it becomes damaging to the sales department and the whole organisation (Bubel, 2015; Madhani, 2016).

Despite these challenges, the results and dynamics between both departments are considered satisfactory, as argued by Järvinen *et al.* (2012). This conflict and lack of cooperation between Sales and Marketing suggest that there is an underlying problem in what is expected from each department, implying a problem in the department's objectives. Nevertheless, these empirical expectations and objectives may have been suitable for PCB manufacturers that are focused on selling products where the sales team role was oriented towards supply and demand with a fast-paced and short sales cycle. This lies in opposition to generating demand required in manufacturers offering services with their products and, subsequently, a longer sales cycle (Fan and Zhang, 2010). This conflict can be addressed by understanding the underlying conflicts between both departments, their approach, and objectives.

2.2.2 Conflicts Between Sales and Marketing

Such lack of cooperation between marketing and sales is now one of the main reasons for marketing failures and has significantly contributed to damaging organisations' success (Sabnis *et al.*, 2013; Bubel, 2015; Madhani, 2016).

A) Sales are typically focused on individual accounts through a systematic process. This process includes different activities applied to each individual account, such as prospecting customers, probing their demands and requirements, presenting solutions, handling objections, closing the sale and following up (Lo *et al.*, 2016). On the other hand, marketing looks at aggregate accounts with a wider picture to drive customer demand to the organisation through brand and product awareness (Fan and Zhang, 2010; Peterson *et al.*, 2015).

B) Both marketing and sales serve customers, with sales performing the tactical tasks, whilst marketing provides support to sales whilst building a brand image (Madhani, 2016).

C) Organisations often reward marketing based on gross profit margin, whilst sales are compensated based on unit sales, thus creating conflict in how both departments pursue these targets (Peterson *et al.*, 2015). Marketing tends to increase the margins by increasing the price or bundling product offerings without sales department input, whilst the sales objective to close more sales can become more difficult with any increase in price or offering bundles (Madhani, 2016).

In other words, these conflicts can distance Sales and Marketing because marketing's unit of measurement is an aggregate of accounts rather than specific accounts, unlike sales units of measurement; moreover, the rewards of marketing and sales conflict with each other. Subsequently, the objectives set for marketing do not directly impact or support salespeople.

Madhani (2016) argues that the relationship between Sales and Marketing is complementary, yet building this relationship in practice is tough. He explains that even large organisations such as Procter and Gamble had coordination and relational conflicts between both departments. Due to their differences in the times for which goals have to be achieved, language and terminology used, expectations/results, and differences in targets and rewards (Peterson *et al.*, 2015; Madhani, 2016).

The above identifies key factors that cause conflicts between both marketing and sales departments over time. These conflicts result in sales not being able to rely on marketing due to the lack of direct support for individual accounts. This, in turn, created the need for dedicated sales tools that can help sales teams separately from marketing teams and their tools.

2.2.3 Evolution of Sales Automation

Technology in Sales and Marketing has been an integral part of the manufacturing industry over time (Hunter and Perreault, 2007; Saleh and Omar, 2015). A review of the early contributions in this area shows that in 2002 PCB manufacturers believed that each salesperson acted as an "information seller", and it was much more efficient to engage in face-to-face activities with the customer (Verbeke *et al.*, 2010). Verbeke *et al.* (2010) elaborated that each salesperson had to spend enough time with the customer to help them identify their issues, justify the offering with financial data as evidence and gauge the customer's behaviour. This process takes time and is done manually; however, as it is a crucial emerging requirement in selling, it is important to find ways to make salespeople spend more time with customers. By 2007, Customer Relationship Management (CRM) and Sales Force Automation (SFA) systems had evolved to assist PCB manufacturers in structuring the sales cycle and stages in a way that can be measured and automated to help the manufacturer (Pradi and Noël de Wild, 2016). The use of such systems acknowledges the need to make the sales force more efficient and provide transparency and structure to each sale. Writing in the Journal of Marketing, Hunter and Perreault (2007) outlined two key values of Sales Force Automation: (1) identify where each salesperson is progressing with the sale in relation to its life cycle (Real-time reporting) and (2) automate the process of administrative tasks to assist the salesperson to save time on repetitive tasks (Hunter and Perreault, 2007). Reflecting on Verbeke *et al.* (2010) previous argument, it is clear that the second value highlighted by Hunter and Perreault (2007) would help the sales force to use less time on administrative and repetitive tasks allowing them to spend more time with customers.

Bradford (2016) further expands that sales automation tools give managers the visibility to assess, qualify and prioritise leads so that they can drive their salespeople to focus on opportunities with the highest probability of closing. The study explains that this approach speeds up the sales process; however, in many small to medium organisations, salespeople often do this manually based on personal views of customer behaviour and general experience (Bradford, 2016). Indeed, this is not a new observation. Writing in the *Harvard Business Review*, seminal writers Moriarty and Swartz (1989) went on to explain how HP used an external company to mail customers with offers until an enquiry was made and to track customers' responses, behaviour and profile. The external company then provides the field sales with a list of customers who are considered “hot leads”, which are identified based on the customer’s response to the enquiries, calls and mail offers they received. As a result, there was a dramatic improvement in the timescale of closing the deals: from 14 weeks to 48 hours (Moriarty and Swartz, 1989). The downside of this system is the cost, as suggested by Moriarty and Swartz (1989) and Mattila (2016a), who estimated that implementing such a system would cost the business around USD 1 million and may cost USD 3–5 million for the telemarketing team, sales team and direct mail fulfilment service. Moriarty and Swartz (1989) and Sabnis *et al.* (2013) argue that it is the right approach despite its prohibitive cost to smaller technology manufacturers in particular. Although the study is dated, it was found in further research that telemarketing is still an approach being used by modern organisations in the prospecting stage (Haataja, 2016; Mattila, 2016a; Pradi and Noël de Wild, 2016). As a result, this confirms that some of the methods used by the manufacturers are traditional methods, despite the change in the industry and customer behaviour. Additionally, it was found in the findings chapter that some organisations still adopt such an approach which will be covered later in this study in Chapter 5.

The outcome of these previous studies strongly suggests that despite the time difference, studying the customer's behaviour does speed the sales process and helps to differentiate the deals that are more likely to close. This process is still being performed manually to date, as illustrated by Bradford (2016). Due to the age of Moriarty and Swartz (1989) study, the cost element will be disregarded as an obstacle in this research until demonstrated otherwise through recent literature. This manual subjective process may have been suitable for PCB businesses where each salesperson is responsible for keeping track of his/her deals. That is because they can rank their deals based on the customer's behaviour during their meetings with the salesperson, as Verbeke *et al.* (2010) described earlier in this section. Furthermore, as Fan and Zhang (2010) explained in Section 1.2, PCB businesses benefit from a shorter, fast-paced sales cycle, making this process feasible. Fan and Zhang (2010), as well as Schmidt *et al.* (2015), Bradford (2016) and Forrer *et al.* (2021) argue that businesses providing services suffer from a longer sales cycle and the involvement of larger groups of stakeholders in which they are known as Servitization type of businesses; this concept is covered in more detail in the next section.

2.3 Servitization and the Sales function

Servitization is the shift in business models from product-pentric to customer-centric through bundling the manufacturer's products with services (Baines *et al.*, 2009b). It allows manufacturers to gain a competitive advantage and enhance their performance and profitability in comparison to the traditional sales models (Ren and Gregory, 2007).

However, Servitization does not come without challenges. It fundamentally alters how companies sell their solutions to customers, requiring a deeper understanding of how the customers' businesses operate across different departments. As a result, the sales process is no longer a simple transaction but a more involved process that involves engaging with different customer stakeholders and the manufacturer (Paschou *et al.*, 2020). As a result, the sales process has become more complicated and prolonged, requiring salespersons to engage in more involved activities for each sale. However, marketing roles in such organisations have not evolved to keep pace with these changes (Mustakallio, 2016; Kamalakar, 2021; Favoretto *et al.*, 2022).

To gain a deeper understanding of the sales function in servitized businesses, it is imperative to comprehend the rationale behind servitization, the factors that have led to the adoption of this business model, the nuances of the sales function in the context of

PSS manufacturing businesses that have embraced servitization, and the associated challenges that they encounter. These areas represent the two core areas of this research, as illustrated in Figure 1-1, and merit a detailed investigation. As such, this section will delve into these topics and shed light on their intricacies.

2.3.1 Industry Moves Towards Servitization

A thorough review of the extant digital marketing literature shows that since 2007 there has been a massive shift in the manufacturing world towards Servitization (Jacob and Ulaga, 2008; Neely, 2008; Baines *et al.*, 2009a; Baines *et al.*, 2009b; Roy *et al.*, 2009; Akram, 2012; Bikfalvi *et al.*, 2012; Ryals and Rackham, 2012; Clegg *et al.*, 2013; Kastalli and Van Looy, 2013; Dubey and Easwarapillai, 2015; Perillo and Marqui, 2015). In the broadest sense, Servitization can be described as acknowledging that businesses are no longer able to offer just a product where a complete service offering to the customer is required instead (Baines *et al.*, 2009b, p. 1408), implying the shift in market's buying behaviour and thus a move is required from traditional sales methods to other sales methods that are suited to such shift. There are many definitions for Servitization in the digital marketing literature, which have been summarised below in Table 2-1.

Writers	Definitions
Vandermerwe and Rada (1988)	"Market packages or 'bundles' of customer-focussed combinations of goods, services, support, self-service and knowledge."
White *et al.* (1999)	"The emergence of product-based services which blur the distinction between manufacturing and traditional service sector activities."
Verstrepen *et al.* (1999)	"Adding extra service components to core products."
Robinson *et al.* (2002)	"An integrated bundle of both goods and services."
Desmet *et al.* (2003)	"A trend in which manufacturing firms adopt more and more service components in their offerings."
Lewis *et al.* (2004)	"Any strategy that seeks to change the way in which a product functionality is delivered to its markets."
Ward and Graves (2005)	"Increasing the range of services offered by a manufacturer."

Ren and Gregory (2007)	"A change process wherein manufacturing companies embrace service orientation and/or develop more and better services, with the aim to satisfy customer's needs, achieve competitive advantages and enhance firm performance."
Baines *et al.* (2009b)	"Servitization is the innovation of an organisations capabilities and processes to better create mutual value through a shift from selling products to selling PSS."
(Gebauer *et al.*, 2011)	"Servitization is the process by which a manufacturer of physical products extends its offering to include a range of services and solutions, designed to help customers make the best use of the product, reduce operating costs and improve business performance."
(Kowalkowski *et al.*, 2017)	"The transformational processes whereby a company shifts from a product-centric to a service-centric business model and logic."
(Raddats *et al.*, 2019)	"Servitization is a strategic transformation process by which firms shift from selling products to delivering solutions, consisting of physical products and associated services, to create value for customers and capture new revenue streams."
(Annarelli *et al.*, 2021)	"Strategic movement from an exclusive focus on products (or an exclusive focus on services) towards integrated systems of products and services, with services playing an always more relevant role replacing products"

Table 2-1. Summary of Servitization definitions—adopted from systematic literature review and recent sources (Baines et al., 2009a, p. 554; Reim et al., 2015; Paschou et al., 2020; Annarelli et al., 2021) (Gebauer et al., 2011; Kowalkowski et al., 2017; Raddats et al., 2019).

In the early days, definitions from Vandermerwe and Rada (1988), White *et al.* (1999), Robinson *et al.* (2002) and Verstrepen *et al.* (1999) defined Servitization as the act of bundling services with the product. Following that, Desmet *et al.* (2003), Lewis *et al.* (2004), Ward and Graves (2005) defined Servitization as a trend or a strategy applied to the product functionality or providing a service as an offering. Both definitions at those times focused more on the product than the organisation itself. Ren and Gregory (2007) were the first to describe Servitization as a change in the manufacturer's process to gain a competitive advantage and enhance performance. In contrast to previous definitions, this definition underpins Servitization as a change in the organisation itself and how it operates rather than just the product. The latest, most comprehensive definition was created by Baines *et al.* (2009b), who defined Servitization as: "… the innovation of an organisation's capabilities and processes to better create mutual value through a shift from selling products to selling PSS as a Business Model" (Baines *et al.*, 2009b). This is the definition currently used in the manufacturing industry as it signifies the offering as more than just a product with services. It indicates that the changes in such organisations result in the creation of a different type of offering—named PSS, which is significant in differentiating the types of firms in this study. This was reaffirmed by Annarelli *et al.* (2021), confirming that PSS as a business model represents the most suitable way to achieve Servitization.

Despite Baines *et al.* (2009b) and Annarelli *et al.* (2021) providing a comprehensive definition of Servitization and how it led to a new offering named PSS, this definition is considered too general as it does not underpin different types of PSS or how can they be applied to various kinds of organisations. Reim *et al.* (2015) have identified three business models that underpin PSSs through a systematic literature review published in the Journal of Cleaner Production. These models are shown in Figure 2-1.

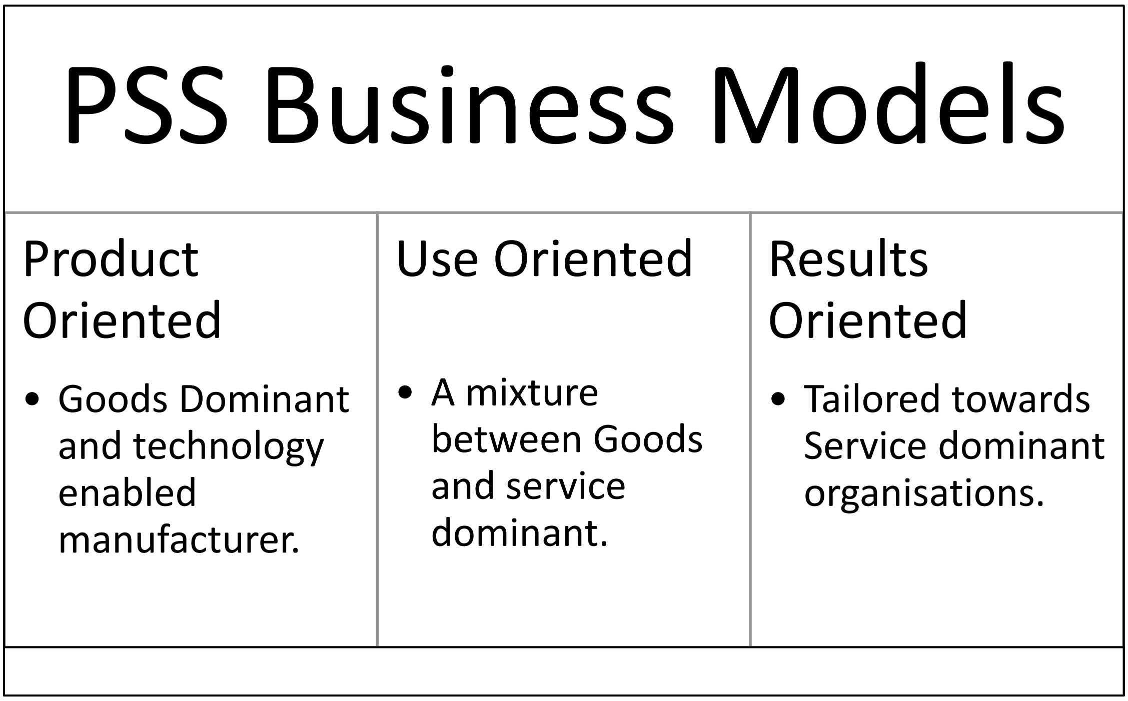

Figure 2-1. The three business models that underpin the concept of Servitization (Reim et al., 2015, p. 66).

Figure 2-1 demonstrates that Product Oriented PSS model is suited for PCB organisations that are a Servitized model to their offering. Use Oriented is mainly tailored towards organisations that charge the customer for the number of times their product/service is used, such as health diagnostic devices in the healthcare sector. Results Oriented gives the organisation a focus to charge for the result rather than the service. This model has a simpler sales process as there is a less perceived risk to the customer given that it is result-driven. As highlighted in Section 1.2, the focus of this DBA research is on Product-Centric Businesses technology manufacturers. Using the model above, it can be assumed that any technology manufacturer that is attempting Servitization can be identified as following the Product-Oriented PSS business model.

The idea of providing added services with a product is not a new concept. Seminal authors Vandermerwe and Rada (1988) argued that bundling a service with a product could be used as a competitive tool by manufacturers, which is why the industry has been moving towards Servitization through the years, yet only recently, it has become a business model in its own right. This has signified the importance of this shift where Servitization is becoming a business model for the organisation rather than a type of product offering. To explore the strengths and manufacturer’s motive in this shift, Dubey and Easwarapillai (2015) conducted research on a large technology manufacturer that Servitized various divisions in their business. They published a paper summarising the advantages of Servitization from a business perspective in three main areas: (a) barriers, (b) dependency and (c) differentiation, as shown in Figure 2-2.

a) Barriers

- Setting up barriers to competitors—provided the supplier has an ongoing relationship with the customer
- Setting up barriers to third-parties – usually referred as intermediary /specialist in providing information about the industry to buyers such as technology consultants
- Setting up barriers to customers—by selling the service to the customer, manufacturer blocks the customer from taking over the work delivered by such service. Manufacturers are generally faster and more cost effective to deliver such service than the customer due to experience and economy of scale

b) Dependency

- Creating Dependency—it will not be as easy for the customer to break the relationship due to the high dependency of the customer on the manufacturer

c) Differentiation

- Differentiate The Market Offering—products are becoming a commodity, and overseas manufacturers can produce similar goods at lower price points. Providing a service is another way to differentiate the manufacturer's offering from others in a way that could be difficult to deliver
- Diffusing New Innovation—through deep integration within the customer's business to deliver the product and services, manufacturers are getting a much better insight about new innovations and better ways to further develop products and services that can help the customer to differentiate the supplier from others

Figure 2-2. Servitization business benefits (Dubey and Easwarapillai, 2015).

The key point to be taken from the figure is how Servitization as a business model directly affects the manufacturer, the customer, and the competitor. First, the competition: Servitization seems to build a barrier for the competition/third parties from poaching the customer due to the relationship built between the manufacturer and the customer through the Servitized offering. Second, the customer: by deterring the customer from going to another supplier as it is easier and faster for the customer to let the manufacturer continue supplying the service originally contracted to. This also makes it harder for the customer to break the relationship due to the dependency built between the customer and the manufacturer. Third, the manufacturer: the Servitization model differentiates its offering from other overseas manufacturers due to the service offering provided, and by allowing the manufacturer to become closer to the customer results in better product innovations that are relevant to the customer (Dubey and Easwarapillai, 2015; Niu and Qin, 2021). The above points clearly provide compelling reasons and strong motivation for any manufacturer to deploy Servitization. However, with most PCB manufacturers having their sales departments structured for short sales cycles and with specific objectives tailored to PCB businesses, it is critical to understand the implications on both manufacturer's sales and customer's purchasing fundamentals within a Servitized firm.

From a sales tools perspective, to be able to take advantage of such a model, Rapaccini and Gaiardelli (2015) argued that it involves the same types of sales technologies—such as CRM and Sales Force Automation—and still requires a physical sales force such as PCB manufacturer, so there are no changes in those areas. However, there is a difference in the value delivered. In the PCB business, on the one hand, the value exchanged is a self-contained product in which the relationship between the customer and supplier ends after the exchange of goods. On the other hand, Servitization is designed to outsource part of the customer's business problem to the manufacturer (Clegg *et al.*, 2013; Favoretto *et al.*, 2022). With this model, the manufacturer integrates their physical product and its accompanying services into the customer's business; for example, a customer may choose to outsource their need to purchase a data mining function rather than purchasing the server and the software themselves (Clegg *et al.*, 2013; Kohtamäki *et al.*, 2019). Sheth and Sharma (2008) argue that this fundamental shift in the industry towards Servitization has had a significant impact on sales. They contend that whilst sales in traditional PCB manufacturers were product-centric, relying on the economics of demand and supply, Servitization has changed the role of sales to become customer-centric (Sheth and Sharma, 2008). A customer-centric approach means that salespeople need to collaborate with and learn from the customer whilst being flexible to their individual and dynamic needs to co-create the value, which is to be sold to the customer, as explained by Vargo and Lusch (2004). Thus, sales became reliant on demand generation by the salesperson to help the customer identify their needs and thus provide a sellable solution. Ryals and Rackham (2012) agree that such change leads to deeper integration between the manufacturer and the customer's business from the early stages of the sales cycle until the service delivery phase; these conclusions were also reiterated by Berggren and Hagstrand (2015). As a result, this concludes a change in the fundamental structure of sales organisation, and subsequently, a transformation in the sales process to become quite long and heavily involved and thus affecting the role of the salesperson.

This transformation has resulted in shifting the role of the salesperson: from being a persuasive agent to becoming educating agent. To sell the Servitized product, the salesperson became a consultant to the customer’s business. Such transformation in the salesperson's role has subsequently had a negative effect on the sales cycle and the sales force (Putkinen, 2014). Ryals and Rackham (2012) suggest that Servitization has introduced the concept of complex selling in the manufacturing world. They further argue that complex selling has four distinct characteristics:

a) Extended sales cycle.
b) Significant customer commitment.
c) Ongoing relationship, including implementation.
d) A high perceived risk for the customer.

Each sale becomes a consultative sale, where the role of the salesperson is to diagnose and resolve problems within the customer’s business through the manufacturer’s products and services whilst building trust through the various layers of the organisation (Ryals and Rackham, 2012). This argument further supports Sheth and Sharma’s (2008) theory and has also been reaffirmed recently by Putkinen (2014). To summarise these arguments, Servitization impacts the sales cycle by (a) an increase in the time spent by salespeople nurturing different stakeholders in the business, (b) a longer subsequent sales cycle and (c) a significant increase in the cost of sale. This means that the salesperson needs to work with multiple users inside the very same organisation to secure a single sale, which means that the fundamental structure of the PCB sales cycle can no longer work in a Servitized organisation with those changes in mind. Schmidt *et al.* (2015) support this argument as they uncovered that the most challenging phase for a customer was identifying a solution and agreeing on the action. Moreover, the supplier often focuses on the wrong stage of the buying process by trying to persuade the customer to buy from them where at this stage; thus, the customer already has spent enough time to take a decision on the solution they want to buy. In this case, the salesperson is already late in the buying process. Hence, that is why it is important for the salesperson to always maintain a close relationship and regular communication with their customers to find out about any buying signs early in the process (Shannon Cummins *et al.*, 2016). Not only that, but the salesperson also has to keep up with the customer's updates as well as regularly change their offering accordingly to maintain the customer's engagement with relevant relation-building communication (Bradford, 2016).

Furthermore, salespeople traditionally sought the decision maker that could approve the sale (Lingqvist *et al.*, 2015). This paradigm no longer exists, especially in Servitized businesses, as one person no longer manages the decision-making process (Adamson *et al.*, 2013; Tronvoll *et al.*, 2020). One study has discovered that it takes an average of 5.4 people in an organisation to sign off on a sale (Schmidt *et al.*, 2015). The study enforced the importance for salespeople to build *consensus* in the organisation by helping buying members discover shared languages and goals; it elaborated that people on buying teams had different priorities (Mustakallio, 2016). To convince the buying groups to go with the offering, those differences must be bridged for them to become advocates of the solution (Schmidt *et al.*, 2015). An important insight of the study was that in order to build consensus in the organisation, the salesperson needs to connect the customer's stakeholders to one another rather than with the salesperson themselves (Schmidt *et al.*, 2015). Bradford (2016) conducted a recent doctorate in business administration study at Georgia State University within the same area on a B2B service-based chipset firm. The study elaborates that each sale involves a vast array of influences in four different areas within the customer's business, often leading to lengthy negotiations, designs and discussions to close the deal (Bradford, 2016). The study found that profiling was a key in the sales process, even though the profiles of the people involved in the sale cycle were specific to the manufacturer's case in question.

Peterson *et al.* (2015) further expanded on that area by stating that the key drivers in selling to an organisation are contact density, authority, and relationship quality. The density in Peterson *et al.* (2015) study refers to the number of stakeholders in the buying decisions that are connected to the selling organisation. Moreover, authority refers to their authority within the organisation in regard to the solution being sold (Peterson *et al.*, 2015). Finally, relationship quality refers to how strong the relationship is with the buying organisation. The study explained that this proximity to the buying firm ensures the selling firm's access to offer solutions to customers' problems early in the cycle and expands the company's ability to cross-sell and upsell to the organisation (Peterson *et al.*, 2015).

Adding to that, Schmidt *et al.* (2015) have highlighted that there are also mobilisers that can inhibit or accelerate sales. This could be met with objections simply because of the fear of losing credibility or respect if the purchase they backed up was found to be unwise. The study uncovered a potent driver for the mobiliser, presenting how the solution will advance the person's career or help the person become a better leader rather than any other business value such as return on investment (ROI) calculators, the total cost of ownership, overcoming organisational risks and rewards (Schmidt *et al.*, 2015). Verbeke *et al.* (2010) elaborate that mobilisers are split into decision makers—who ultimately make the decision, Influencers—who have a direct influence on the opportunity, such as finance or procurement, Workforce—the actual users that will be using the system directly and Non-affiliated Workforce—the other functions in the organisation that will be interfacing with the Servitized solution to be acquired. Verbeke *et al. (2010)* also added that each group would have different requirements and different agendas, with each group having different information needs and a different approach to overcoming challenges (Verbeke *et al.*, 2010). This complicates the sales cycle, especially since the salesperson's job is to overcome different types of objections across a single organisation with different users.

The above changes in selling behaviour have transformed many of the known patterns and stages in the buying process. Lingqvist *et al.* (2015) elaborated that such changes made the purchasing journey consist of circular patterns of various touch points rather than a linear process, as stakeholders in the business evaluate, select, and share experiences about specific solutions. Subsequently, this gives opportunities for more users within the organisation to seize the offering yet making the closing of the sale even more challenging than before (Lingqvist *et al.*, 2015). This comes as no surprise given that Servitized business products and goods deeply integrate with the customer's business performing core functions as explained in Section 2.3 (Clegg *et al.*, 2013).

To summarise, the following activities need to be conducted by sales in Servitized organisations:

1. **Sales to act as a consultant to build the customer's solution.**
2. **Sales to do profiling on new and prospect customers.**
3. **Sales to maintain regular communication with the customer.**
4. **Sales to maintain updates about customer's news and changes.**
5. **Sales to maintain regular change in products and offerings based on the market to keep the customer engaged.**
6. **Sales to learn, detect and understand the customer's intentions and to buy signals.**
7. **Sales to optimise and prioritise the leads based on the customer's buying behaviours.**
8. **Sales to build high density with high authority relations with prospect organisations.**
9. **Build common language and goals between buying groups.**
10. **Build pro mobilisers by inspiring their personal gain.**

Table 2-2. Sales activities in Servitized organisations.

The above 10 points in Table 2-2 outline the additional activities required to be carried out by sales in addition to their regular workflow to ensure sales success in Servitized and solutions organisations.

2.3.1.1 Industrial Sales Funnel and Sales Tools

All activities conducted by salespeople fit within an internal process called the sales funnel (Åge, 2011). Industrial firms often use the sales funnel to perform those activities and manage and monitor the leads through different stages, from prospecting until closure-won or lost sales (Åge, 2011; Bradford, 2016). The phrase “sales funnel” comes from the figurative term—a funnel for its conical shape. A larger number of leads gets added to the top, with a relatively lower number of deals won coming from the funnel’s throat after passing by the sales process (Grubliešič, 2016).

There are different types of sales funnels for different types of businesses. Since this study covers manufacturing, the industrial sales funnel in Figure 2-3 represents the manufacturing sector adapted from Söhnchen and Albers (2010). The industrial sales funnel consists of various stages, starting with customer acquisition, where each potential prospect is qualified to have matched the organisation’s target customer. After that, the salesperson approaches the customer in hopes of converting the customer to the next stage, where they request a presentation (Åge, 2011). Following the presentation, if the customer is interested, the salesperson will then provide an offer that fits the customer's requirements (Åge, 2011). Following that, the salesperson will attempt to handle the objections in the hopes of closing the deal. At any stage of the funnel, the customer can drop out of the funnel for any reason (Åge, 2011). The job of the salesperson is to push prospects down that funnel to convert them to sales (Söhnchen and Albers, 2010; Bradford, 2016; Lo *et al.*, 2016).

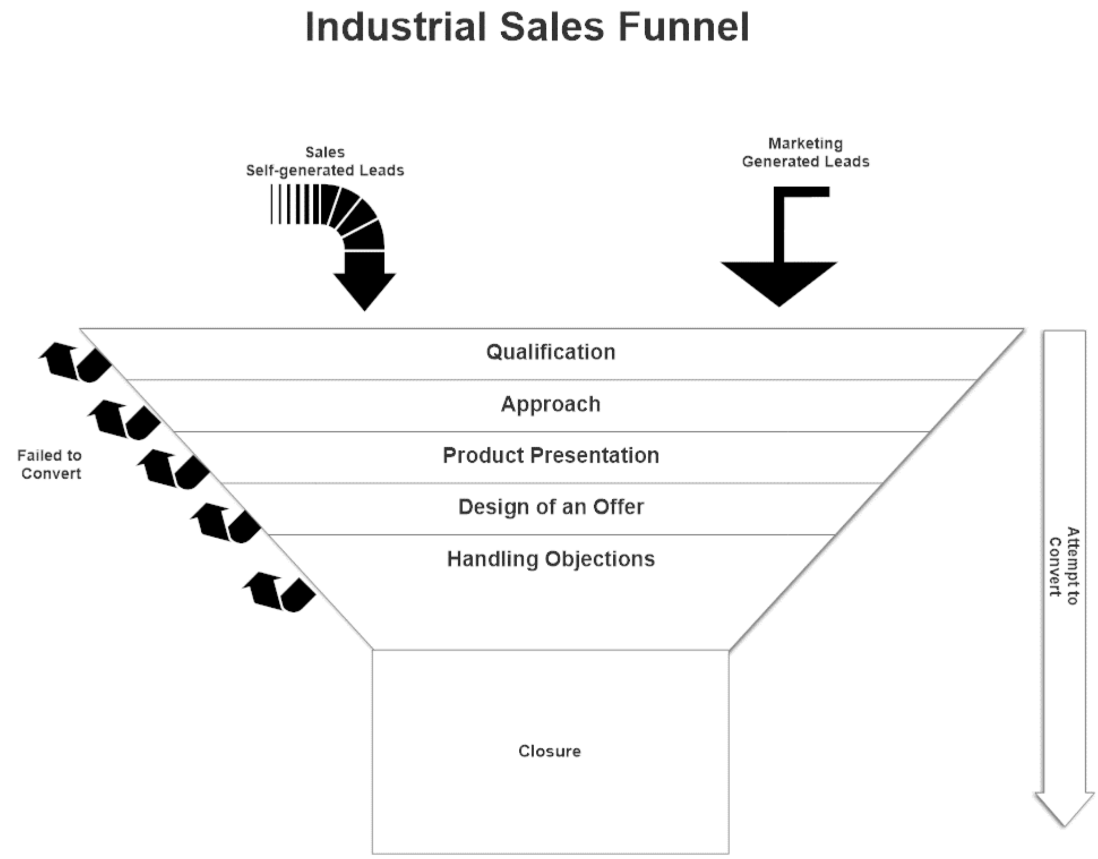

Figure 2-3. Industrial Sales Funnel adopted from Söhnchen and Albers (2010).

2.3.1.2 Lead Black Hole

The qualification stage plays a critical role in the sales funnel (Bradford, 2016). Bradford (2016) explained that the qualification of leads is a fundamental element in protecting sales personnel from wasting their time and becoming less productive. In traditional digital marketing, the main objective is to pass on any leads to sales in response to their targets to increase lead generation, whilst salespeople are tasked with raising sales conversions (Peterson *et al.*, 2015). Unfortunately, marketing often inundates sales with low-quality leads that make the sales team's job harder. This results in the sales team ignoring the leads generated from marketing, whilst marketing is dissatisfied that the outcomes from their campaign, content and the leads disappear into a black box inside the sales funnel without getting any feedback (Lo *et al.*, 2016; Madhani, 2016). This behaviour was named in the existing academic literature as the lead black hole: it creates a leak in the sales funnel which is primarily caused by (a) lack of feedback between the sales department and marketing, (b) marketing faulted by handing over unqualified leads to sales (Sabnis *et al.*, 2013; Putkinen, 2014).

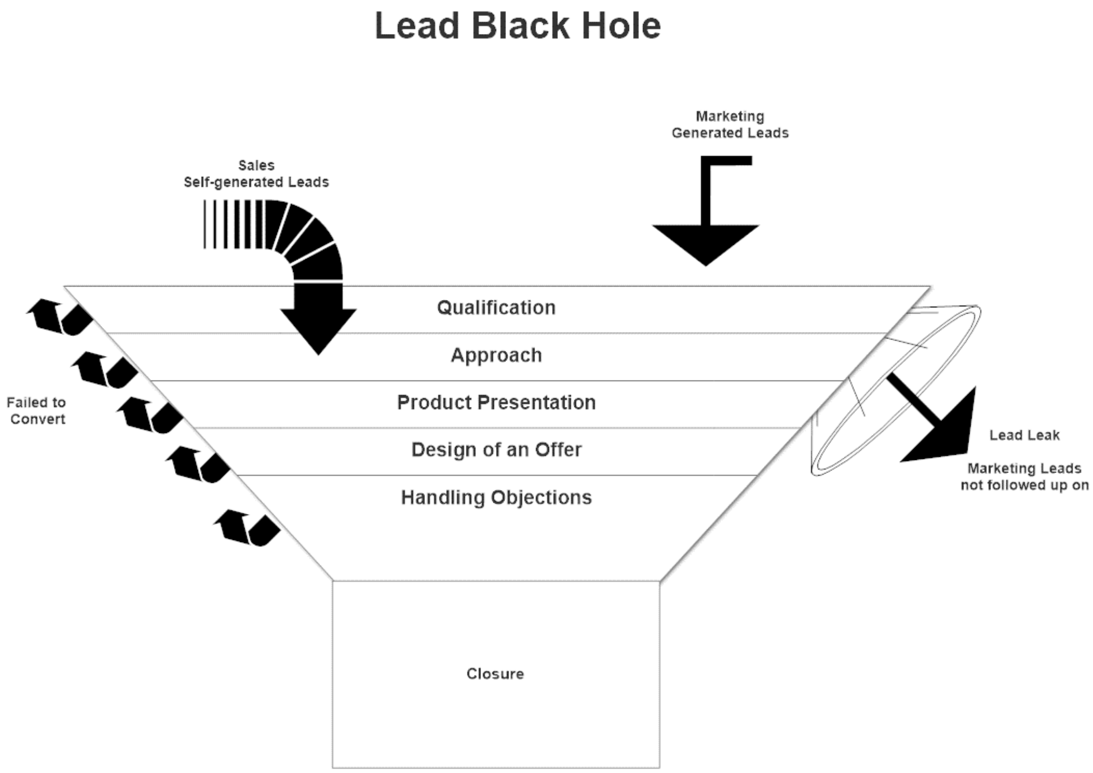

Figure 2-4. Lead black hole in a sales funnel - Adopted from Putkinen (2014).

A study conducted by SiriusDecisions—a leading global B2B market research company—stated that only 20% of the leads generated are followed up. A total of 70% of those leads are then disqualified and not followed up upon, with 80% of the discarded leads buying a competitive product anyway within a 24-month period. This means that only 6% of enquiries generated lead to sales, whilst a further 9.8% are lost to competitors due to a lack of follow-up (Sabnis *et al.*, 2013; Putkinen, 2014; Bradford, 2016). Such behaviour eventually creates a gap between marketing and sales, with sales relying on self-generated leads and marketing trying to recapture lost leads. As a result, inefficiencies and lost efforts in both departments occur due to (a) lack of common language between Sales and Marketing, (b) lack of integration between Sales and Marketing's funnel and (c) lack of feedback and collaboration between both departments (Ohiomah *et al.*, 2016).

D'Haen and Van den Poel (2013) have developed an adapted sales funnel that supports feedback and generalises the language between Sales and Marketing to address this issue. The funnel consists of four stages:

A. Suspects—Potential Buyers.
B. Prospects—Prospects who meet the pre-defined criteria from suspects.
C. Leads—Prospects who become qualified to be contacted.
D. Deals—Leads who result in a closed sale.

In this sales funnel, there is a clear distinction between ‘prospects’ and ‘leads’, where prospects can only become leads if they pass some pre-defined criteria set by the organisation. It also has a feedback loop to allow for leads and prospects to drop to previous stages if there is a change in their qualification criteria. This convention drives marketing to generate qualified prospects rather than suspects and leads instead of prospects where possible (Järvinen and Taiminen, 2016). This adapted funnel does not replace the industrial sales funnel; it rather maps itself over the funnel bridging the communication and monitoring the movement of potential customers between Sales and Marketing, as shown in Figure 2-5. The sales funnel stages are used as the foundation of the organisation’s CRM system (Hayley, 2016). CRM and Sales Force Automation tools then allowed organisations to automate the follow-ups and movement of potential customers through the funnel effortlessly. The usage of CRM in sales significantly enhanced sales personnel performance and contributed to better interaction between the sales team and customers (Hayley, 2016). The utilisation of sales funnels helped to improve visibility across the organisation’s departments and established a common reporting language (Söhnchen and Albers, 2010).

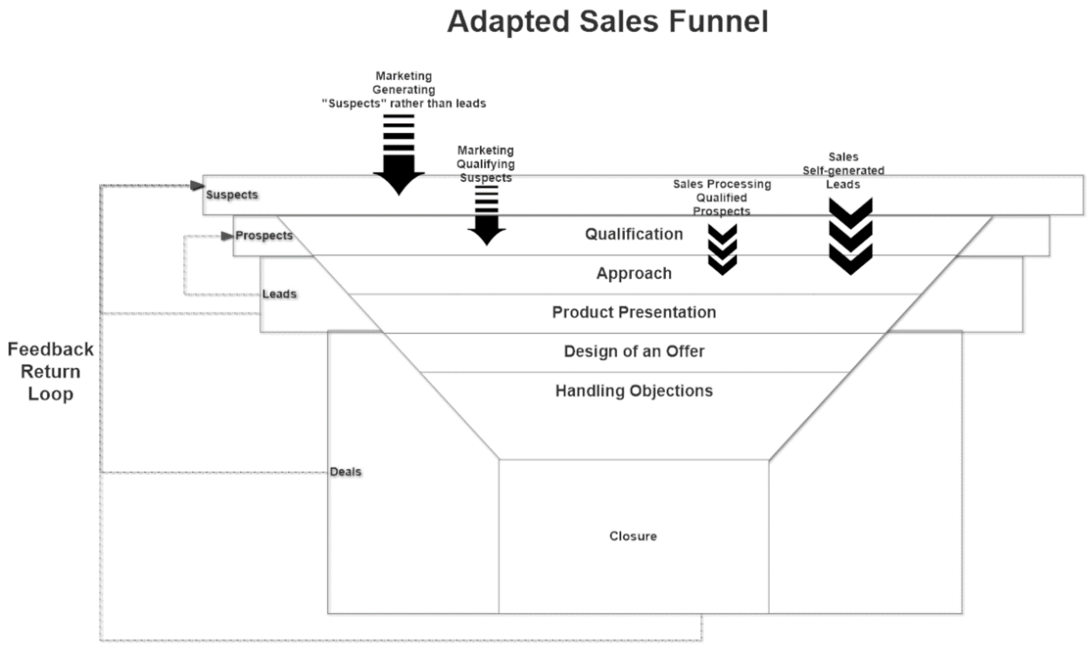

Figure 2-5. Adapted Sales Funnel—Adapted framework adopted from Söhnchen and Albers (2010); D'Haen and Van den Poel (2013); Järvinen and Taiminen (2016).

Ohiomah *et al.* (2016) elaborate further, stating that the adapted sales funnel provided an efficient way for marketing departments to manage the communication of leads to sales. Failure to manage leads effectively reduces sales results and increases the cost immediately (Ohiomah *et al.*, 2016). The adapted sales funnel and usage of CRMs enabled marketing to progress the leads into the correct stage within the sales funnel effectively. This provides reassurance to the salespeople that leads entering this stage are pre-qualified, which results in increasing their efficiency and conversion results (Bradford, 2016). To conclude, the adapted sales funnel clearly resolves the lead black hole problem mentioned earlier by Sabnis *et al.* (2013); Putkinen (2014). Moreover, marketing has a better view of the number of prospects and leads needed to allow the sales to achieve the required sales targets (Grublješič, 2016), thus bringing marketing and sales closer, which was a problem in the industrial sales funnel, as explained in Section 2.2.2. This transparency and collaboration within the sales funnel have positive effects on both Sales and Marketing, leading to a better relationship and trust between these departments (Mustakallio, 2016).

Despite the numerous benefits, the sales funnel has its limitations, too. Sheth and Sharma (2008) argued that despite such tools helping to automate some of the repetitive and time-consuming functions, their impact in saving time is limited to how the systems are being used and set up by each salesperson.

2.3.2 Service-Dominant Logic

Service-Dominant (S-D) Logic was first mentioned by Vargo and Lusch (2004), who argued that the evolution of a new marketing logic was tailored towards services and not goods. His paper triggered a surge of discussions regarding how S-D logic is a new paradigm that illustrates how value is co-created through the interaction between the customer, the supplier's resources and core experiences (Grönroos, 2006; Rust and Tuck Siong, 2006; Svensson and Grönroos, 2008; Merz *et al.*, 2009; Grönroos, 2011; Grönroos and Ravald, 2011; Vargo and Lusch, 2011; Grönroos and Voima, 2012). This concept created a separation between goods-dominant and service-dominant businesses (Vargo and Lusch, 2007). Despite being of great interest to manufacturing, it was argued that this separation between service-dominant or goods-dominant logic does not match Servitized manufacturers that were Product-Centric (Ballantyne and Varey, 2007). The explanation of the term was then refined to suit the Servitized manufacturer, where the main difference is that service-dominant logic is based on the value-in-use of the Servitized product rather than the value-in-exchange of goods; since the value of service is materialised only after the use of the Servitized product (Kowalkowski, 2010). This means that in order to reach the value-in-use, there would be engagement between the supplier and the customer to co-create that value rather than limiting the scope to basic exchanges of goods.

Writing in the Journal of Cleaner Production, Reim *et al.* (2015) published a systematic literature review summarising all the areas affected within product-oriented PSS business models: (1) contracts, (2) marketing, (3) network, (4) product & service design and (5) sustainability (ongoing service).

In their review, Reim *et al.* (2015) identified key affected marketing aspects in 25 different studies, including information campaigns related to benefits (timed), regular—or on-demand interaction, relation building, insights into functionality and promoting the efficiency of services. They also argue that relationship building is becoming a primary responsibility for all areas of the business to both end clients and distributors (Reim *et al.*, 2015). Whilst acknowledging that other parts of the business should have an active responsibility to sales through the role of building relations with the customers, it differs from traditional PCB business as described earlier in the literature, where the role of customer acquisition is the sole responsibility of the salesperson (Dubey and Easwarapillai, 2015).

This review shows increased marketing engagement compared to PCB business as well as a sales force with larger involvement at the early stages of the sales cycle; This is whilst shedding light on how CRM and SFA tools assist in limited ways (Reim *et al.*, 2015). Moreover, it clearly indicates that marketing in SD logic overlaps with sales functions and that its role extends to deeper stages of the sales cycle, such as relation building, on-demand interaction, and timed information campaigns. Nevertheless, marketing engagement is limited to the early stages of the industrial and the adapted industrial sales funnels, as shown in Section 2.3.

2.3.3 Criticism in the Industrial Sales Funnel and Opportunities for Marketing

The adapted sales funnel and usage of CRM systems solve many problems in the industrial sales funnel as well as offer a degree of integration between marketing and sales. Putkinen (2014), however, argues that such legacy systems have little impact on the complex sales process of the modern Servitized manufacturer, implying the need for change within the organisation towards a service-dominant solution tailored towards complex sales and not just an adapted goods-dominant solution.

This research will draw back on the 10 key activities required to be carried out by sales in Servitized businesses highlighted in Section 2.3 to contrast the gaps of the industrial sales funnel and marketing activities in the Servitized business.

The first two activities cover “demand generation” requirements, and they are:

1. **Sales to act as a consultant to build the customer's solution.**
2. **Sales to do profiling on new and prospective customers.**

Within the Servitized organisations, customers pass through three stages: problem definition, solution identification and supplier selection. The customer finds the solution identification stage is the most challenging, which is often tackled by stakeholders of the organisation that are directly and indirectly affected by the problem prior to handing it over to other members of the organisation to start the supplier selection and procurement process. An industrial sales funnel is designed to deal with existing demand generated from marketing or sales personnel for the sales department to approach and present a solution rather than demand generation (Sheth and Sharma, 2008). This demonstrates that Servitized organisations using the industrial sales funnel do not engage with the customer until it reaches the supplier selection phase—which means that the supplier deals with the wrong profile of stakeholders at a late stage of the sale (Schmidt *et al.*, 2015).

Marketing within organisations that implement industrial sales funnel produces campaigns with the purpose of brand awareness and generating leads that already express their interest in the product (Tiago and Veríssimo, 2014). Schmidt *et al.* (2015) and Tiago and Veríssimo (2014) note that marketing generates interest after the solution has been identified, which is too late in the cycle.

The following three activities cover "Communication & Engagement" requirements, and they are:

3. **Sales to maintain regular communication with the customer on a regular basis.**
4. **Sales to maintain updates about customer's news and changes.**
5. **Sales to maintain regular changes in products and offerings based on the market to keep the customer engaged**.

Within the industrial sales funnel of the current B2B age, and especially in complex solution selling, learning more about the decisions and influencers within the customer's organisation is becoming a requirement. With the growing amount of data becoming accessible to the customer's stakeholders, it is now more practical to follow them rather than push them to follow the sales organisation (Lingqvist *et al.*, 2015). When sales focus on their customers, they can nurture opportunities, and build and strengthen relationships with the correct stakeholders in the organisation, whilst securing better odds at winning these opportunities that they were engaged with earlier in the sales cycle (Kaur *et al.*, 2015).

An industrial sales funnel is designed for organisations to focus on specific products. Being product-centric (Saleh and Omar, 2015), it is not structured to allow regular communication; it only engages with the customer when they already have identified the desired solution and are ready to buy (Lo *et al.*, 2016).

In regard to marketing, B2B customers have been embracing new channels to inform their decisions, such as social media and educating digital content (Mathur and Trivedi, 2016). This type of customer requires intelligent, engaging, authentic and relevant interaction from the selling organisation (Mustakallio, 2016). As illustrated previously, marketing within the industrial sales funnel focuses on attracting existing demand rather than maintaining regular educating communication through such channels (Peterson *et al.*, 2015). In addition, there is a clear separation between Sales and Marketing activities before the customer has the demand, and this results in sales having no visibility or direct influence on the communication between the marketing and the potential customers (Fan and Zhang, 2010; Peterson *et al.*, 2015).

The following two activities cover “Triggers Detection” requirements, and they are:

6. **Sales to learn to detect and understand the customer’s intention to buy signals.**
7. **Sales to optimise and prioritise the leads based on the customer’s buying behaviours.**

Schmidt *et al.* (2015) elaborate that customers often reach 37% of the purchasing process by the time they reach a solution stage and 57% of the way through the decision process before starting to engage sales reps. Thus, all sales representatives often engage with the customer too late in the process after the buyer decides on the desired solution (Schmidt *et al.*, 2015). Moreover, given that the buying process is too long, the salesperson requires careful monitoring for buying signs or any unexpected changes (Ryals and Rackham, 2012).

As illustrated in the literature, however, the industrial sales funnel is designed to engage the salesperson after the buyer expresses the buying signs, which most often is too late. With the long and complex sales cycle, monitoring each customer can be a challenging task for salespeople (Peterson *et al.*, 2015). Moreover, in marketing, purchasers nowadays demand real-time digital interaction to empower their decisions throughout the buying process, such as product configurators and price calculators (Lingqvist *et al.*, 2015; Momeni *et al.*, 2021). Marketing does not have any engagement throughout the buying process within the industrial sales funnel.

The final three activities cover “deal management” requirements, and they are:

8. **Sales to build high density with high authority relations with prospect organisations.**
9. **Sales to build a common language and goal between buying groups.**
10. **Sales to build pro-mobilisers by inspiring their personal gain**.

Sales historically relied on one-to-one relationships with key decision makers, where a lead denoted a specific contact with a demand inside the organisation within the sales funnel (Lingqvist *et al.*, 2015). In Servitized organisations, buying decisions are often made by a group of people with different interests, in which sales are required to build consensus between the group members. To support the sale, they need to turn users into advocate mobilisers inside the buying organisation (Schmidt *et al.*, 2015; Bradford, 2016). In addition, the larger the group of stakeholders, the less likely the deal will close (Schmidt *et al.*, 2015).

The industrial sales funnel implies that a lead can only move from one stage to another in a sequential way. However, sales in Servitized organisations follow a spiral order depending on where each decision maker is at within their own buying stages (Åge, 2011). CRM systems and existing industrial sales funnel are not designed to monitor sales in that manner (Pradi and Noël de Wild, 2016). For marketing, they do not get involved in the late stages of the industrial sales funnel unless the sale drops, thus leaving all the strain on the salesperson.

The above requirements indicate a clear discrepancy between what is required of Sales and Marketing in a Servitized organisation and the increasing unsuitability of the current funnel's design to fulfil that purpose despite the slight improvements, which are, in fact, causing misalignment between marketing and sales. Madhani (2016) identifies four main problems causing organisations to lose efficiency, time and money on the assets owned by Sales and Marketing despite the advancements in the sales funnel and sales automation tools. These problems are (a) separate identity between marketing and sales—they are usually structured and managed as two distinct departments, (b) the difference in the goal time frames and resource allocation, (c) communication integration between both entities, including resources, assets, data and (d) sales focus on individual accounts, whilst marketing still focuses on a whole sector without regards to the dynamics of the individual accounts that sales are working with. This implies a large disconnect between Sales and Marketing in focus, goals, communication and the nature of individual accounts, albeit both are working within the same funnel.

Järvinen *et al.* (2012) emphasise that only a proportion of face-to-face communication has recently happened in B2B organisations. Moreover, personal selling is no longer a suitable tool to deliver marketing objectives during the sales cycle. He elaborates that the role of the digital channel is growing rapidly, yet there is a lack of academic research on how such channels are utilised effectively in the B2B sector. Grossberg (2016) most recently highlighted the sluggish restructuring pace of organisations to adopt new digital channels, arguing that marketing is seen as a separate part of the organisation with different goals. He notes that despite organisations continuing to use the traditional marketing funnel, it actually no longer exists in its original state. Geared more towards practice than academic research, business magazines also identified this shift towards

Servitization, stating that purchasing journeys are now very sophisticated and long with an increasingly complex journey for the sales organisation to control alone:

> *"Sellers who are ready to meet customers at different points on their journeys will exploit digital tools more fully, allocate Sales and Marketing resources more successfully, and stimulate collaboration between these two functions, thereby helping to win over reluctant buyers. Our experience with upward of 100 B2B sales organizations suggests that while the change required is significant, so are the benefits: an up to 20 percent increase in customer leads, 10 percent growth in first-time customers, and a speedup of as much as 20 percent in the time that elapses between qualifying a lead and closing a deal." (Lingqvist et al., 2015, p. 2).*

Moreover, an increasing number of papers published recently (Grossberg, 2016; Järvinen and Taiminen, 2016; Koski, 2016; Krishna, 2016; Mattinen, 2016; Mero *et al.*, 2020) highlight the importance of marketing in the new phase of B2B solution-based selling. Peterson *et al.* (2015) conducted extensive research on B2B organisations that deal with sales of a complex nature where more than three influencers are involved. The study included 1,992 marketing and sales executive managers, with 821 having a job directly connected to revenue generation. The study found that the higher the Sales and Marketing alignment: (a) the higher the growth in the number of qualified leads; (b) the higher the lead conversion rate; and (c) the higher the growth in new account acquisition. Similarly, Schmidt *et al.* (2015) re-enforced these findings in their study, stating that marketing departments is in a better position to build consensus inside the customer's organisations. They attribute it to having the tools that can reach customers directly more than sales can during the buying process. Additionally, they can combine the knowledge gained from sales about the customer with their research to identify patterns, triggers and insights from the customer's behaviour which can aid the sale and can be applied to other accounts on a larger scale (Schmidt *et al.*, 2015; Mero *et al.*, 2020).

In such a way, marketing and sales combined can create multiple touch points that can nurture customers, build stronger density in accounts, and strengthen the regular communication from and to the customer's stakeholders. All during the long complex cycle, whilst giving sales the time to focus on other activities that require their input until a critical behaviour is triggered that would require their attention (Kaur *et al.*, 2015; Schmidt *et al.*, 2015).

2.4 Marketing Automation, the bridge between sales, marketing, and its potential role in servitization

The extant literature has extensively discussed the functions of Marketing and Sales, as well as the concept of Servitization and its implications on the Sales function. These three areas constitute the core interrelated domains of inquiry in this research. Building upon these foundations, this study delves into the crucial area of Marketing Automation, and its potential to bridge the gap between sales and marketing within servitized business contexts, as illustrated in the Figure 1-1.

The upcoming section offers an in-depth exploration of Marketing Automation, including an introduction to the concept and its evolution within the sales and marketing funnels. This inquiry promises to shed light on the potential benefits and challenges associated with Marketing Automation.

2.4.1 The Antecedents of Marketing Automation

Marketing Automation is a software and a strategy that monitors targets and triggers individually personalised communication to prospective customers en masse by monitoring the user's interaction with the company's digital communication and presence (Grossberg, 2015; Yadav, 2016). Marketing Automation works closely with the sales funnel as it can automatically position the customer within the sales stages as part of the marketing and sales process, depending on the customer's interactions (Järvinen and Taiminen, 2016; Mero *et al.*, 2020). Marketing Automation elevates the role of marketing departments from a support department to a core department (Putkinen, 2014; Grossberg, 2015; Mero *et al.*, 2020).

Marketing Automation has gained momentum over the years in B2C and subscription-based software solution businesses where the decision maker can be clearly identified (Mero *et al.*, 2020). However, due to the complex nature of the sale in Servitized manufacturers and the fact that the existing marketing departments in such manufacturers have traditionally operated in a different manner, Marketing Automation has not been widely adopted, nor has there been a clearly defined process for how it can be integrated into such a complicated sales cycle (Ohiomah *et al.*, 2016).

Traditionally, B2B companies drew upon CRM systems to empower sales departments to control and acquire customers (Grossberg, 2016). Since 2017, Marketing Automation has become a nascent approach to offer marketing academics and practitioners new and effective methods of reaching customers whilst being able to maintain constant intelligent communication that measures their engagements in a personalised yet automated way (Järvinen and Karjaluoto, 2015). Though Marketing automation is not a new area as such, Marketing Automation in this research is studied within the Digital Marketing context. This new field started to greatly impact marketing's involvement with the sales process and the overall business over the past few years, becoming an ecosystem of its own that combines content marketing, marketing department, and sales into one process. This process helps collect marketing intelligence, generate sales leads, and automate a routine workflow that guides a potential customer through the funnel from the first contact until the sale (Grossberg, 2015). The role of Marketing Automation is to shift marketing activities from the concept of scheduled mass distribution of general communication across various channels to potential customers to an entirely new paradigm. This paradigm is personalised, individual, targeted and fully automated timed communication to specific accounts based on customer behaviour. Within this concept, the marketing and sales departments must collaborate to achieve the best results (Bubel, 2015). According to Grossberg (2015), Marketing Automation can be defined as software and a strategy that greatly improves market segmentation, target and positioning. It also automates the interaction needed within the buying process taken by the customer to buy the goods or services. It does that by enabling the business to monitor the interaction and subsequently automating the customer communication activities as part of the marketing and sales process combined (Grossberg, 2015). Marketing automation makes a sophisticated process, relevant communication, and experiences possible across a range of touchpoints throughout the customer lifecycle promising a return on investment and time savings.

Marketing Automation has been popular in B2C and online businesses, but according to a seminal study conducted in 2015 in the US, only 16% of North American B2B companies employ Marketing Automation (Järvinen and Taiminen, 2016). An earlier study by Lancastre and Lages (2006) reaffirmed this concept in their research on building relations with B2B markets through e-commerce. The study reiterates the role of e-marketing and social media in building relations with B2B customers in a way that many businesses nowadays fail to recognise. They further explain that e-marketing is used to build trust with the customer, thus encouraging communication with the supplier regarding its products and services. It needs to be noted that the study was focused on product-centric businesses in Portugal, which may limit its findings to a specific demographic.

Heimbach *et al.* (2015) recently examined the use of Marketing Automation in such a context. They opine that whilst the majority of B2B companies manage their customers by employing salespeople that address client needs and nurture them, the cost for B2C and other types of businesses can be prohibitive. Given that the sales cycle of such businesses is simple, the Marketing Automation’s core task is to design, customise and personalise marketing activities by automatically managing real-time communication for each user. The trigger for such activities is based on where the customer is in the buying cycle, information stored on the customer, and actions performed by the customer (opening a landing page, email, clicking on an ad, contacting the supplier, revisiting the website) and previously applied touch points.

Bubel (2015) elaborates that the different interactions done by the potential customers are used to adapt the communication they receive to aid the customer's journey; if such information is sent at the right time, it will strengthen the impact of that message. Mustakallio (2016) adds that if a customer is contacted within an hour of receiving a quote, the chances of the customer progressing through the funnel increase by seven times when compared to one hour or longer, and even more so if the customer is contacted within the next 24 hours.

If the sales force in PCB organisations were to work at full capacity to follow up, qualify, propose and attempt to close the sale, a system would help improve the quality of leads and increase what sales require (Bradford, 2016). In the past, sales used Salesforce automation and CRM tools to assist them in managing their leads and automating their routine sales activities (Hayley, 2016). One of the main reasons for deploying such tools is to ensure that all captured leads are followed up on, receive the required attention, and are contacted promptly and monitored until closure (Ohiomah *et al.*, 2016). However, would these tools be fit for purpose in Servitized organisations with a much longer sale cycle, working with leads before the desire to buy exists, monitoring all contacts and anything else that is beyond the standard sales activities? This is where Marketing Automation can make a difference. Mustakallio (2016) argues that Marketing Automation can pinpoint which leads have the most potential and is able to directly communicate their predicted profitability to the sales department more than any other system that was available previously.

Heimbach *et al.* (2015) emphasise that the values of Marketing Automation exceed those of CRMs and other marketing activities. That is because Marketing Automation automatically triggers the right activity at the right time to drive each customer through the different stages of the buying cycle to enhance conversion rate, cross- and up-selling, and retention rate *without* occupying any of the sales force's time. The responsibility of those systems falls under marketing rather than sales. However, it forces marketing to think about each lead from the sales team's perspective on an account level rather than a sector level to understand the communication the customer requires at the different stages of their buying cycle (Mustakallio, 2016). Marketing automation as a technology helps marketing to automate their tasks. It provides them with the following features and capabilities to maintain and keep in communication with large databases of potential and existing customers whilst monitoring and analysing their individual engagement behaviour over digital channels such as emails and web interactions. Such data is used to segment potential customers by the details gathered about them. It then triggers automated personalised communication to move them further through the funnel or pass them over to sales to physically interact with them.

All the above happens autonomously at different times based on the engagement of each customer, their behaviour and the data collected about them (Bubel, 2015). This direction results in marketing communication that builds and strengthens the relationship between the customer and the organisation (Mustakallio, 2016). Marketing automation can obtain information from search engines about the customer's interests and intents before they decide to buy. With social profiles, the system can automatically start to monitor and nurture the prospect towards the buying funnel (Grossberg, 2015). Moving on from the intent to buy, the marketing team are converting sales enablement tools to support mobilisers and stakeholders by making them freely accessible online through blogs. In these request forms, they get distributed through timed emails to nurture their recipients and other ways. Such communication is then used to monitor the customer's behaviour and take relevant actions based on their engagement automatically behind the scenes (Schmidt *et al.*, 2015). These data provide valuable intelligence to the sales department in Servitized organisations about a lead's interest in a solution silently, and the engagement of other leads into the sales funnel all from behind the scenes. This ability to run this process on a large scale automatically instead of manually by the salesperson frees much time to focus on the important tasks that require personal attention. A recent study shows that organisations employing Marketing Automation strategies achieve 32% more revenue than average companies and 79% more than the least mature companies (Grossberg, 2015).

This method of integrated marketing communication is a two-way interaction where a customer's response to the marketing message is recorded and acted upon on an account level, which means that Marketing Automation exploits this type of marketing effectively by mimicking a personalised digital human interaction. Thus, encouraging two-way communication with multiple customers and stakeholders that either was not reachable or did not have a significant say previously within the sales cycle (Mustakallio, 2016).

2.4.1.1 The Fundamentals of Marketing Automation

Putkinen (2014) has attempted to utilise Marketing Automation in the Servitization industry. He argues that the shift towards S-D Logic and Servitization has made Marketing Automation elevate the marketing department's role from a support department to a core critical department responsible for bringing in revenue and assisting sales.

Both Putkinen (2014) and Grossberg (2015) identified core areas in Marketing Automation, summarised in Figure 2-6:

Figure 2-6. The seven core elements of Marketing Automation. Adapted from Putkinen (2014) and Grossberg (2015).Putkinen (2014); Grossberg (2015).

These seven core elements are explained in more detail below, as suggested by Putkinen (2014) and Grossberg (2015). List Management deals with managing a list of all potential and current customers filtered in different segments based on their behavioural tracking. Behavioural Tracking's responsibility is to track the user's activity across multiple digital channels, such as a user's interaction with the company's emails, website visits, social, and content. Behavioural tracking tracks all known and anonymous users whose personal details are not known yet. Putkinen (2014) brilliantly compares behavioural tracking to the digital body language of the modern customer.

Lead Capture/Nurture is a crucial step, followed by the behavioural tracking of the lead. Once the lead shows high engagement, they are targeted to capture the lead details through many methods, including lead capture forms, webinars, conferences, or research. A lead provides his/her details in return for valuable information such as a white paper. The prospect then receives a series of targeted, timed content designed to nurture the lead, qualify them, and drive them down the funnel via a content management system.

Content Management—is the system that manages, personalises and triggers different content to maintain consistent direct communication with each lead-based analytics is a step where such leads are then targeted to gather different data about their demographics, movement, and interaction with the communication they receive. Different decisions are conducted based on the analytics data gathered about the lead and their interaction which is then used to give a score for the lead based on the communication they engage with and the frequency of such communication.

Lead Scoring uses behavioural tracking and analytics to assess the lead’s activities through the various touchpoints and rate the lead. The purpose of the lead scoring is to measure the lead engagement and qualification to assign them to different stages depending on their segmentation, rating/scoring, and location in the funnel.

CRM Integration is a crucial step, where the lead details and their interaction score are integrated with the CRM system used by sales to push highly qualified ‘hot’ leads for them to follow up with. Normally these leads are classified as Sales Qualified Leads (SQLs), which will be covered further on.

Whilst Putkinen’s (2014) research offers detailed information on the benefits of Marketing Automation for the Servitized organisation, it is missing a deeper insight into the integration within the sales cycle of a Servitized product-oriented organisation, as his research was based on consultancy businesses which follow result-oriented PSS model. This could be explained by the lack of PSS product-oriented manufacturers that deploy Marketing Automation, as identified in the literature.

2.4.1.2 Marketing Automation Funnel

Various authors, including Grossberg (2015), Grossberg (2016) and Krishna (2016), developed a marketing and sales funnel that expands the different phases that each lead passes through from the modern marketing department's angle. This funnel (see Figure 2-7) shows a more generic phase that defines an overall goal of the actions conducted by the marketing/sales rather than the granular sales stage used by sales teams, as described in Section 2.3.1.1.

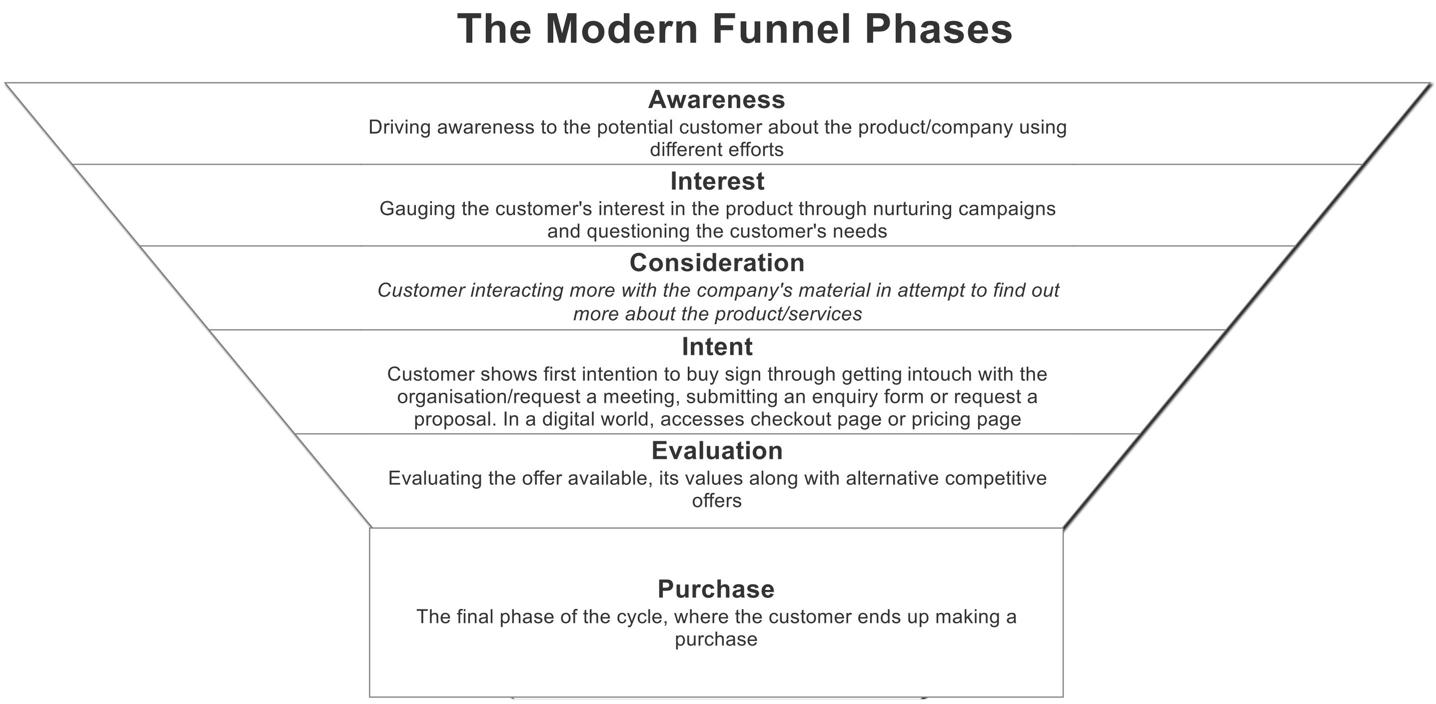

Figure 2-7. The modern funnel phases. Adopted from Grossberg (2016, p. 15).

Some of these phases do not involve direct interaction with the organisations, yet technology nowadays assists in tracking the lead's interactions to move them through the funnel. Grossberg (2016) illustrated that this is done by examining three key aspects. (1) Fit—how much would a prospect look like the best customer; (2) Engagement—what would the interactions be between the prospect and the organisation at the different stages; (3) Intent—it is the key interaction across the digital channels that may indicate the buying intents for known and unknown customers (Grossberg, 2016).

This shift drives marketing to build a better understanding of the customer. With Marketing automation, marketing can have a more active role in the sales funnel compared to the past. Figure 2-8 shows the differences in the responsibilities taken between Sales and Marketing before and after Marketing Automation. Grossberg (2016) defines this model as a framework for Marketing Automation, where both Grossberg (2016) and Peterson *et al.* (2015) reaffirm that marketing starts taking ownership in the customer acquisition, qualification and the movement of leads in the majority of the sales funnel. This enables sales to focus on the latter two stages with more time to close qualified, ready-to-buy leads. Marketing Automation also addresses one of the key areas that were previously neglected in the literature, which is new opportunity acquisition, given the primary role it takes within the sales funnel (Bradford, 2016).

Peterson *et al.* (2015) and Mustakallio (2016) findings confirm Bradford (2016) views that such changes in marketing roles increase the efficiency of sales by allowing them to work with highly qualified leads, spend less time with each lead whilst knowing their position in the funnel and visibility on their behaviours and interactions without physical interaction, thus achieving faster conversions, higher conversion rate and volume.

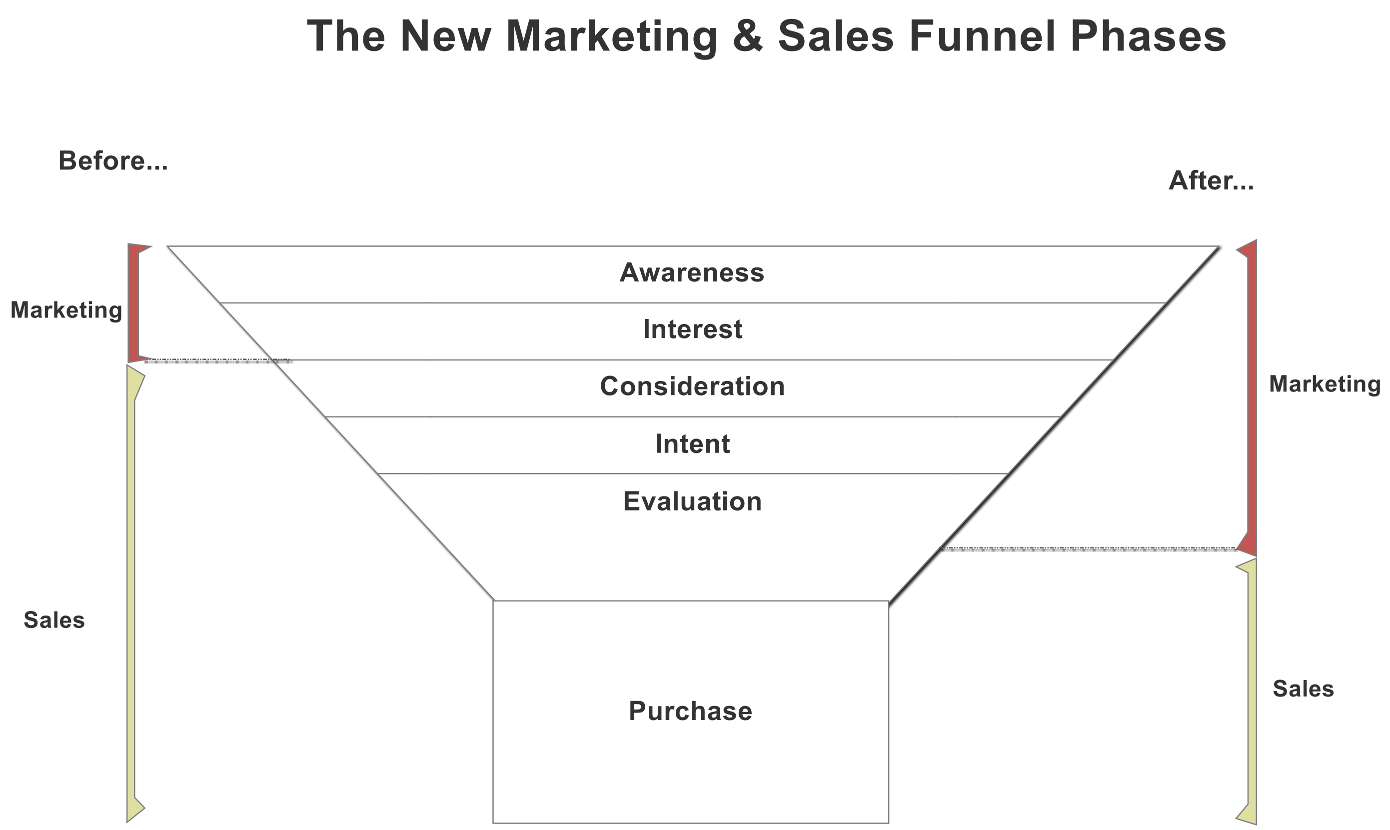

Figure 2-8. Roles of Marketing and Sales within the Marketing and Sales Funnel Phases before and after Marketing Automation Grossberg (2015).

2.4.1.3 Marketing Automation Measurement and Triggers

The marketing department and Marketing Automation play a crucial role in monitoring, measuring and identifying user behaviour across the channels. It is suggested that a user's identity can be easily discovered through social media or search engines (Grossberg, 2016). With such information, marketing can build a custom audience to reach and generate prospects that are more likely to become customers than was possible in the past (Grossberg, 2015).

After defining the audience, it is necessary to understand their behaviour. In the initial part of the funnel, Marketing would include different technologies such as blog posts, paid ads, organic web search and social publishing. The goal in the initial stage is to drive awareness to potential visitors who would have the same footprint as the supplier's fit (Grossberg, 2015).

Mathur and Trivedi (2016) and Grossberg (2016) agree on the initial part of the funnel whilst expanding the idea of tracking users to identify their movement in the funnel. Their theory is based on tracking and measuring visitor interaction through the supplier's digital presence, with each prospect's interaction and each click being recorded. Prospects gain points depending on their interaction across different time periods. Marketing would add free information in return for an email address in an attempt to drive and identify the customer's intent (Mathur and Trivedi, 2016). Thus, far, the literature has focused on tracking and measuring; however, apart from the acquisition stage, it lacks further engagement with the customer. Lingqvist *et al.* (2015) elaborate that the customer's complex interactions reflect their behaviour and inform behavioural-based campaigns, allowing a much more targeted sales action across the sales funnel. This means that the analysis of the user's interactions can be used to trigger targeted campaigns for each user to help their movement through the sales funnel without involving the salesperson. Until this stage, it is still unclear what type of measurable information can be of interest to the customer and how the intent could be measured.

Krishna (2016) argues that such information would generally include whitepapers, case studies or helpful guides that are of interest to the customer. Krishna (2016) further elaborates that the intent is captured through filled forms, ‘call to action’ buttons on the site being clicked, or visit tracking for targeted landing pages, including time spent on site, IP tracking for recurring visits and even email opens and clicks.

The type of intents mentioned by Krishna (2016), along with customer points suggested by Mathur and Trivedi (2016) and prior engagement profiling described by Grossberg (2016), can give valuable intelligence for marketing to segment the customer based on their interests and intention. Those segments are used to build a custom audience to track and re-target the customer based on their interest and their stage in the marketing funnel through targeted campaigns (Grossberg, 2015; Krishna, 2016; Mathur and Trivedi, 2016). Grossberg (2016) argues that segmenting a custom audience is not new to marketing; what makes Marketing Automation different is the automation, real-time decisions and sheer scale. Mustakallio (2016) further elaborates that automation aims to create a relationship through personalised communication with the prospect whilst attempting to identify the prospect’s position within the funnel (Mustakallio, 2016).

From a sales perspective inside a Servitized B2B organisation, Lingqvist *et al.* (2015) and Peterson *et al.* (2015) argue that depending on the prospect’s digital behaviour, marketing can measure whether the prospect has reached the qualification criteria to become a qualified sales lead where they can be transferred to the sales team for further action. This argument does show how sales can benefit from Marketing Automation. However, it does not formulate how it would fit within the industrial sales funnel process.

2.4.2 Marketing and Sales Funnel Differentiation

Mustakallio (2016) inspected the key elements in the sales funnel from both Sales and Marketing perspectives in light of the modern marketing funnel phases. His research suggests that marketing takes ownership of the first two phases of an industrial sales to funnel whilst sales take responsibility for the last two phases, as illustrated in Figure 2-9.

This funnel's structure differs from the original industrial sales funnel (illustrated in Section 2.3.3), where sales were responsible for converting prospects to leads, as shown by Söhnchen and Albers (2010) in Figure 2-5, thus reducing salespeople's workload.

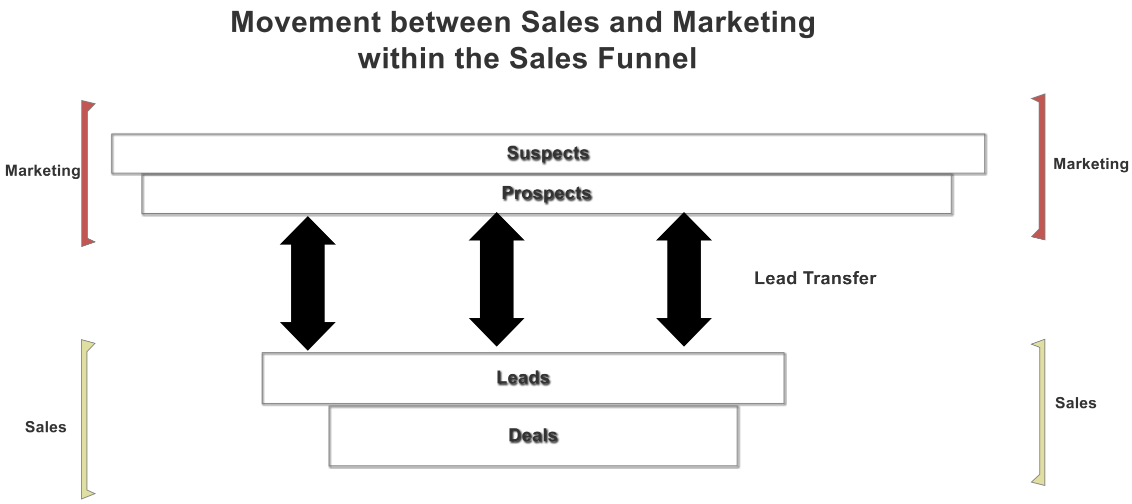

Figure 2-9. Movement between marketing and sales in the light of the new marketing funnel by Mustakallio (2016).

Mustakallio (2016) suggests a new joint marketing and sales funnel framework that reflects this difference and bridges both funnels. Figure 2-10 demonstrates the new marketing and sales funnel, where marketing starts by attracting suspects in the right custom audience—this corresponds to Grossberg (2016) theory in Section 2.4.1.3. Following that, marketing attempts to convert the suspects into prospects by showing their expression of interest or intent—in a similar manner to Mathur and Trivedi (2016) theory in Section 2.4.1.3. The next stage in this framework is where marketing qualifies the lead—Marketing Qualified Lead (MQL). MQLs are leads that are qualified from a marketing perspective but not from a sales perspective. MQL leads continue to receive further targeted and triggered campaigns that aim to convert them into a ready-to-buy state or at least show strong buying intents—this confirms Lingqvist *et al.* (2015) findings in Section 2.3. At this stage, if a lead is considered an SQL, it is transferred to the sales department. All recent authors agree that this change in the funnel realigns the marketing department's objectives and goals to deliver leads in the SQL stage (Grossberg, 2015;

Bradford, 2016; Mustakallio, 2016). This strongly implies that the modern marketing and sales funnel framework was built around Marketing Automation theories discussed earlier. It is an initial framework, however, as it does not specify an actual applicable model that harnesses Marketing Automation which can replace the industrial sales funnel. This could be attributed to an early development stage, with this shift only emerging over the past couple of years, as shown by extant literature.

Figure 2-10. Adopted Framework for Marketing and Sales funnel (Mustakallio, 2016, p. 47).

2.4.3 Adapted Sales Funnel with Marketing Automation

Until recently, there was a considerable lack of academic research on harnessing Marketing Automation within a sales funnel. A study by Järvinen and Taiminen (2016) was among the first and only ones found to date that investigates this concept in the B2B industry with a focus on content Marketing Automation. The modified sales funnel framework shown in Figure 2-5 was adopted as a base for their study.

This research builds on and echoes the same fundamental theories mentioned earlier in this chapter by Grossberg (2016), Lingqvist et al. (2015) and Mathur and Trivedi (2016). Järvinen and Taiminen (2016) introduced an integrated Marketing Automation and sales cycle consisting of five stages. The research describes how the manufacturer realised that for Marketing Automation to work, Sales and Marketing had to be integrated into a single interconnected process, explaining that it was no longer a sales funnel but a joint Sales and Marketing funnel (Järvinen and Taiminen, 2016). This study also elaborates that further leads who did not buy continue to be nurtured with the right content and communication channels depending on where they are in the funnel until they are ready to buy, then they are handed over to the salesperson to contact.

In that way, Marketing Automation frees up the salesperson's time and automatically follows up, nurturing leads and prospects through the sales funnel. This ensures that each prospect is followed up upon individually, and relations are built keeping in mind their actions and where they are in a sales funnel (Järvinen and Taiminen, 2016).

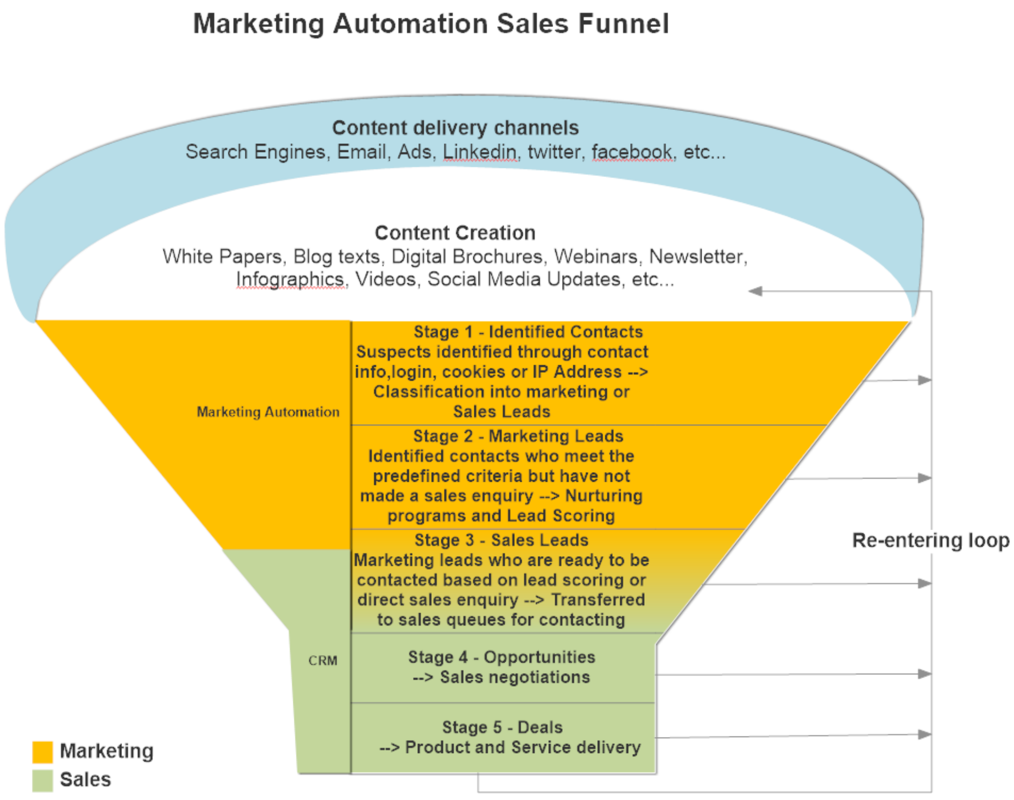

Figure 2-11. Sales and Marketing Funnel with Marketing Automation derived and adapted from Järvinen and Taiminen (2016).

Figure 2-11 shows an adapted framework for the sales funnel created by Järvinen and Taiminen (2016), the first attempt in academic literature to show how Marketing Automation gets implemented within a technology manufacturer. However, despite the authors' claim that the manufacturer offers products and services, on a closer investigation, it transpired that the manufacturer was a PCB manufacturer not employing Servitization as a business model. It improves the Sales and Marketing funnel by merging them into one, allowing leads to return to marketing when needed.

Unfortunately, each department still shares responsibility for specific stages. The model also does not differentiate between Marketing Qualified Leads and SQLs stages, as illustrated by Mustakallio (2016) framework. These issues mean that (a) marketing will only get involved if sales have abandoned the prospective customer, (b) sales still have full responsibility for nurturing and closing the complex sale without assistance or support from other departments, and (c) the funnel still does not account for the three drivers: contact density, authority and relationship quality required in a Servitized business, as defined by Peterson *et al.* (2015). Thus, whilst it improves sales at the early stages of the sales cycle, it still does not resolve the issues with Servitization described in Section 2.3.3 throughout the sales cycle. This can be due to the base framework used or the manufacturer being a PCB manufacturer. Despite these shortcomings, Marketing Automation can give intelligence to the sales department in Servitized organisations about a lead's interest in a solution silently, and the engagement of other leads into the sales funnel, all from behind the scenes (Grossberg, 2016). Such engagement can now be administered by mass automatically, whereas previously, it required a manual process by the salesperson, thus freeing time to focus on important interactive tasks (Järvinen and Taiminen, 2016). Marketing automation plays a critical role in producing results within B2B organisations in different industries when implemented correctly, leading to an increase in prospects and leads conversion (Peterson *et al.*, 2015; Järvinen and Taiminen, 2016). Below are some concrete and publicly announced examples from the literature of such success.

2.4.4 Results of Marketing Automation

Marketing Automation had a strong impact on various industries. Bubel (2015) research on B2B businesses shows that 68% of companies reported more and better-quality leads, with 51% of them reporting more efficient marketing campaigns and 42% reporting better conversion rates. Even more, interestingly, 32% reported a shorter sales cycle. A total of 65% of the directors interviewed state that they expect an ROI from Marketing

Automation will become the most important measure of their activities in the next three to five years.

From a B2C perspective, Krishna (2016) applied Marketing Automation at the University of Leicester. His research reported the results of a pilot campaign, showing a reduction in the cost of student acquisition by five times and an improved marketing budget ROI by two times. Another campaign at Asia Pacific University resulted in a 75% in conversion in the first year, also improving the conversion rate by 30% from lead to application (Krishna, 2016). Although these campaigns are B2C rather than B2B, the findings clearly show how Marketing Automation works in practice.

2.5 The Knowledge Gap Towards a Preliminary Framework to Unify Sales and Marketing Cycles Through Marketing Automation

Existing research within the Marketing Automation field assumes that the customer is one person, which works well in the case of PCB, where the demand already exists (value is in the exchange of goods/services) and where the buying cycle is focused on one person (Adamson *et al.*, 2013; Lingqvist *et al.*, 2015; Peterson *et al.*, 2015; Schmidt *et al.*, 2015; Bradford, 2016; Järvinen and Taiminen, 2016; Mustakallio, 2016). However, in PSS, the manufacturer would engage with multiple individuals to create value within the business, given that the service of the manufacturer integrates within the customer's business. This means that the prospect will consist of several stakeholders that require nurturing which have not been covered by existing literature (Ryals and Rackham, 2012; Adamson *et al.*, 2013; Kothandaraman *et al.*, 2014).

These differences and similarities of the sales cycle between PCB businesses and product service systems are summarised in Table 2-3 as identified throughout the literature; it clearly shows very little similarity between both models, which implies a need to question the suitability of an existing sales process in PSS businesses. Recent studies display a significant gap in business practice in understanding how PSS business models are implemented, Reinforcing the points above and providing the focus for this study (as stated in Section 2.1).

	Sales in PCB	Sales in Product Service Systems
Sales Relation	From demand to supply	Before demand until after sale
Sale Type	Supply & Demand	Demand Generation
Sales Cycle	Short	Long
Organisational Profiling	Not required—Decision Maker for the offer is known	Needed and consist of: Decision Maker, Influencer, Workforce/user and Non-affiliated workforce
Decision Maker	Normally one designated Decision Maker	Decision Making Groups
Other Mobilizers	Not involved	Other users and Workforce in the organisation are Influencers. Consensus must be built
Process	Linear	Circular
Density	Not required	Higher = Better
Customer Authority Required	Not Required as long as connected with Decision Maker	Higher Authority = Better
Salesperson Role	Persuasive Agents - Information Seller	Educating Agents - Consultant
Sales Function Objectives	• Find the customer with demand • Qualify • Present product information • Convince the decision maker • Close	• Find a target customer • Qualify • Do organisational profiling • Identify the problem and build tailored solution • Create the demand within the organisation's profiles • Build density and create high authority relations • Regular communication to build relationship quality • Build consensus between mobilisers • Monitor the customer to detect buying intents • Close • Keep in communication during and after deployment
Conflicts between Sales and Marketing	Sales complain that Marketing Leads are poor Marketing complains that Sales does not follow up with the leads they sent Sales complain that Marketing do not understand the customer as they do not deal with individual customers	Sales complain that Marketing Leads are poor Sales complain that they do not have time to find more customers and monitor existing ones Marketing communication not effective and can damage the sale Difficulty to track sales probability due to long sales cycle and user's involvement

Table 2-3. Sales cycle differences between PCB and PSS.

In addition, there is also very limited existing research and knowledge on how Marketing Automation can help PSS manufacturers. The benefits of Marketing Automation lend themselves considerably to the current demanding requirements of PSS manufacturers, such as its ability to nurture relations and to track, personalise and dispatch tailored communication to customers to assist the salesperson within a long buying cycle, as illustrated in Table 2-3. The fulfilment of those values allows the salesperson to attend to customers who require physical involvement.

To understand how Marketing Automation can benefit the sales cycle, the objectives of the PSS business model and sales need to be established along with an understanding of existing frameworks currently used in PSS businesses. This was covered in Section 2.3.2, explaining how the industrial sales cycle fits with those objectives in PSS businesses. Apart from two recently published frameworks from Järvinen and Taiminen (2016) and Mustakallio (2016), there is a scarcity of Marketing Automation frameworks within PSS manufacturers in the extant literature. Table 2-4 summarises the objectives required in PSS manufacturers and differentiates how it is achieved between the industrial sales funnel. The existing Marketing Automation adapted sales funnel from Järvinen and Taiminen (2016), as identified through the literature. The table clearly shows how marketing started to take additional responsibilities from sales, thus giving sales additional time they need. However, it also shows that fundamental objectives can still be achieved through Marketing Automation that is not reflected in existing sales funnels, such as account density, support for account authority, profiling and decision-making groups.

Objectives Sales Funnels	**Industrial Sales Funnel**	**Sales and Marketing Automation Funnel**
Funnel Design		
Support Circular Process	Not achieved	Partially—through feedback loop
Takes Account Density into consideration	Not achieved	Not achieved
Supports Authority	Not achieved	Not achieved
Supports Decision Making Groups/Profiling	No achieved	Not achieved
Sales Activities		
Assist Sales in their Long Sales and Demand Generation	Not achieved	Partially at the early stages
Assist Sales in communication and engagement	Not achieved	Not achieved—Lead gets handed over to sales
Assist Sales in detecting Triggers	Not achieved	Not achieved—Leads gets handed over to sales
Assist Sales in Deal Management	Not achieved	Not achieved—Lead gets handed over to sales
Responsibilities		
Marketing Function Responsibilities	Create Awareness Create Interest	Educate Create Awareness Create Interest Drive Consideration Drive Intent and measure buying intents
Sales Function Responsibilities	• Find a target customer • Qualify • Do organisational profiling • Build tailored solution and create a need • Build density and create high authority relations • Regular communication to build relationship quality • Monitor stakeholders to detect buying intents • Build consensus between mobilizers • Close • Keep in communication during and after deployment	• ~~Find a target customer~~ • ~~Qualify~~ • Do organisational profiling • Build tailored solution and create a need • Build density and create high authority relations • Regular communication to build relationship quality • Monitor stakeholders to detect buying intents • Build consensus between mobilizers • Close • ~~Keep in communication during and after deployment~~
Conflicts between Sales and Marketing	○ Sales complain that marketing leads are poor ○ Overloaded—Sales complain that they do not have time ○ Marketing communication not effective and can damage the sale ○ Difficulty to track sales probability due to long sales cycle and user's involvement	○ ~~Sales complain that Marketing Leads are Poor~~ ○ Overloaded-Sales complain that they do not have time ○ ~~Marketing communication not effective and can damage the sale~~ ○ Difficulty to track sales probability due to long sales cycle and user's involvement

Table 2-4. Differences and between factors within the Industrial Sales funnel and Marketing Automation funnel, and their impact on Sales and Marketing in PSS manufacturing.

The objectives outlined in Table 2-4 are the underlying issues in the PSS business model that need addressing through this research. Järvinen and Taiminen (2016) framework will be used as a base framework for this research. This research aims to provide an adapted unified marketing and sales framework that achieves the objectives identified above and reduces the sales responsibilities whilst increasing their productivity through Marketing Automation.

Recent academic research reaffirms that there is a gap in both literature and practice on how Marketing Automation can be integrated with the sales cycles to achieve its full potential (Moore *et al.*, 2013; Putkinen, 2014; Bubel, 2015; Rapaccini and Gaiardelli, 2015; Järvinen and Taiminen, 2016; Mattila, 2016b; Mustakallio, 2016). Furthermore, both academic and business contributions acknowledge that there is also a knowledge gap for tools to assist PSS businesses to the extent that there was a conference in 2016 calling for papers in this area due to the lack of academic work in this field (Rapaccini *et al.*, 2016). This comes as no surprise, given that PSS in manufacturing has started to evolve as a model over the past few years only, as well as Marketing Automation, where further research/application began to emerge most recently, as evident from the literature review. This is what this research will attempt to cover and contribute towards.

The diagram below (Figure 2-12) shows a summary of the research that had a large impact on this study in chronological order showing the shift in the industry and its movement, while illustrating a recent research boom in this area.

2.6 Methodological Traditions in Marketing Automation

Järvinen and Taiminen (2016) provided a theoretical framework for the impact of Marketing Automation within PSS organisations. This framework was the first of its kind in this domain, and it has quite an impact and similarity to this research. Järvinen and Taiminen (2016) used a single case study approach for their research, with the data collection method of semi-structured interviews with both Sales and Marketing personnel. He argued that a single case study is a suitable starting point for an in-depth investigation of real-life instances. The case study was conducted on one large company, and the data method was designed around iterative snowball interviews between Sales and Marketing executives. This research method allowed Järvinen and Taiminen (2016) to have a rich understanding of the case to evolve a new theoretical framework that can be used as part of this study.

Similarly, Mustakallio (2016) study followed a similar approach (here using mixed methods) of a single case study on a large company where he conducted eight semi-structured interviews between Sales and Marketing, and he used historical data saved in the organisation's CRM system to analyse lost deals. The mixed method approach provided Mustakallio (2016) study with additional insight into why deals are lost—rather than the dynamics of the sales funnel between Sales and Marketing.

There are similarities in the methodology conducted by both studies, which produced important findings that paved the way for this study, as illustrated in the literature. However, according to Yin (2012), a single case study is suitable for contemporary phenomena where the boundaries between the phenomena and contexts are not evident. Järvinen and Taiminen (2016) argued that the case being researched is characterised by being contemporary and rare where its knowledge is yet in infancy. Thus, the single case study allowed his research to understand the phenomena to provide an initial theoretical framework, yet it may lack external validity when applied to other organisations, which is one of the main criteria required to achieve quality case study research, as mentioned by Yin (2013). Both writers, however, admit to this limitation and state that their work provides a foundation for future research to be carried out.

2004
- Evolving to a New Dominant Logic for Marketing (Vargo & Lusch, 2004)

2007 2008
- Exploring the financial consequences of the servitization of manufacturing (Neely, 2008)
- The impact of the product to service shift in industrial markets and the evolution of the sales organization (Sheth and Sharma, 2008)
- Sales Force Automation - making sales technology effective (Hunter & Perreault, 2007)

2009
- The servitization of manufacturing (Roy, Baines, Lightfoot, Benedettini, & Kay, 2009)
- Servitized manufacture: practical challenges of delivering integrated products and services (Baines *et al.*, 2009b)

2010
- What does a service-dominant logic really mean for manufacturing firms? (Kowalkowski, 2010)
- Pipeline management for the acquisition of industrial projects (Söhnchen and Albers, 2010)

2011 2012
- Service-dominant logic — a guiding framework for inbound marketing (Lusch & Vargo, 2011)
- Sales Implications of Servitization White Paper (Ryals & Rackham, 2012)
- Digital and social media marketing usage in B2B industrial section (JÄRvinen *et al.*, 2012)

2013 2014
- Marketing automation as a catalyst for business transformation in the B2B sector (Putkinen, 2014)
- The servitization of manufacturing (Clegg *et al.*, 2013)

2015
- Why do servitized firms fail? A risk-based explanation (Benedettini, Neely, & Swink, 2015)
- Marketing Automation (Heimbach et al., 2015)
- When sales and marketing align: impact on performance (Peterson *et al.*, 2015)
- Making the consensus sale (Schmidt *et al.*, 2015)
- Product-Service Systems (PSS) business models and tactics - a systematic literature review (Reim *et al.*, 2015)
- Do you really understand how your business customers buy? (Lingqvist *et al.*, 2015)
- Information Technology Enablers for servitization in manufacturing (Dubey and Easwarapillai, 2015)
- Automation of modern marketing tools (Bubel, 2015)

2016
- "The Role of Digital and Other Enabling Technologies in Product-Service Systems "call for papers for IPSS16 conference" (Rapaccini, Romero, & Cassina, 2016)
- Harnessing Marketing Automation for B2B content marketing (Järvinen & Taiminen, 2016)
- The successful usage of Marketing Automation software with lead nurturing (Koski, 2016)
- Customer experience management in digital channels with Marketing Automation (Mattila, 2016)
- Framework for Marketing Automation: Case Vaisala (Mustakallio, 2016)
- Antecedents of sales lead performance: improving conversion yield and cycle time in a business-to-business opportunity pipeline (Bradford, 2016)
- Marketing's moment of truth-in search of a new solution (Grossberg, 2016)
- Competitiveness and sustaining performance: integrating sales and marketing (Madhani, 2016)
- Customer acquisition and retention for SME using digital marketing (Krishna, 2016)

2019 2020 2021 2022
- Digital servitization business models in ecosystems: A theory of the firm (Kohtamäki et al., 2019)
- Barriers to digital servitization in French manufacturing SMEs (Peillon and Dubruc, 2019)
- Fourth industrial revolution, digital servitization and relationship quality in Italian B2B manufacturing firms. An exploratory study (Grandinetti et al., 2020)
- Effectual and causal reasoning in the adoption of Marketing Automation (Mero et al., 2020)
- Digital servitization in manufacturing: A systematic literature review and research agenda (Paschou et al., 2020)
- Transformational shifts through digital servitization (Tronvoll et al., 2020)
- New trends in product service system and servitization research: A conceptual structure emerging from three decades of literature(Annarelli et al., 2021)
- Organizational solutions in the servitization and digital servitization journey (Forrer et al., 2021)
- Servitization in Electronics Manufacturing Firms: Applying and Evaluating the Integrative Product-Service System (PSS) approach (Kamalakar, 2021)
- Developing capabilities for digital servitization (Momeni et al., 2021)
- Integrating crowd-/service-sourcing into digital twin for advanced manufacturing service innovation (Niu and Qin, 2021)
- From servitization to digital servitization: How digitalization transforms companies' transition towards services (Favoretto et al., 2022)

Present Gap
- Unified integrated sales and marketing funnel design in PSS Business
- Harnessing Marketing Automation in B2B PSS business sales funnel

Figure 2-12. Research of highest impact in the literature showing the evolution in the industry.

Chapter 3 Research Methodology and Method

3.1 Introduction

Up to this point, this DBA thesis has mainly been concerned with highlighting the critical debate around Marketing Automation. This chapter provides a justification for the methodological approach taken and details of how primary data were collected and analysed.

The methodology is developed to assist in answering the overall researchable question: ***"How can Marketing Automation optimise, integrate and evolve the sales cycle within B2B Servitized technology manufacturing businesses?"***. Therefore, the specific objective of this chapter is to use the theoretical framework and the literature to develop a suitable methodology to collect and analyse the data that addresses the research question.

The chapter will start by providing detail on this DBA research's ontological and epistemological stance and theoretical underpinning. From here, the chapter will outline the methodological research strategy and the research method used for eliciting primary data. The chapter's conclusions with specific detail on how the primary data were collected, analysed, and accessed, along with the limitations associated with this research.

From the literature review and the overall researchable question: *"How Marketing Automation can optimise, integrate and evolve the sales cycle within B2B Servitized technology manufacturing business",* an appropriate methodology has been designed to fulfil the research's objective. The next section discusses the major components incorporated within this DBA research project, including the epistemology, theoretical perspective, methodology and methods used for data collection. Indeed, Crotty (1998) argues that the components provide a strategy that systemically structures the methodology chapter and is outlined in Figure 3-1.

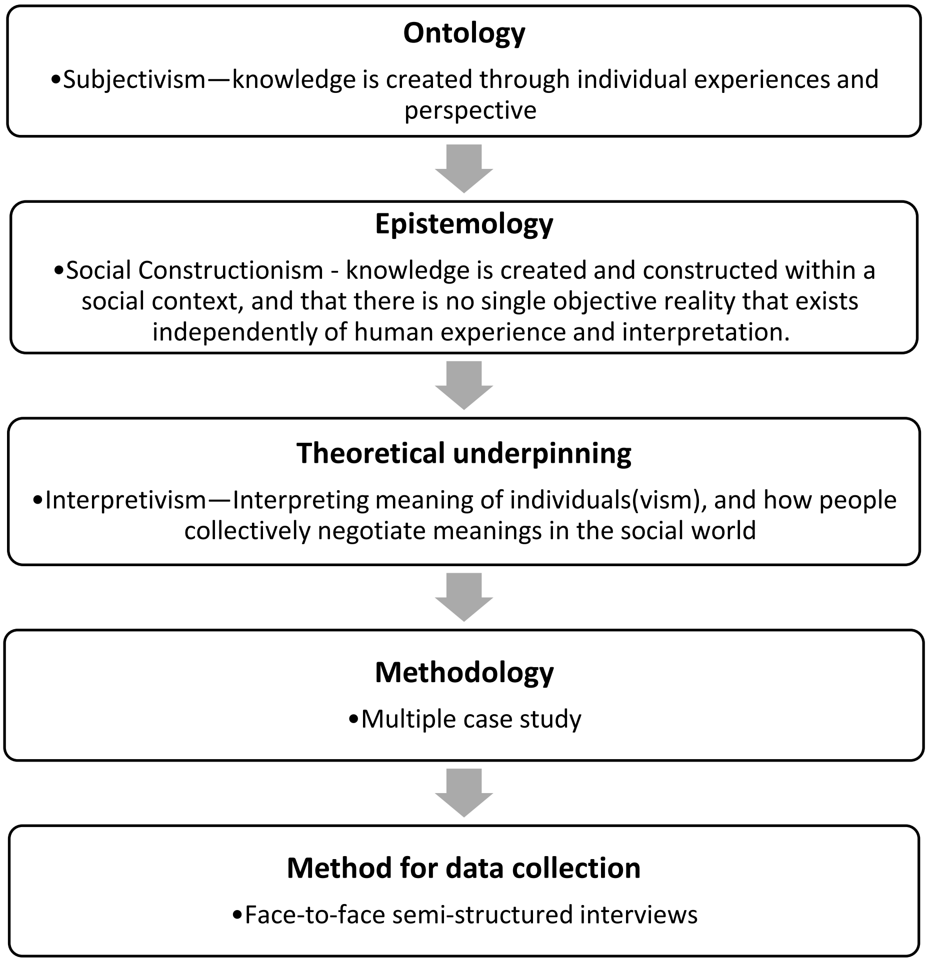

Figure 3-1. The methodological framework underpinning this DBA research project adapted from Crotty (1998).

3.2 Ontology and Epistemology

The ontology of the researcher is the foundation of their research and guides their understanding of the nature of reality. This study is underpinned by subjectivism as an ontological position which assumes that reality is constructed and subjective rather than objective and universal (Pickard, 2013). This position is aligned with constructivism, which posits that knowledge is socially constructed and that individuals participate in the construction of their own realities (Burr, 2015).

As noted by Lincoln *et al.* (2011), constructivism is part of an ontological position that is particularly relevant to qualitative research, as it acknowledges the role of the researcher in shaping the research process and findings. Furthermore, constructivism recognises that individuals' perceptions and interpretations are socially and culturally constructed and thus requires researchers to engage with and understand the perspectives of their participants. This approach can be useful in exploring complex phenomena, such as human behaviour and culture, and can lead to a deeper understanding of the subjective experiences of individuals.

In this perspective, the researcher understands that human experiences shape reality and that individuals construct their own understanding of reality through their interpretations and interactions with the world around them. The researcher's ontology is aligned with this perspective and acknowledges that the meaning of an event or experience is subjective and can differ between individuals (Gergen, 2015). Therefore, the researcher's ontological position as a constructivist is aligned with social constructionist epistemology, and together they guide the approach to this research. The researcher recognises that the participant's understanding of reality is not an objective truth but a socially constructed interpretation. This allows the research to explore complex social issues from different participants' views based on their own interactions with the world and experiences. This position is consistent with a growing trend in qualitative research that recognises the value of subjectivity in understanding phenomena (Denzin and Lincoln, 2011).

Epistemology refers to our views of knowledge, its whereabouts and our theories for such knowledge (Crotty, 1998). It formed the foundations of debate among social researchers, focussing on two paradigms of how social research is conducted: Positivism and Social Constructionism (Easterby-Smith *et al.*, 2012). Positivism can be described as viewing the world externally and that the properties of such a world can only be measured objectively. However, positivism claims to generalise data to a large extent and that these claims are value neutral. This can overshadow views of specific individuals that may shed real insights into a specific phenomenon or problem (Boswell *et al.*, 2019). On the other hand, the Social Constructionism paradigm concerns a societal view of the world. That reality is not objective and exterior, but it is rather socially constructed and interpreted by people implying that different views of different individuals do not have to be generalised and that people can interpret it in different ways (Crotty, 1998; Easterby-Smith *et al.*, 2012).

This research will adopt Social Constructionism with an interpretivist philosophical stance which acknowledges that there are multiple interpretations of reality, and that knowledge is constructed through social interactions (Bryman, 2006; Hallebone and Priest, 2009). As Hesse-Biber and Leavy (2010) note, *"social constructionism is interested in understanding the ways in which people make meaning of their social world, and how these meanings are culturally and historically situated".* Accordingly, this research seeks to explore participants' subjective experiences and perspectives, recognising that there is no single objective truth or reality (Crotty, 1998). This approach is underpinned by a Subjectivist ontology, which holds that knowledge is constructed through individual experiences and interactions (Bryman, 2006). As Lincoln *et al.* (2011) observe, "all knowledge is subjective in nature, existing only within the consciousness of individual human beings". Moreover, as Gergen (2015) notes, "the task of the social scientist is not to locate truth, but to engage in dialogue with other perspectives and experiences". Through this process of dialogue and interpretation, the researcher can gain a deeper understanding of participants' subjective experiences and perspectives and contribute to broader discussions about the social construction of reality.

It is reflected by the nature of the research and the researcher that there is not a single true solution for this problem (Easterby-Smith *et al.*, 2012; Pickard, 2013), where the analysis conducted from the research is constructed based on the researcher's own interpretation which can differ from how others would interpret such phenomenon; underpinned by the Subjectivist ontology (Easterby-Smith *et al.*, 2012; Pickard, 2013). Either way, neither interpretation would be wrong nor right (Crotty, 1998), and this is because each interpretation views the problem from a different perspective, which means that the task of the social scientist is not to gather facts and track patterns but to appreciate the different views and understandings people place upon their experience (Easterby-Smith *et al.*, 2012).

Although it is important to note the significance of the researcher's personal and practical experience in this field, it should also be acknowledged that this element introduces subjectivity into the study. The researcher's ownership of a business in the field allows for interpretation of the data within the context of the phenomenon being studied from a practical view rather than solely a theoretical one(Lincoln and Guba, 1985; Kvale and Brinkmann, 2009). This subjectivity is not a weakness but rather a contextual point for future practitioners and researchers to consider.

3.3 Theoretical Underpinning

This thesis is underpinned by an interpretivist approach rather than a positivist approach that is in line with the social constructivist epistemology (Pickard, 2013). This is because the social world is not objectively knowable, and it is necessary to recognise the impact of the researcher and interviewees on the process of data creation and analysis. Interpretivist research aims to reconstruct theory through the transfer of findings, where the interaction between the subject and the investigator is the product of the investigation's results (Pickard, 2013; Ponelis, 2015; Creswell and Creswell, 2017). In this approach, the research follows an inductive process to provide an understanding of social phenomena in a particular area, and the research’s results emerge from the realities investigated to formulate a framework from the subjects (Collis and Hussey, 2009; Granikov *et al.*, 2020). The result of the research will emerge from the realities investigated in their own right with the objective of interpreting such findings in order to formulate a framework from the subjects (Malhotra *et al.*, 2012). The subjective nature of such a framework is based on the researcher’s analysis; hence, this research adopts an interpretivist approach. To minimise subjectivity, the researcher will share the findings with the participants to confirm that they reflect their social worlds effectively.

Furthermore, interpretivism, according to Granikov *et al.* (2020), allows for a deeper understanding of the complexity and nuances of social phenomena. The interpretivist approach recognises that the researcher's and participant's subjectivities, as well as their experiences, can impact the research's outcomes. This approach also acknowledges that reality is socially constructed and that meaning is created through social interactions (Crotty, 1998). Therefore, this research aims to uncover the experiences and perspectives of participants to construct a theoretical approach that is grounded in their lived experiences.

In contrast to interpretivism, the positivist paradigm assumes that there is one tangible reality to a problem and that the research's objective is to test hypotheses. In this approach, the researcher and investigated are independent of each other, and there is a strong separation between them (Pickard, 2013). According to Creswell and Creswell (2017), a positivist approach aims to discover universal laws through empirical research methods. However, this theoretical approach is appropriate for this research since its objective is to construct a theoretical approach grounded in participants' experiences and perspectives. As Malhotra *et al.* (2012) suggest, the interpretivist approach is more suitable for understanding social phenomena in-depth and for constructing a theoretical framework based on these phenomena.

3.4 Research Methodology

Research Methodology has an important role in underpinning research. Crotty (1998) defines methodology as "the strategy, plan of action, process or design lying behind the choice and use of particular methods and linking the choice and use of methods to the desired outcomes." More recently, according to Saunders *et al.* (2015), research methodology refers to the "the framework of methods and techniques chosen by a researcher to conduct a systematic investigation of a subject.“ Such definitions imply the importance of the research methodology in building the overall strategy of the research which underpin the method, process and plan for the rest of the research whilst guiding it towards the ultimate goal of answering the research question.

Given the social constructivist ontology and epistemology underpinning this research, a qualitative case study inductive approach is the most suitable method. Recent research has highlighted the scarcity of relevant cases for quantitative analysis in this field (Putkinen, 2014; Järvinen and Taiminen, 2016; Mero *et al.*, 2020), and given the ontological stance of this research and its objective of developing a new theoretical framework makes a quantitative approach unsuitable. The inductive approach, which follows a bottom-up perspective, allows the researcher to collect data through case studies without any preconceived hypothesis to prove or disprove and is, therefore, more appropriate for this research. This approach will enable the researcher to identify emergent themes and patterns in the data that can be used to develop a new theoretical framework. By using the inductive approach, the researcher can collect and analyse data from the case studies to identify significant themes and patterns that may not have been evident with a deductive approach (Braun and Clarke, 2006; Thomas, 2011; Patton, 2014).

Case studies are defined as “an empirical inquiry that investigates a contemporary phenomenon within its real-life context; and in which multiple sources of evidence are used” (Yin, 2012). Various scholars view case study design types in different ways. For example, Stake (1995) has discussed three different types of case studies with different goals: Intrinsic—where the purpose of the case is to understand the case being studied at a considerable depth; Instrumental—to understand a particular phenomenon, where the case becomes just a vehicle; Collective—in which uses more than one case to investigate a phenomenon where the study will use the different cases as a vehicle to explore this phenomenon. Whilst Yin (2012) summarises the types to single-case design (Holistic and embedded) and multiple-case design (holistic and embedded). From the research perspective, the different types mentioned overlap rather than clearly distinguish a specific design where Stake (1995) describes the case design from a purpose perspective, whilst Yin (2013) design types seem to describe the process of conducting the case. This means that the various designs can underpin the research at the same time, where all seem to be correct yet explain the design from different angles.

Thomas (2011) has developed a process map for a case study design that simplifies the various kinds of case study designs developed by seminal authors in the area (Merriam, 1988; Stake, 1995; Bassey, 1999; De Vaus and de Vaus, 2001; Yin, 2009). Thomas (2011) argues that whilst other authors differentiate case studies into different distinctive types, his research found that such types are correct; however, they describe the case study design at different stages that can be combined rather than be of distinct nature. The process map defines kinds of case studies research into four distinctive areas as follows: The first area is "The Subject", which is the type and category of the case study. The subject defines the type of case study itself, and it is split into (a) a Key Case, which defines the case study as a classical exemplary case, (b) a Local Knowledge Case, which is a case that came about from the research's personal experience that the researcher would like to find out more about, and finally (c) Outlier Case, which means a case that shows something interesting because of its difference from the norm.

This research fits in the outlier case given that the research is focusing on a specific type of manufacturing that employs Servitization named the PSS business model (Reim *et al.*, 2015). The research can be miscategorised as Local Knowledge Case as it came about from the author's personal experiences in the industry; however, that can be quickly dismissed as the research is focused on other PSS manufacturers, which are considered an outlier from other manufacturers in the industry rather than the researcher's personal business. Coincidentally, the researcher's business falls in the same group; however, the researcher decided to exclude his business from the research and solely act as a subject expert to avoid subjectivity from his own staff.

The second area Thomas (2011) describes in his process map framework is “Purpose”. The purpose is derived from the researcher enquiring why he is doing the research. It is summarised into the following area: (a) Intrinsic: where the subject is being studied without a purpose, but just out of interest, (b) Instrumental: where the subject is being studied as a tool/vehicle to evaluate a specific area that the case falls within, rather than evaluating the case itself (Stake, 1995), (c) Evaluative: where the subject is studied to evaluate how well something is working or to evaluate the result of a specific change to the subject (Merriam, 1988; Bassey, 1999), (d) Explanatory: where the subject is being studied to gain in depth knowledge and understanding of its workings (De Vaus and de Vaus, 2001), and finally (e) Exploratory: where the subject is being studied to gain understanding to a specific problem or an issue that is facing the research generally answering the “What is happening and Why” question (Merriam, 1988; Yin, 2013).

From the above, it is found that this research adopts two purposes to achieve its objective. The first purpose is exploratory, and that is because the cases are chosen to understand further the problem arising from Servitization and its impact on the Sales and Marketing process in PSS manufacturers and how Marketing Automation can resolve such problems. Indeed, that is because of the nature of this research in which the cases are chosen to explore the impact of Servitization on marketing and sales within PSS manufacturers as outlined in the objectives in Chapter 1. Moreover, the second purpose is instrumental, as each subject is studied as a vehicle that represents the Sales and Marketing funnel within PSS manufacturing rather than having an interest in the subject itself.

Following the understood subject and the purpose of the case study research, the approach is the next step in the design process, according to Thomas (2011). He further explains that the approach answers how the research will achieve its purpose using the subject(s) chosen. The approach defined are as follows: (a) Building a theory—where the aim is to develop a new theory from scratch, such as frameworks (De Vaus and de Vaus, 2001), (b) Testing a theory—where the aim is to test existing theory where there is already an existing framework available for the situation or phenomena being studied (Bassey, 1999), (c) Drawing a picture/illustrative/demonstrative—where the aim is to illustrate or describe an existing phenomena/situation and finally (Thomas, 2011) (d) Interpretative—where the aim is to answer questions, understand behaviours of people and require deep understanding and deep immersion in the environment of the subject (Merriam, 1988) (also known as ethnography). For the purpose of this research, building theory through an inductive process is the approach this research is taking as it attempts to build a framework for which Marketing Automation can enhance the sales cycle in PSS manufacturers.

3.4.1 Process

The final step in the case study design process is the process. Thomas (2011) elaborates that two main processes are adopted in the case study research. The first type is the single case study, which is the classic form of case study, and it represents the subject is a single case study in depth; the second type is multiple/collective/comparative/cross-case analysis case study—and it represents multiple cases being the subject rather than a specific case (De Vaus and de Vaus, 2001; Yin, 2009; Thomas, 2011). There are different forms for single case studies that need to be taken into consideration, and these are Retrospective—where the case study is looked at back in time, snapshot—where the case study is conducted in one period of time, diachronic where the case study focusses on the change over time (De Vaus and de Vaus, 2001), nested case studies (aka embedded), where each case study is a subunit fitting within a wider case (De Vaus and de Vaus, 2001; Yin, 2009). This research can be miscategorised as a nested case study with a retrospective form according to the classification described above. Nested case studies explicitly require the cases studied to be subunits that collectively would form a wider case that cannot be separated. Whilst the cases chosen here are all considered PSS businesses, they do not represent PSS businesses as a whole, as PSS, in the context of this research, is merely a business model that those businesses adopt in common rather than relate them to each other.

On the other hand, a multiple case study is the remaining relevant process. Multiple case studies have different forms—they are parallel or sequential —where parallel means that the case studies are studied all at the same time using the same set of questions that was set for all of them, whilst sequential is a process where the case studies are studied in sequence one after the other. Parallel case studies can take less time; however, sequential case studies allow the research to adapt and change based on the results of each case study (De Vaus and de Vaus, 2001; Yin, 2013). As this research will attempt to build an understanding of Sales and Marketing in PSS businesses in order to form a framework, the researcher found that having the ability to adapt the questions based on the findings can help adapt, diversify and enhance the findings during the research journey especially if the cases are instrumental cases according to Thomas (2011). Pickard (2013) also mentioned that the benefit of iterative collective case studies (same as multiple sequential) is that it allows the design of the study to evolve as the researcher gains insight into the salient issues implying the importance of giving space for discovery and exploration in an iterative rather than a linear approach. This approach is suitable for this study since the objective is to discover the sales process of multiple PSS businesses, which is then coupled with Sales and Marketing processes with businesses that apply Marketing Automation. Such an iterative approach will allow the study to adapt as the data emerge, giving flexibility for further exploration in subsequent cases.

Moreover, thus, this research will adopt multiple case studies in a sequential mode. The case study design of this research is illustrated in Figure 3-2.

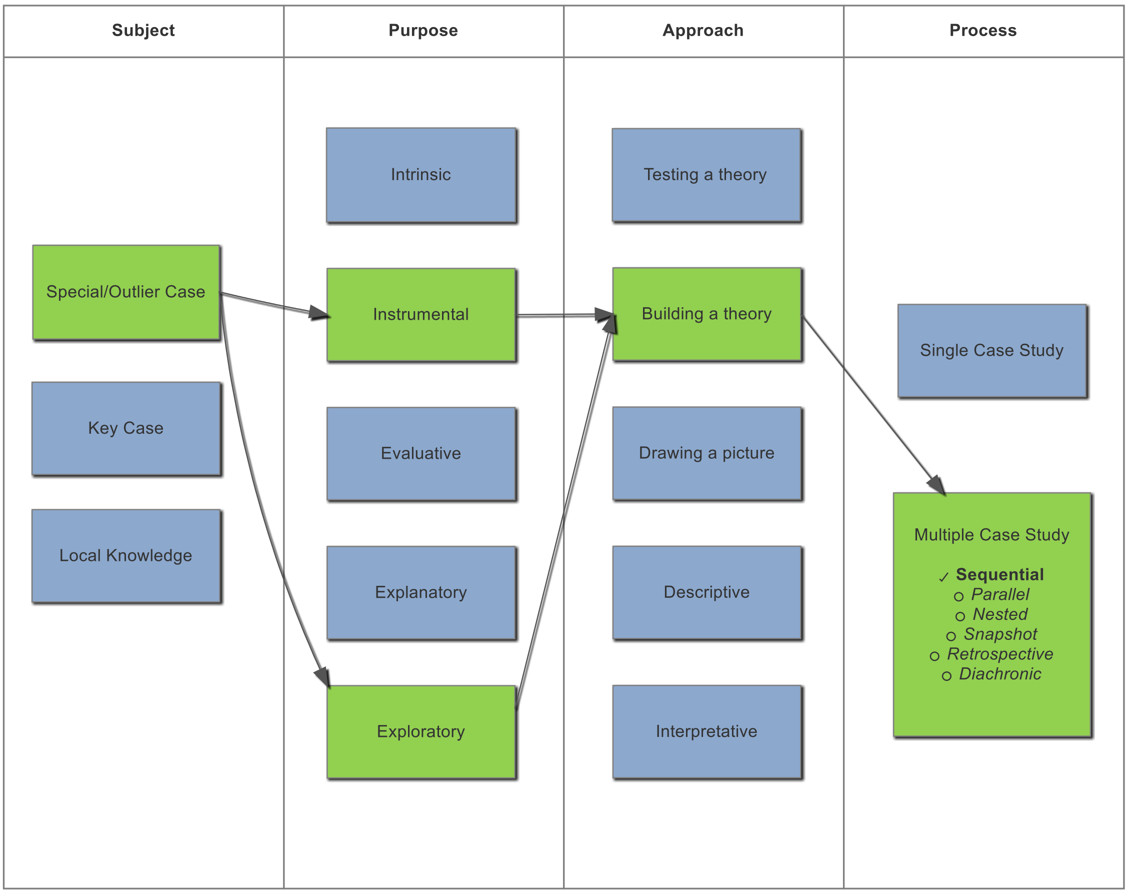

Figure 3-2. Mapping out the case study design.

Case study research methodology and semi-structured interviews are common methodologies followed by research in this area (Järvinen and Taiminen, 2016; Mustakallio, 2016). Despite the identification of a lack of external validity in the previous research conducted in the literature, this research will resolve this issue by following a multiple case study approach (Yin, 2009; Thomas, 2011; Pickard, 2013). This ensures that the knowledge investigated about the phenomena is generalised across multiple organisations through multiple views, thus affecting the quality and resilience of the framework produced as a result of this research in comparison to this produced by Järvinen and Taiminen (2016).

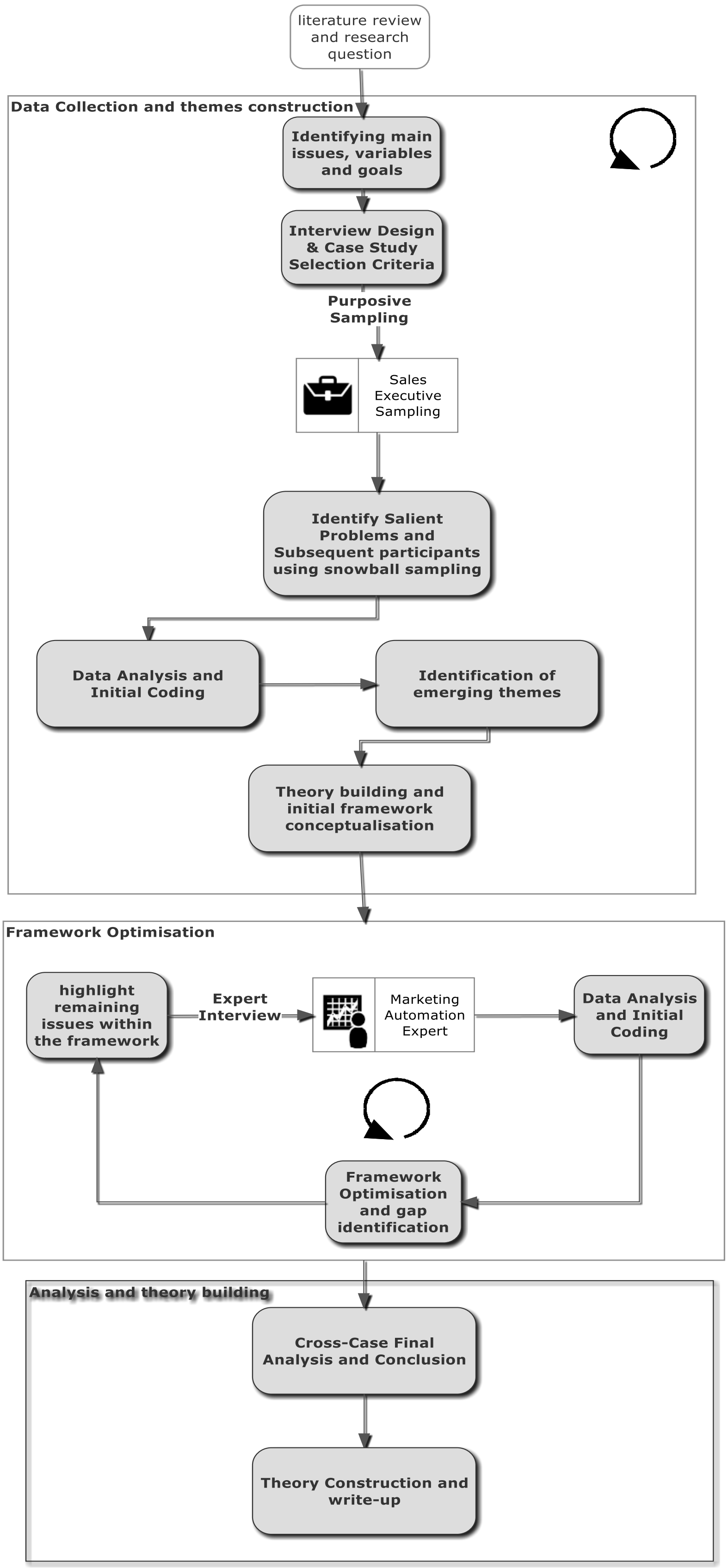

Figure 3-3. Research design.

3.4.2 Method

The above will be conducted in the form of interviews. A closer inspection of the extant methodological literature shows a number of interview techniques, including focus group and telephone interviews (Oliver, 2004; Kvale and Brinkmann, 2009; Pickard, 2013), implying a diversity in the methods of enquiry used by researchers. However, to date, the most common methodological approach taken in this field incorporates a face-to-face semi-structured interview approach, which can be described as “A conversation with a structure and a purpose; it involves careful questioning and listening with the purpose of obtaining thoroughly tested knowledge” (Kvale and Brinkmann, 2009, p. 367).

Semi-structured interviews are a suitable research method for gathering rich data and understanding the interviewees’ social constructionism (Burr, 2015). According to Adamson *et al.* (2013), this approach can provide detailed and valuable insights into sensitive areas, such as the sales function of a business. The flexible nature of semi-structured interviews allows researchers to adapt their questioning based on the interviewee’s responses, capturing the interviewees’ unique perspectives and experiences. This approach is in line with social constructionism, which emphasises the role of individuals’ perceptions and interpretations in shaping their understanding of the world (Burr, 2015). Semi-structured interviews can provide a more complete picture of the interviewees’ social constructionism by allowing them to express their thoughts and beliefs in their own words (Järvinen and Taiminen, 2016). As a result, semi-structured interviews are a valuable tool for this research to gain a deep understanding of the Sales and Marketing processes in PSS businesses.

Ten face-to-face semi-structured interviews will be arranged within PSS companies in Europe and the US will be chosen for this research. Details on criteria will be refined during the Orientation and Overview phase, as shown in Figure 3-3. Five candidates would be executive sales directors within a PSS manufacturing that does not employ

Marketing Automation. It is important to reach the highest executive in charge of the full sales cycle in an organisation in order to obtain an accurate representation of the organisation's sales process and challenges. This approach has been used in previous research, such as in the study conducted by Adamson *et al.* (2013), which found that this method provided rich information about the sales function of a business. The input provided by the sales directors will be based on their organisation's processes and challenges rather than their personal views, allowing each executive to act as an informant to provide deep insights into the inner workings of the organisation’s sales and marketing cycle. These data will then be used to build a case study of the organisation's sales process and challenges. The further five interviews will be from an executive marketing position within a company that does employ or specialise in Marketing Automation; these will be split into five iterations, where each iteration will have one interview. This will allow the research to bring forward the issues and goals within the organisation’s sales cycles in each case study in order to inform any new emerging themes that require investigation in the following interviews. This approach will assist in the framework development. Each interview is estimated to be 60–90 minutes, conducted over Google Meet for participants from different countries. All interviews will be conducted in English.

The different stages of the research will be conducted as presented in Figure 3-3. The process is split into two phases. The overview phase sets the goals and problems that will be used for the pilot interviews. Following that, the interviews will be designed based on the problems and goals set. This is represented now in Appendix – A. The initial interviews are used as purposive sampling in order to identify salient problems from the interviews that could inform the research design and the selection of the subsequent interviews as part of the snowball sampling, as illustrated by Thomas (2011). The orientation phase will assist in the identification of any issues with the interview questions earlier on, thus resolving the weakness generally associated with interviews of having poorly constructed questions (Yin, 2009).

Following the orientation and overview phase, the remaining interviews will be conducted accordingly. After each case study, the research will seek to produce a case study analysis. Following that, a cross-case study analysis will be conducted to contrast the data from the different cases.

From the researcher's network, three PSS technology manufacturers have been identified that fit the criteria. Further, the researcher has identified a marketing director colleague in a PSS company that does employ Marketing Automation. Both will be approached for the study. This will further rely on the researcher's connections and, if necessary, a large PSS LinkedIn group to identify potential candidates that match the criteria. Given the role of the researcher within his business, many PSS manufacturers consider his business as a potential partner. Thus, the researcher does not envisage finding such companies to be an obstacle, albeit it will take time and effort to reach the high-ranking executives and have them agree to attend an interview. There might be some challenges in finding companies that adopt Marketing Automation due to the scarcity in this domain within the researcher's network.

The researchers experience and connection with the industry established through the interview can bring practical benefits to this study given the researcher’s knowledge of the dynamics of the industry (Lincoln and Guba, 1985). This can allow the researcher to navigate the interview more efficiently than other researchers who are distant from the industry in practice (Kvale and Brinkmann, 2009), implying that the researcher's insider perspective can lead to a more nuanced and detailed understanding of the phenomenon being studied, as well as facilitate more in-depth and targeted questioning during the interview process. Nevertheless, it’s important for future researchers to consider such practical implications.

3.4.3 Template Analysis and NVIVO

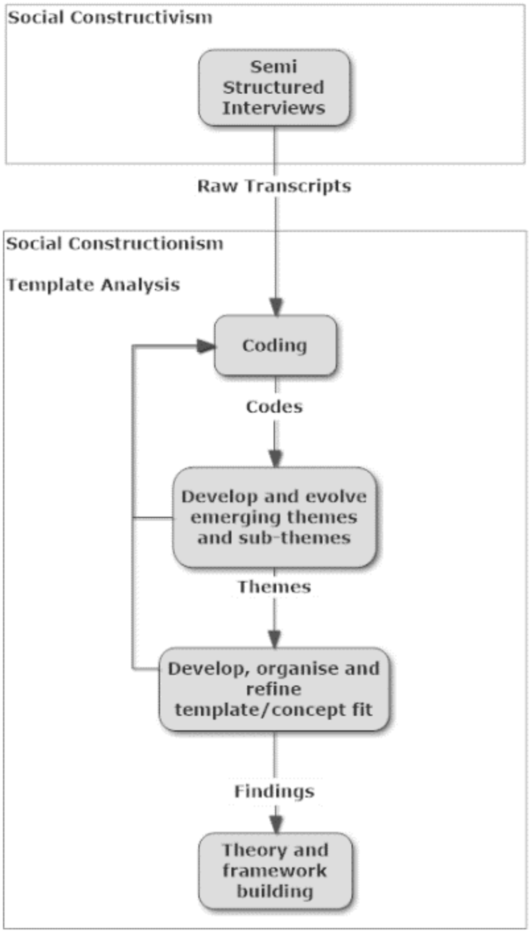

Figure 3-4. Analysis process.

To align with the types of data and research aims, the decision was made to employ Nigel King's template analysis method (King, 2004; King *et al.*, 2018). The use of narrative analysis is to examine the experience and the views of the sales directors and Marketing Automation experts via semi-structured interviews to capture best their social constructivism in the rich, thick description of how each user sees their personal world. Qualitative data analysis often utilises coding, which helps bring together thoughts on a specific theme to aid in conceptualising key theoretical ideas (Gibbs, 2008). Codes can be referred to as indices, themes, or categories, depending on the philosophical perspective and the analysis' goal (Gibbs, 2008; Cassell and Bishop, 2019). In contrast to coding in quantitative analysis, which aims to summarise and condense data into statistics, coding in qualitative analysis expands the data, increasing its bulk, density, and complexity (Gibbs, 2002; Cassell and Bishop, 2019). However, Coffey and Atkinson (1996) note that coding can also serve as a data reduction technique in some cases, such as indexing. They argue that combining data reduction and data expansion is often used in practice.

Coding is an integral part of template analysis and offers several advantages in the data analysis process (Gibbs, 2008). Firstly, coding provides a structured approach to organising and categorising data, making it easier to understand and interpret (Coffey and Atkinson, 1996; King *et al.*, 2018). This assists in identifying patterns, themes, and relationships within the data, leading to a deeper understanding of the data (Gibbs, 2002). Furthermore, coding enables the researcher to identify and highlight key information and insights, reducing the risk of missing important data points (Gibbs, 2008). Another advantage of coding in template analysis is that it makes it easier to compare and contrast data from different sources (Coffey and Atkinson, 1996; Cassell and Bishop, 2019). This is because coding provides a common language and framework for categorising data, allowing for easy comparison and analysis of similar data points across different sources (Gibbs, 2002).

Coding is particularly useful when using the social Constructionism paradigm in qualitative analysis (Gibbs, 2008). Social Constructionism views knowledge and reality as constructed through social processes rather than being objectively determined (Coffey and Atkinson, 1996). This approach recognises that data is subject to interpretation and that meaning is constructed through the researcher's interaction with the data (Gibbs, 2002). Coding helps in constructing meaning from the data by providing a way to categorise and interpret data in a systematic manner (Coffey and Atkinson, 1996; Cassell and Bishop, 2019).

Additionally, coding helps in reducing subjectivity in the data analysis process by providing a clear framework for categorising and interpreting data (Gibbs, 2008). This is important in social constructionism as the paradigm recognises the importance of the researcher's role in constructing meaning from the data (Coffey and Atkinson, 1996). By providing a structured and systematic approach to data analysis, coding helps to reduce the impact of the researcher's biases and personal perspectives on the analysis, thereby increasing the validity and credibility of the findings (Gibbs, 2002). Overall, coding is a valuable tool in the qualitative analysis process and is especially useful when using the social constructionism paradigm (Gibbs, 2008).

Thematic coding is deemed a suitable method for exploring the sales directors' views of their sales funnel activities, triggers and challenges, and marketing directors' views on Marketing Automation's impact on the different stages of the funnel. This form of coding, specifically King's template analysis, was chosen due to its ability to compare different groups of staff within a specific context (King, 2004; King *et al.*, 2018). King (2004) method uses pre-established codes and balances within and across case analysis, in contrast to Flick's interpretative phenomenological analysis. The template analysis used in this study falls towards the concept-driven end of the spectrum (Gibbs, 2008), but this does not mean that NVIVO codes are not used. The researcher must adjust the code list during analysis as new ideas and categorisations are identified in the data (Gibbs, 2008).

Finally, the information and data gathered are synthesised with the existing literature, and the emergence of the theory and the theory writeup is produced. Yin (2013) elaborated that one of the methods of reporting the case study is Theory-building structures. This structure follows the sequence of the theory in question based on the topic that is the subject of our enquiry. Each section will use the cases discussed in relation to the theory built in each section. This approach is very suitable for this research because it unfolds the theory built and the key ideas behind it in the correct order whilst backing up the findings using the case studies (Yin, 2013; Sinkovics, 2018; Jones *et al.*, 2021). Figure 3-4 summarises the analysis process undertaken by this research.

3.5 Research Quality

According to Yin (2013), there are three criteria that need to be taken into consideration to ensure quality and trustworthiness, which this research addresses, ensuring quality in the design. Those criteria are (a) construct validity, (b) external validity and (c) reliability.

The researcher believes that the construct validity is established in this study by using different sources of data and multiple informants such as multiple case organisations, multiple interviews of different roles (Sales and Marketing) and an extensive review of the existing literature. This variation will provide enough variation between the different data. Finally, each informant will be provided with the draft case study report to ensure data has been interpreted correctly, thus overall achieving the construct validity.

The research achieves external validity by following a collective case study approach rather than a single case study, thus ensuring that the result of the research is because of the input of informants from different organisations with different views and circumstances within the domain. In addition to that, the study uses Järvinen and Taiminen (2016) framework, a foundation framework which is developed from an industry-standard framework, “Sales funnels” (D’Haen and Van den Poel, 2013). Thus, ensuring the input of each informant is in response to this framework that the industry uses and understands, thus ensuring generalisability.

The final criterion to be assessed is reliability, referring to the absence of random errors, which will be achieved by providing transparent data collection and analysis that would allow for the research to be replicated (Thomas, 2011). To meet such requirements, a case study database will have all the study data stored, along with information on the selection criteria, the analysis method followed, and the NVIVO database that has all the transcripts and the data coding stored. This will allow the study to be replicated or trace conclusions discovered.

Additionally, in qualitative research methodologies, two important strategies for enhancing the credibility and rigour of findings are member checking and triangulation. Member checking involves obtaining feedback from research participants on the accuracy and representation of their experiences and perspectives as recorded and analysed by the researcher (Guest *et al.*, 2013). Triangulation involves using multiple sources and methods of data collection and analysis to enhance the robustness and validity of findings (Denzin and Lincoln, 2011). For example, a researcher may use both in-depth interviews and observation to understand the experiences of a particular group and then cross-check findings with multiple participants to ensure they are accurate and representative (Guest *et al.*, 2013). By employing these strategies, qualitative researchers aim to ensure that the findings accurately reflect the experiences and perspectives of participants and to demonstrate the trustworthiness and rigour of their methods and results (Denzin and Lincoln, 2011). The researcher will provide the findings of this study to the different participants for member checking to ensure that it reflects their views to achieve rigour.

3.5.1 Member Checking Results

As part of the member-checking process, the researcher has sent the findings to the participants to get their views. Given the difficulty of reaching such participants and getting them to commit time, the researcher was able to get responses from 2 participants out of 10. The two participants' feedback has been positive regarding the research.

One participant acknowledged the following: **“Thank you for providing your findings. I believe the chapter accurately represents the views given during my interview and agree with your interpretation of the study.”** They also added, **“The new master**

funnel is certainly an optimised framework for Sales and Marketing alignment in Servitized businesses.". A second participant stated, **"The extent to which all my suggestions and best practices are not only present but also clearly explained is impressive."**. This has given confidence to the study that the research has achieved rigour through member checking. The participants positively agreed with the research outcome, and their views were interpreted and represented correctly during the analysis process.

Further details on the participant feedback will be discussed in the findings chapter.

3.6 Methodological Limitations

Methodological limitations are an important aspect of any research study, and this study is no exception. One limitation was the exclusive pool of participants gathered through the researcher's access to networks of high-level executives. Despite this limitation and the time-consuming nature of finding and recruiting such participants, the researcher was able to recruit executive sales directors responsible for designing and overseeing the full sales and marketing process in their unique industry, allowing the research to gain valuable insights in great detail about the sales funnel of such organisations. The researcher also took steps to ensure rigor through triangulation and member checking.

Another limitation was the limited number of case studies employed, although existing research identified in the literature was also limited to single case studies (Järvinen and Taiminen, 2016; Mustakallio, 2016). As explained in Section 2.6, calls for future research to add external validity (Yin, 2009) led the researcher to conduct multiple case studies in this area, including organisations in multiple geographical regions, contributing to external validity, study rigor, and furthering practice and theory in this area.

Perhaps the most topical issue for this study concerned the sample size. Although there is wide scale common perception that a larger sample size leads to more accurate and reliable results, in qualitative research, a smaller sample size can provide more depth and rigor in exploring specific contextual practices (Guest *et al.*, 2006). Guest *et al.* (2006) further explained that sample size as little as four individuals can render extremely accurate information with high confidence only if such individuals possess a high degree of competence in for the domain of enquiry.

In fact, a smaller sample size can enable the researcher to focus more deeply on the individual cases and provide more detailed and nuanced insights. As noted by Creswell and Poth (2016), in qualitative research, the goal is not to achieve statistical significance but rather to obtain a rich and detailed understanding of the phenomenon being studied. Similarly, Patton (2023) argues that the quality of the data is more important than the quantity, and that a small but rich sample can provide valuable insights that larger samples cannot.

In the case of this research, five case studies that are conducted through 10 semi-structured interviews with highly competent senior executives can provide a systematic and in-depth exploration of the sales and marketing processes and challenges and solutions within these organisations. This small sample size allows the researcher to gather rich and detailed data on the practices and experiences of each individual case, and to analyse and compare the findings in a rigorous and comprehensive manner. Therefore, a smaller sample size can actually be an advantage in this research, providing a deeper and more nuanced understanding of the sales and marketing practices within PSS organisations.

Ethical considerations were another limitation of the study, as ethical guidelines must be carefully managed to maintain trust and credibility (Bryman, 2006). Due to the length of the study, two ethics submissions were required, resulting in additional time and resources spent reviewing all study documents. However, the study received ethical approval in both instances, and the researcher adhered to ethical guidelines throughout the study to ensure the protection of participants' rights and the ethical soundness of the findings.

In conclusion, the study had some methodological limitations, but these were addressed through careful consideration of the research design and adherence to ethical guidelines. The researcher aimed to achieve the validity and reliability of the study's findings and made every effort to ensure that the study was conducted in a rigorous and responsible manner.

3.7 Ethical Issues

The importance of ethics in qualitative research cannot be overstated, particularly in the field of business. Adherence to ethical principles ensures that the researcher maintains the trust and respect of the participants and stakeholders whilst also protecting the integrity of the research findings. Researchers must consider ethical principles such as informed consent, confidentiality, and avoiding harm, as well as balancing the potential benefits of the research with any potential harm to participants. Ferrell and Gresham (1985) highlight the importance of ethical considerations in business research, emphasising the need for ethical behaviour to maintain the trust and credibility of researchers in the business community.

Furthermore, scholars such as Creswell (2014) emphasise the importance of considering the power dynamic between the researcher and participants in business research. The researcher must be aware of their own potential biases and must strive to minimise their impact on the study. Additionally, it is important to consider the wider implications of the research and to ensure that the findings are not used in ways that may harm participants or the broader business community whilst ensuring the confidentiality of participants was deemed required. Data elicited for this DBA will be collected in accordance with the Northumbria University Ethics Committee guidelines.

Both individual and organisational consent forms have been developed in accordance with the guidelines as shown in Appendix B. Organisational consent forms will be signed by each business before any interviews take place. Participants will also be asked to read and approve (sign) an individual informed consent form before starting the interview. All electronic data will be stored on the university one drive and password protected. All the research data is stored digitally, and thus there are no physical copies that require storing in a locked cabinet. As the result of this research may be published, the reference to the individuals and organisations will be omitted in the published results ensuring anonymity to the individuals and organisations. This should not affect the results of the research as the aim of the research is to produce a framework that can be produced on other businesses rather than specific ones.

No children will be targeted for this study, and the researcher has classed this study as 'amber' for the review panel.

3.8 Summary

In this chapter, the ontology, epistemology, and methodology were discussed, along with the type of case study that will be used in the research. The researcher's epistemological stance is that of social constructionism, which acknowledges that individuals construct knowledge through their subjective interpretation of the world. The ontology of this research is focused on the subjectivity of the individual and that individuals create meaning through their interactions with others. To best capture the subjective perspectives of the individuals, a semi-structured interview approach will be used.

The research will adopt a multiple case study approach in a sequential mode to gain an understanding of the Sales and Marketing processes of various PSS businesses. The use of multiple case studies allows for the generalisation of knowledge across multiple organisations, enhancing the quality and resilience of the framework produced. Additionally, by following a sequential case study approach, the research will have the flexibility to adapt the research questions based on the findings of each case study. Overall, this approach is suitable for exploring the Sales and Marketing processes of PSS businesses and creating a framework for such processes.

The research will be conducted in the form of semi-structured interviews, with face-to-face being the most common method of inquiry used in the field. Ten semi-structured interviews will be conducted with executives from PSS companies in Europe and the US, split into two groups: five from sales director positions and five from marketing positions within companies that employ or do not employ Marketing Automation. The research process is split into two phases: the overview phase sets the goals and problems, and the orientation phase assists in identifying any issues with the interview questions.

The researcher will use template analysis and NVIVO to analyse the qualitative data obtained from the interviews. Coding is an important part of template analysis and provides several advantages in the data analysis process, including organising and categorising data, identifying patterns and relationships within the data, and making it easier to compare and contrast data from different sources. The social constructionism paradigm in qualitative analysis views knowledge and reality as constructed through social processes, which aligns well with the type of data and research aims.

The researcher will rely on their network to identify potential interview participants and has identified PSS technology manufacturers that fit the criteria. The researcher may face some challenges in finding companies that employ Marketing Automation, but he has contacts in the industry who have agreed to assist with the search. Whilst it will be challenging to reach such high-ranking executives in such a niche area, the researcher is confident that this can still be achieved given their network and business in this industry. The initial interviews will be used as purposive sampling, and subsequent interviews will be part of snowball sampling. After each case study, a case study analysis will be conducted, followed by a cross-case study analysis to contrast the data from different cases and synthesise it with the Marketing Automation experts' views to provide an improved sales funnel framework. The findings will be discussed in the next chapter, which will include an overview of the different case studies and participants.

Chapter 4 Findings and Discussion

4.1 Introduction

This chapter provides an overview of the findings discovered during the data collection process and a discussion of its results. Moreover, it synthesises the data from the qualitative research methodology together with the extant literature to provide a better understanding of how Marketing Automation can impact the sales cycle within B2B PSS manufacturing businesses.

By way of background, the first phase of data collection resulted in interviewing Sales directors from five Product Service Systems businesses. These businesses operate in the technology industry sector in Digital Signage, Touch Screens, Wayfinding, Queueing systems and visitor management solutions. The businesses operate in different regions, including Europe, the USA, the Middle East, and Europe, which provides a broad view of the overall challenges they face regardless of the geographical region. All the names of the organisations that participated in the research have been anonymised in order to protect their identity and provide commercial security. The objective is to use the cases as instrumental exploratory case studies that form a collective case study (as described in Figure 3-2) that determines the impact of Servitization on their business, their current sales cycle, challenges faced, along with the role of marketing within their organisation.

The collective case study will be used to form an understanding of the current sales funnel and its challenges within Servitized manufacturing businesses. This stage is important to allow the research to identify the salient issues in these organisations, how they resonate with the literature, and how the dynamics in their operation should allow the research to attempt to improve further. To achieve this, the findings will then be used as a foundation for the interviews with Marketing Automation Experts (MAE) to advise on how digital Marketing Automation can optimise the sales funnel. The chapter will subsequently present a newly optimised theoretical framework (Figure 4-26) that can be used by Servitized manufacturing PSS businesses that address the gaps identified in the literature and overall research question. The core areas of this chapter have been summarised in Figure 4-1.

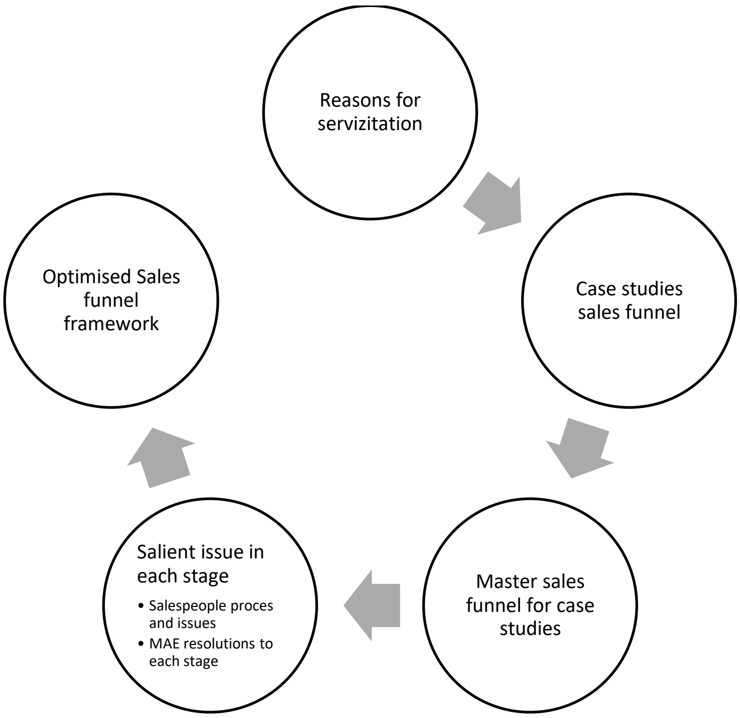

Figure 4-1. Core areas for findings chapter.

4.2 Participants

To provide context to the remainder of this chapter, a recap of the different interviews and participants will be detailed below in Table 4-1. The research follows a multi-case study method where each case study is a PSS technology business. Five different businesses were selected, and each business was represented by its sales director, that is responsible for the whole organisation's sales process. The director was questioned about the company's sales process and sales/marketing roles at the different stages of their sales cycle.

The following table shows the different companies and the role of each participant that represents their company.

Participant's role	Section	Responsibility	Sector	Represented as
Sales and Marketing Director (Participant A)	Sales	All Sales operations	Technology Manufacturer	Company A
Head of International Business (Participant B)	Sales	All the Sales and Marketing operations	Technology Manufacturer	Company B
Director of Sales (Participant C)	Sales	All the Sales and Marketing operations	Technology Manufacturer	Company C
Sales and Marketing Director (Participant D)	Sales	All Sales operations	Technology Manufacturer	Company D
Sales Director (Participant E)	Sales	All Sales operations	Technology Manufacturer	Company E
Head of Marketing (Participant F)	Marketing Automation Expert	Marketing operations	Technology Manufacturer—Marketing department	MAE
Marketing Manager (Participant G)	Marketing Automation Expert	Marketing operations	Tech recruitment—Marketing department	MAE
Founder of Digital Marketing Training & Consultancy agency (Participant H)	Marketing Automation Expert	Marketing operations	Digital Marketing Agency	MAE
Founder & CEO of marketing agency (Participant I)	Marketing Automation Expert	Marketing operations	Digital Marketing Agency	MAE
Founder and CEO of digital marketing agency (Participant J)	Marketing Automation Expert	Marketing operations	Digital Marketing Agency	MAE

Table 4-1. Participants.

The sales director's view is a representation of the whole company. Following that, Marketing Automation experts were interviewed, and their views were taken as the experts in their field to elaborate on how they would improve the sales cycle identified by sales directors and the challenges they face. The Marketing Automation experts' views here are taken as a collective view as a whole rather than each individual view. The data collected is then analysed using template analysis through NVIVO to identify themes from the participants.

4.3 Reasons Behind Servitization

From the case studies provided, two participants were part of the organisation prior to the Servitization. The participants were asked how the sales process changed after the Servitization of the business. Both did express that the selling cycle after Servitization has become more complex due to the customer requirement becoming increasingly more involved with different stakeholders, and the sales cycle has become longer. Company B expressed that they used to go after all enquiries they would receive.

However, an assessment was made, thus focusing the company on the services that they have USP over the competition.

The drive behind Servitization from the different organisations is primarily due to competition and long-term business survival. Companies A, B and C added that the primary reason is due to the increasing competition in the market that provides low-cost products. Company A expressed that the competition was distressing the market by offering deeply discounted products, and at some times nearly free. Whilst their product and the support were substandard, customers were willing to overlook this award as the competitor of the business. It was mentioned that the company struggled to compete with something that is practically free, and thus they had to target enterprise corporates with enterprise solutions. Company B agreed with the same point—highlighting that the competition is typically located in lower-cost labour countries, adding that they operate on a low-profit margin/higher volumes basis with standard product design that it is practically not possible to compete with. The reasoning behind Servitization here resonates with the literature, identified in Figure 2-2, where Servitization builds a barrier for the competition by creating a dependency between the customer and the company providing the solution.

Company C, however, mentioned that the reason behind Servitization is that it uses it as a method to gain access to the different customer segments that require a more consultative approach to deliver their goals via their solutions which is not possible with off-the-shelf products. Servitized solution allows the company to sell more specialised services and products with greater margins due to the tailored fitness of the solution to the customer's needs. Company C added that companies that offer just the product nowadays do so at a low value, smaller margins where there is increasing competition that it is not worth pursuing these opportunities anymore. This has been explained by Sheth and Sharma (2008), where this allows the company to move from the economics of demand and supply to a customer-centric solution to co-create value for the customer, where the sale now relies on demand generation to help the customer identify their needs, and thus the company can provide a sellable solution that matches those demands (Vargo and Lusch, 2004).

4.4 The Impact of Servitization

All five organisations expressed that Servitization models did impact their business, as analysed in the figure below:

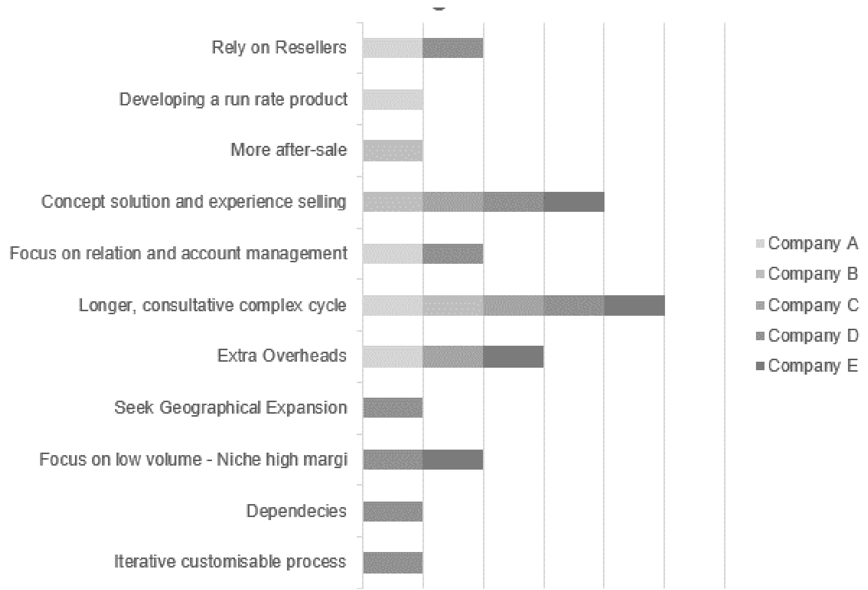

Figure 4-2. Impact of Servitization on cases.

All companies have unanimously agreed that the biggest impact has been on the sales cycle. The sales cycle has become elongated, consultative, and complex. Company A said that.

"So it's causing us to have to do a lot more pre-sales work than before. but they are projects and that therefore means we're doing a lot more hand-holding, doing a lot more consulting, a lot more best practice with people!"

The participant emphasised that because they are projects with higher value and profit margins, it does justify the longer cycle. Company B added that the cycle became much more complex, varying from 2–3 months up to 2–3 years. Company C reaffirmed that the work they do today on new opportunities is forecasted to close in 6–8 months. Explaining that it is very hard, especially when releasing a new product or entering a new market because each opportunity on the pipeline requires a long sales cycle, thus if a number of them have been lost at a late stage in the pipeline, it becomes difficult to generate new business to meet the forecasted target due to the long cycle each sale requires. Adding additional risk, and uncertainty, negatively affects the business cash flow and impacts the originally planned launch strategy. Company D and Company E did confirm facing the same symptoms; however, they did say that the opportunity of winning is higher given the level of detail the solution is being designed with to fit the customer's needs. Company E mentioned that Servitization renowned the company as a specialist in the industry—which brings better opportunities yet limits the areas of work.

One of the contributing factors to the long sales cycle has been identified by the participants in the “Concept Solution and Experience Selling” theme. Companies B, C, D and E have expressed this as one of the causes. Company B further explained that the real sales cycle starts only when the discussions start addressing the benefits of the products, payment, and delivery terms. However, customers do not have knowledge about the solution and its benefits, and thus, they have to sell the concept and its benefit first and the company as an expert beforehand. Company C re-iterated the same theme of having to educate the customer first to be able to sell to them. Company C further explained that they have to create the need for the customer and help the customer to see the problem that the solution will solve during the sales process. Company D and E agree; however, they mention that even if the customer has the initial demand, the nature of the solution does require an expert and consultative sales process to tailor it to the customer's needs and their organisation. The literature agrees with this phenomenon, where Schmidt *et al.* (2015) argue that the most challenging phase was identifying a solution and agreeing on action within Servitized businesses. Additionally, in some cases, the suppliers focus on the wrong stage of the buying process where at such stage, the customer has already been educated by a competitor; thus, it is already late in the buying process.

Companies A, C and E advise that the iterative, longer, and more complex cycle impose extra overheads on the business from a both technical and business perspective to maintain the long sales cycle. Company C mentioned that the complex cycle, along with the additional overheads, does sometimes affect the business's ability to forecast and hit its targets. With the opportunities being of high value and lower volume, as mentioned previously, the delay of deals can have a negative impact on the Profit and Loss of the business. As an SME, such fluctuation does have a negative impact on the business's cashflow, forecasted sales and its ability to keep investing whilst waiting for the sale to close, which can lead the business to burn through cash for a period more than anticipated leading to a dangerously low cashflow position. Company E, on the other hand, mentions that whilst there is an additional overhead, the business is working with more lucrative opportunities, and thus it does balance each other, implying the benefits of Servitization in the longer term albeit its disadvantages. Company D does mention two further emerging themes. The first is dependency, which means that they become dependent on the customer and their supplier to complete their work before they can start. The second is having to follow a customisable, iterative process as and when the design changes. This can sometimes lead to a positive where once they are designed, the sale becomes more imminent. On the other hand, it also means that if the customer's process or product ceases to exist for any reason, such as funding, that means that all the work they have done has been wasted and thus adding a level of risk and higher losses. However, Company D is a large component manufacturer, and thus this seems to be quite specific to their type of business rather than across the PSS industry.

Sheth and Sharma (2008); Ryals and Rackham (2012); Putkinen (2014) Grandinetti *et al.* (2020) all supported the above findings leading to a complex, extended sales cycle which requires significant customer commitment, increasing cost of sale and ongoing relationship building by the company as identified in Section 2.3.3. This does show that the issues identified in the literature agree with the findings from technology PSS manufacturers, which emphasise the importance and relevance of this research in finding solutions that can contribute to real businesses.

4.4.1 Sales Methods in Handling Servitization Challenges

The above change impacted the sales organisation to find solutions and to change the way they work to thrive in a Servitized world. Company A and Company D both have focused on resellers and channel partner networks that represent the company and its solutions. Resellers and channel partner networks are separate companies that service customers directly by providing a variety of solutions—often used as a method to reach new markets or accounts and used to conduct the installation and support on the ground (Pradi and Noël de Wild, 2016). Resellers do represent a wide range of products, and they do take a profit margin from each sale they make for their efforts (Weber, 2000). Company A mentioned that they now rely on educating the customer at the early stages via their sales process through various meetings and demonstrations until they become a qualified opportunity, and then fulfilling the opportunity through their resellers. Company D, however, relies on resellers to reach newer markets and geographical expansions to assist in reaching new customers. This is due to their approach to focus on Low Volume–Niche High Margin opportunities which require more geographical coverage.

Another interesting impact of Servitization is the drive to focus on relation and account management that both Company A and Company D employ. Company A had an interesting approach by tying their offering with licenses and services over a 1, 3 and 5-year period to maintain the ongoing relationship. This approach ties the customer with the company for a longer period where the solution offered would continuously get updated, and this makes the solution consistently relevant to customers' demands in comparison to one-off sales. Thus, this makes it harder for a competitor to win the customer after several years. Company A's director mentions that as a business will write off its products in 3 to 5 years, losing a deal now does not mean that the opportunity is lost as the customer will relook at the solution after it has been written off. Thus, they need to have this opportunity on their books and to maintain communication. Likewise, tying the services and support to several years allows the business to maintain communication with the customer when it is due for renewal and further build on relation selling. Often the number of yearly licenses mentioned will be tied to when the customer writes off the asset, depending on the industry.

Company A also had an interesting approach to the issues that resulted from Servitization. The Servitization process has led them to develop a run-rate solution product. The run rate product is a product that (a) has an easy setup process that can be fulfilled by a reseller or even the end customer directly, (b) comes out of the box, (c) still holds the characteristic of being a solution that is required in many businesses and (d) has a high demand. The run rate product was assigned to distributors, which takes negligible effort from the company during its sales cycle. The run rate product generates revenue for the company whilst it focuses on the larger consultative Servitized opportunities. Company A added that the run rate product is attracting customers to approach the company in regard to further opportunities that seem to fall in the Servitized solution the company offers. Thus, the run rate product seems to be an effective way to attract larger opportunities whilst maintaining the business cash flow.

This method is a new theme that has not been discovered in the literature previously, which could be an important solution to Servitized businesses. It is, however, a tactical solution from the business's perspective rather than a solution to the sales process. The researcher has questioned the challenges in the sales cycle and the sales team performance specifically, and there have been various challenges.

4.4.2 Impact of Servitization on The Sales Process

The additional responsibilities and challenges encountered by sales due to the Servitization are shown in Figure 4-3. All the cases demonstrated that additional activities are required due to Servitization. The top additional responsibilities/challenges sales must encounter are profiling, density building within the organisation, and maintaining constant communication.

Figure 4-3. Challenges Servitization imposes on Sales.

To understand the impact Servitization had on sales organisations, it is important to understand the additional activities resulting from such an impact. The next section highlights the additional activities sales face, the challenges they face, and the countermeasures sales currently take to address such challenges.

The first effect of Servitization seems to be due to the concept of solution selling. Companies A, B and C expressed that before selling the solution to the customer, the sales now have to sell the concept and its benefit to the customer. The three companies expressed that even if the customer is of a technical background, the Servitized solution impacts the business overall from multiple disciplines rather than one area. Company A further added that they not only have to explain the value of the solution but also—in some cases—they have to educate the customer or part of the management on how to use the solution and how to structure the client's business to benefit from the solution successfully. In one case, the customer did have a solution that they had been using for three years; however, they were not using it correctly. This has led the organisation to provide consultancy to the customer to understand their business goals and to educate them on the best practice of using the system before selling the solution. Company B, on the other hand, has expanded on this and added that in some sectors, the challenge is that they have to deal with a traditional customer or traditional stakeholders that are part of the management that are not “forward thinking” and are not open to trying new methods. The behaviour of such customers/stakeholders is concentrated around legacy purchasing habits and traditional methods of running their businesses. They are used to buying perpetual products (pay once) that do not require a change in how their business operates—which is the opposite of Servitization. As a result, they resist such change. Given that Servitized solutions are different in the nature they are delivered, the company has to educate the customer and attempt to convince them about the benefits of adopting a Servitized solution model. To achieve that, the company must provide a consultancy level similar to Company B. In both cases, a consultancy seems to be required to understand the customer's goals in their own language to educate them on the product values, uses and expected results against their goals. Companies D and E did the consultation; however, they both expressed that this is common practice for their industry, given the nature of their offering.

Company E, however, mentioned that it sometimes has to change the product used within the sale to satisfy the customer. They added that this is done by customising the solution and the way it is presented, so it appears that it is a different product/solution that is more tailored to the customer; however, in practice, the product and solution provided have not changed. This theme has been confirmed by Bradford (2016) in order to maintain the customer’s engagement with relevant relation-building communication.

4.4.3 Longer Consultative Sales Cycle Effects

Company A illustrated that larger projects tend to be considered multi-level sales, and thus profiling becomes a necessity. This is where the salespeople can continue to do their job; however, touchpoints from a senior member of staff are required at a higher level. Company D reaffirmed the need to increase engagement across multiple departments involved in the sale. Company B and C added that profiling does not always have to be based on seniority. They added that due to the complicated sales cycle, several stakeholders from different departments can now oppose the company due to political or business reasons. Company C expressed the situation to be similar to “having too many cooks in the kitchen“ and that the decision is being influenced by other variables away from the primary goal hence adding noise to the deal. Companies, including B, have identified that to counter such an issue, they must do profiling across the organisation and use it to build allies. To build allies in different departments/seniority, they find that they have to tailor the language and the benefit conceived to the different stakeholders/departments that highlight professional gain / departmental gain. The more allies they can build, the better the company have the chance to close the deal. This is defined in the literature as density in Section 2.3.3 (Peterson *et al.*, 2015). Company E agreed with the same; however, they highlighted that the decision makers / senior staff might not be available to meet face-to-face in many cases. Hence, such communication can be sent indirectly to each person with tailored messages.

Companies A, C and E highlighted that, in some cases, the ultimate decision-maker is unreachable. They have to work with the influencers as a decision maker even though they do not have 100% authority to approve the project. This phenomenon has been described in the research as “the man behind the curtain”. Likewise, Company A highlighted that, in some cases, they would not even know who the customer is. Due to the complicated cycle of the sale, in some instances, the end user is known; however, the channel partner to fulfil the sale is not known, or in some cases, the end user’s name is kept confidential. In both cases, the company can lose control of the sale as it depends on how the influencer, or the known party can convey the message and the value to the “man behind the curtain” or the actual customer.

This phenomenon was confirmed in the literature that decision-makers no longer exist in Servitized businesses as one person does not manage the decision-making process (Adamson *et al.*, 2013; Lingqvist *et al.*, 2015). Schmidt *et al.* (2015) have found that it takes an average of 5.4 people in an organisation to sign off on a sale in Servitized businesses. Which complicates the process for the sales team and re-iterates the importance of profiling and building consensus across the organisation as presented in Section2.3 (Schmidt *et al.*, 2015; Bradford, 2016)

4.4.4 Overheads/Iterative Process/Dependencies

The other effects Servitization had, as discussed earlier, is the dependency on other solutions/departments, the additional extra overheads incurred by the company and the customisable iterative process the company have to do during the sales cycle. As described previously, one of the measures taken by organisations is to rely on resellers and channel partners. The challenges faced by organisations that rely on resellers are problems whilst relying on resellers.

Company B explained that relying on a reseller is beneficial as it allows them to cover more geographical regions whilst offloading some of the work onto them. They have experienced that they face issues with many resellers giving up quickly due to the long sales cycle. Thus, the resellers can be excited at the beginning to learn about the product and invest in demo equipment but then get frustrated by the first few setbacks/challenges in the Servitized sales cycle. Company B explained that this is because resellers want to make the most money in the shortest period possible rather than establish a long-term sustainable and profitable engagement. This behaviour causes some resellers to give up on promoting and investing in the solution offered by the manufacturer after a whilst as they explore other solutions that require less effort and quicker gains. Company A added another issue with having to rely on resellers, being unskilled. Company A explained that with the products becoming more complicated, the reseller cannot respond and educate the customer well enough on the product and its solution to effectively address the customer's challenges which is part of the requirement of a Servitized sales cycle. Participant A added that they have to do more of the sale activities themselves than they would like due to that. Adding that a potential solution they have considered is to charge for the services they offer to the resellers, or the reseller gets a lesser profit margin out of the deal.

The effect of Servitization had a good impact on all companies that have participated in the study, yet it also had a strong impact on the additional responsibilities the sales have to do. These responsibilities have been summarised in Figure 4-4. The extant literature did highlight some of the issues; however, new themes that have appeared from the research that has not been covered in the literature is the need to use resellers as a method to countermeasure the impact of Servitization, and the development of a run rate product. As these are tactical business methods rather than sales improvement methods, they will be covered on a higher level as part of the sales process, but they will not be covered in-depth in this research as they are outside of the scope of the Sales and Marketing process.

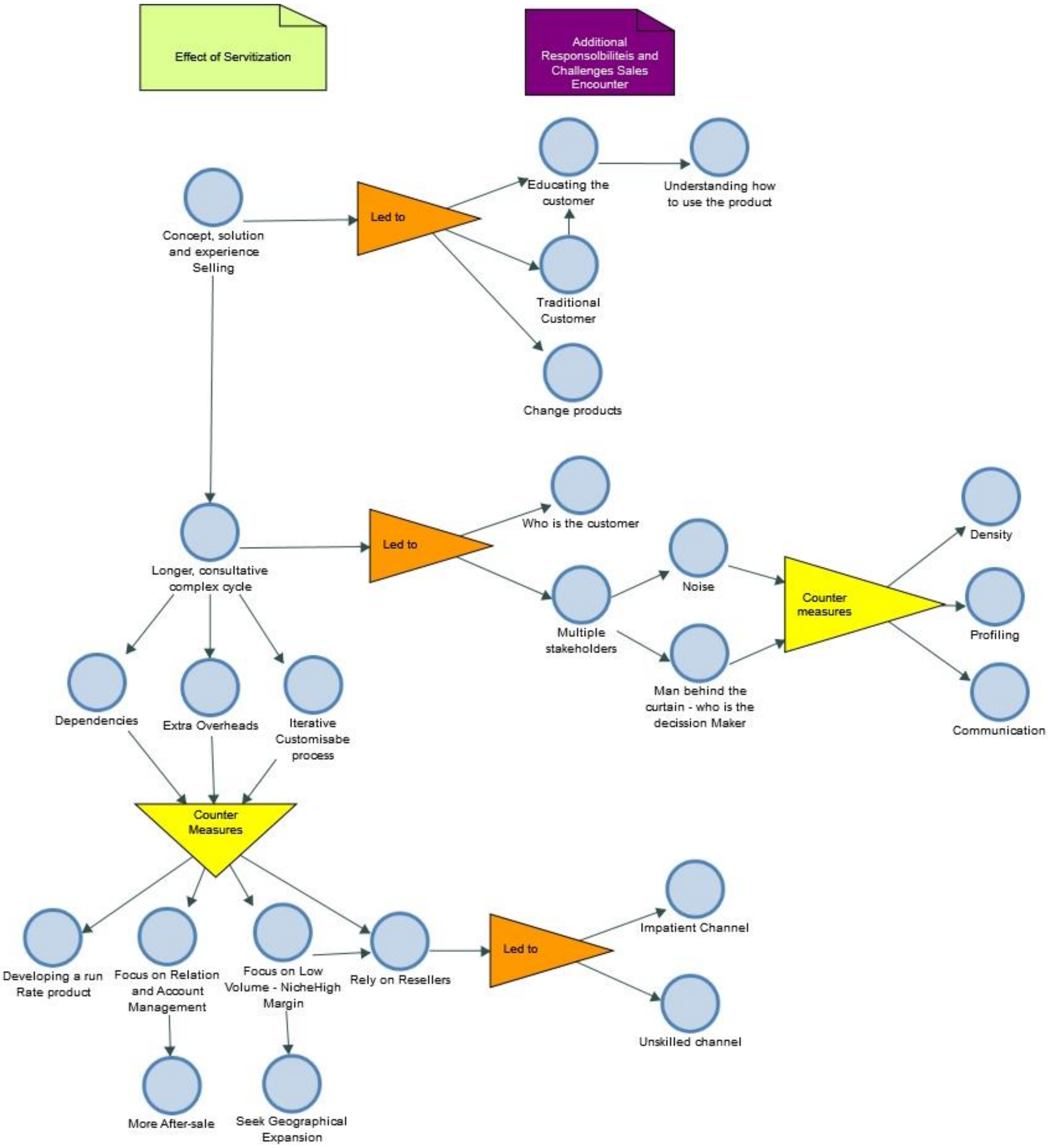

Figure 4-4. Relation between Servitization Impact on businesses, and its implication on challenges faced by sales.

The above activities present challenges for sales; however, it is impossible to have Marketing Automation address them without a clear process for when they happen within the buying journey. In order to identify this, the researcher has asked each company to explain the buying journey of their customers, and what are the triggers, activities conducted by Sales and Marketing, and salient issues identified in each stage. This would allow the research to build a holistic sales funnel covering the different stages and subsequently be able to ask MAE for their input on how they can improve this process.

4.5 Case Study's Existing Sales Cycles

At first, the research will highlight the different sales stages of each case with some explanation. To do that, a full sales funnel has been modelled for each case from the data gathering. Note that the funnel details do take into consideration marketing's involvement, given that in all cases identified, the marketing has been led by sales directors.

4.5.1 Case A Sales Funnel

Case A's participant is a sales company director, and he also heads the marketing department within the organisation. The sales funnel for Company A has been modelled below. Company A starts with the stage suspect—which means anyone the company thinks it can sell to, even if they do not know who the right contact is they need to speak to. Following that, a prospect means that there is an interest from the organisation; however, it is not clear if it can develop. Following that, if a scope has been identified and the prospect has a clearer idea of what they want and when they want it, then it is considered a sales lead which is the third stage. Finally, the decision stage is when there is a need for demonstrations and further serious discussions about the chosen scope. As with all sales funnels, it eventually leads into the closure phase.

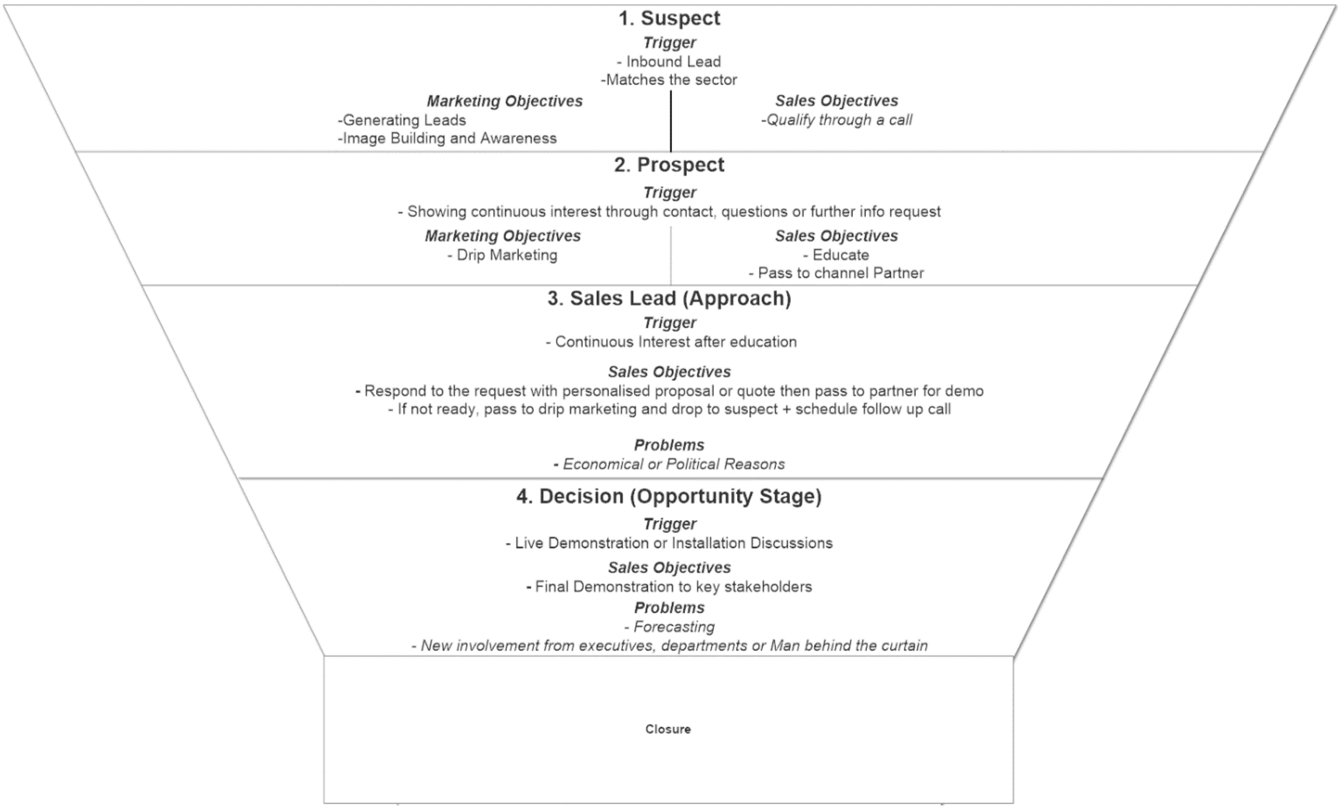

Figure 4-5. Case A Sales funnel.

4.5.2 Case B Sales Funnel

Case B is a technology manufacturer based in Europe that provides Servitized products in the queueing management industry. The sales director added that the solutions are all Servitized since the company started. The company's first stage is Leads, which is every potential customer that matches their typical criteria and sector. At that stage, the company attempts to get in touch to present its solutions, and if the lead does express continuous interest, they move on to the next stage—Education. At that stage, the company continue to assist the customer, educate them and provide a consultative phase. Once a proposal is requested, the potential customer is moved into a new proposal stage. The company clarifies that they try to assist the customer until the request for proposal comes from the customer, which means that they have absorbed the educational material and are now in need of assessing the feasibility of implementing the services provided. The participant added that at this stage, they have a better chance of winning the deal since the idea did come from them and that they have a better understanding of the customer's situation and the individuals within the organisation.

Finally, the last stage is the Decision phase, when the customer requests demonstrations or discusses installation dates.

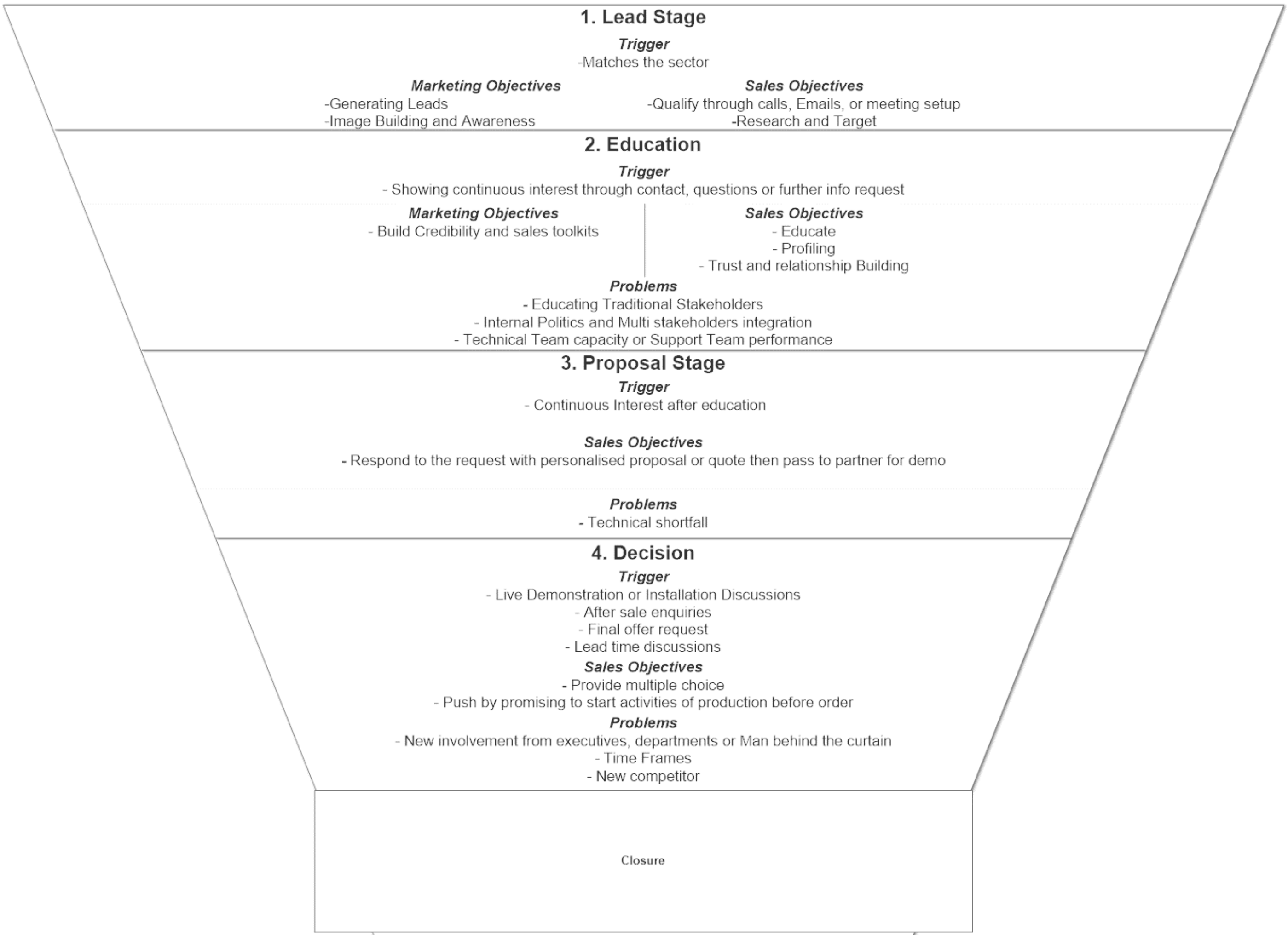

Figure 4-6. Company B Sales funnel.

4.5.3 Case C Sales Funnel

Company C's participant was a sales director responsible for one of the middle east regions; however, the head office of the technology manufacturer is based in the USA. Their process did reflect concise stages on how they represent and follow their sales funnel. Their funnel starts at a Prospect stage—where every potential inbound enquiry or target account is considered a prospect. Even if it is a legitimate enquiry that seems more promising, it stays at this stage until further qualification takes place. The second stage is the Qualified stage, where the company have strategy questions that allow them to ask the potential customer to demonstrate the company's consultative approach, but more importantly, to allow the company to qualify the opportunity if it can be progressed further or not. Part of the objective of the question is to establish a clear direction that the client has a budget, that they are speaking to someone of authority or working with someone who is assigned to do such exercise on behalf of someone of authority, that the potential customer does have a need and that they have a clear time frame. These criteria are also known as BANT (Budget, Authority, Need, Timeframe), which stands for identifying that the potential customer has a budget, has the authority to make a decision, has the need for the solution and has a set timeframe. The participant elaborated that the company do not spend time on the opportunity unless they have established a BANT and their strategy questions. At that stage, unlike other organisations, they move the potential customer to an exploring stage.

The next stage is Educate (Explore). The participant clarified that at this stage is to establish clear success criteria that identify what is it does the customer wants to achieve as a business and their main focus/Need in detail. The criteria form the foundation of how the company educate the customer, analyses potential competitors and presents its solutions. At that point, the company started to demonstrate its products and present case studies and testimonials for other customers that had similar success criteria. The company's objective is to profile the customer and build relations within the organisation at this stage. Following that comes the proposal stage, where the company starts to put a statement of work based on the sales journey that addresses the customer's success criteria. Later comes the Negotiation stage, and that is when the customer agrees to discuss proof of concept/pilot site or how the system will be tailored to the company's designs/requirements or installation dates/further demo requests to senior management. At this stage comes Finance and Procurement. Sales attempt to continue to profile any new stakeholders that may impact the sale at this stage and to address their needs until the sale moves to the closure stage.

Admittedly, it was found that the participant from Company C has built, over time, a clearer and more robust sales cycle that did not have many issues as other sales cycles.

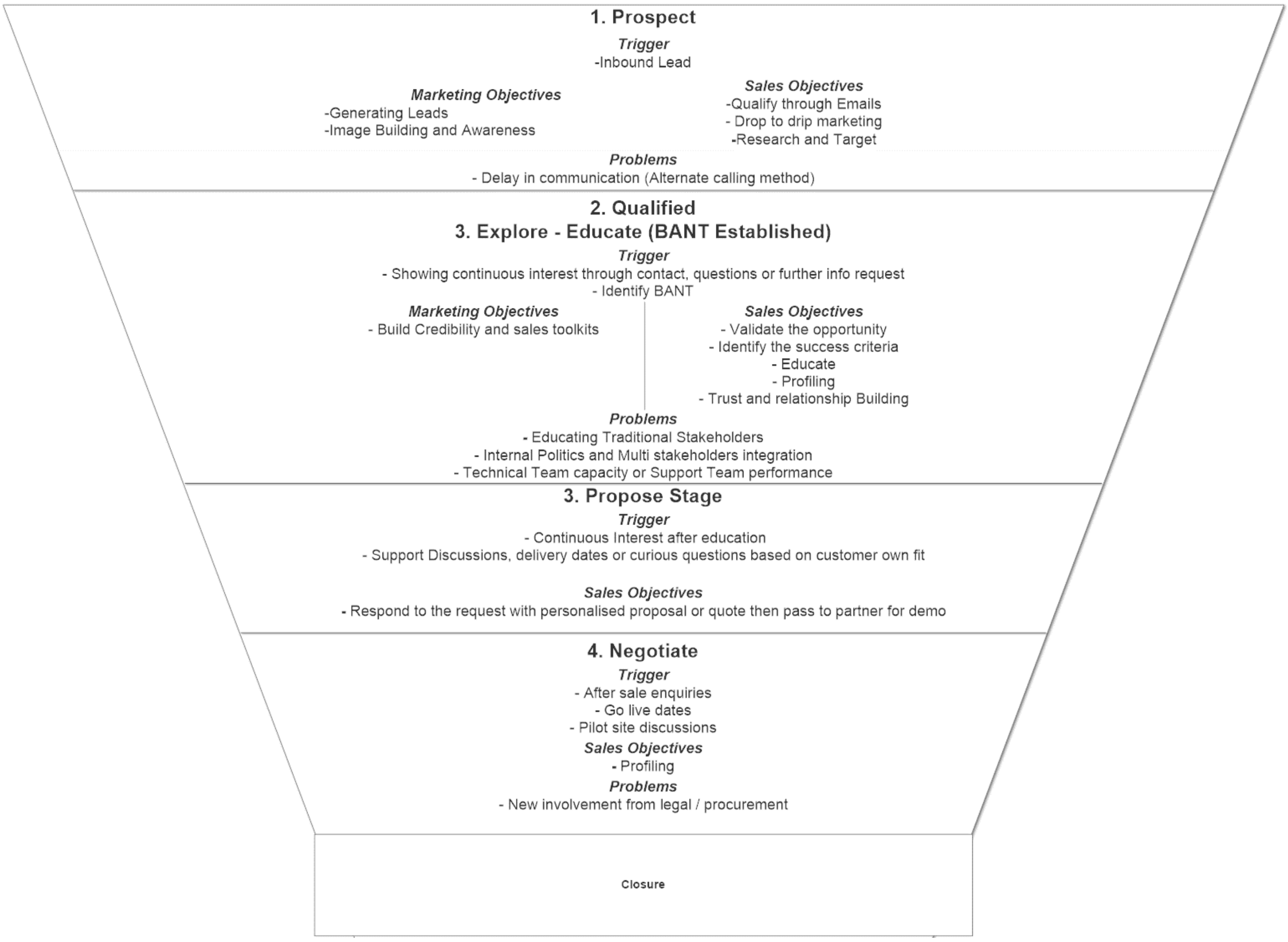

Figure 4-7. Company C Sales funnel.

4.5.4 Case D Sales Funnel

Company D is a larger SME technology manufacturer that did manufacture integrated touch modules within the UK. The participant was the sales director of the organisation, who explained that they had to Servitize the business and focus on a specific type of projects that require high customisations in order to compete in the market despite being a large manufacturer. This meant that their sales cycle also included design and customisation phases. Their sales cycle starts at a Lead Stage—where a lead is an unqualified opportunity that can be an enquiry from a website or a tradeshow discussion (Inbound lead). Following that, the salesperson assesses the enquiry and attempts to qualify the lead. The salesperson's assessment at Company D does not follow a specific set of rules; rather, it is considered a subjective assessment depending on how likely they think the opportunity may lead to a sale. That said, the participant added that some of the enquiries are not suitable for their company because the type of customer does not match their criteria; thus, there seems to be a level of assessment depending on the type of opportunity and the typical persona they have. Once an opportunity has been qualified, it moves to a prospect stage; once discussions continue, a BANT is identified, and it enters a design phase.

The design phase means that the manufacturer is producing a design or pricing a design for the customer. It is important to add that according to Company D's perspective, any deal at this stage has only a low-to-mid probability of ending up in production. Once the salesperson identifies that the company’s design/solution has been approved and that their design will be part of the customer’s project main production (aka been designed in), it moves to a project stage. At that point in time, the opportunity is more likely to end up in production; however, there are no time limits. Following that is a close stage which can mean either the customer gets the order or not for various reasons that will be discussed later on.

Since Company D is considered a larger technology manufacturer compared to other participants, the researcher was interested in finding if there are differences between SME technology manufacturers of different sizes when it comes to Servitization, as this was no differentiation between company sizes in the extant literature. Surprisingly, the sales director expressed similar problems to other participants and had the same needs for Servitization, implying that Servitization has a similar impact and benefits on smaller and larger SMEs. Additionally, the sales stages had similarities to the other participants, with minor differences and a much longer sales cycle. The participant expressed how useful the interview was in going over the sales funnel and described it as therapeutic.

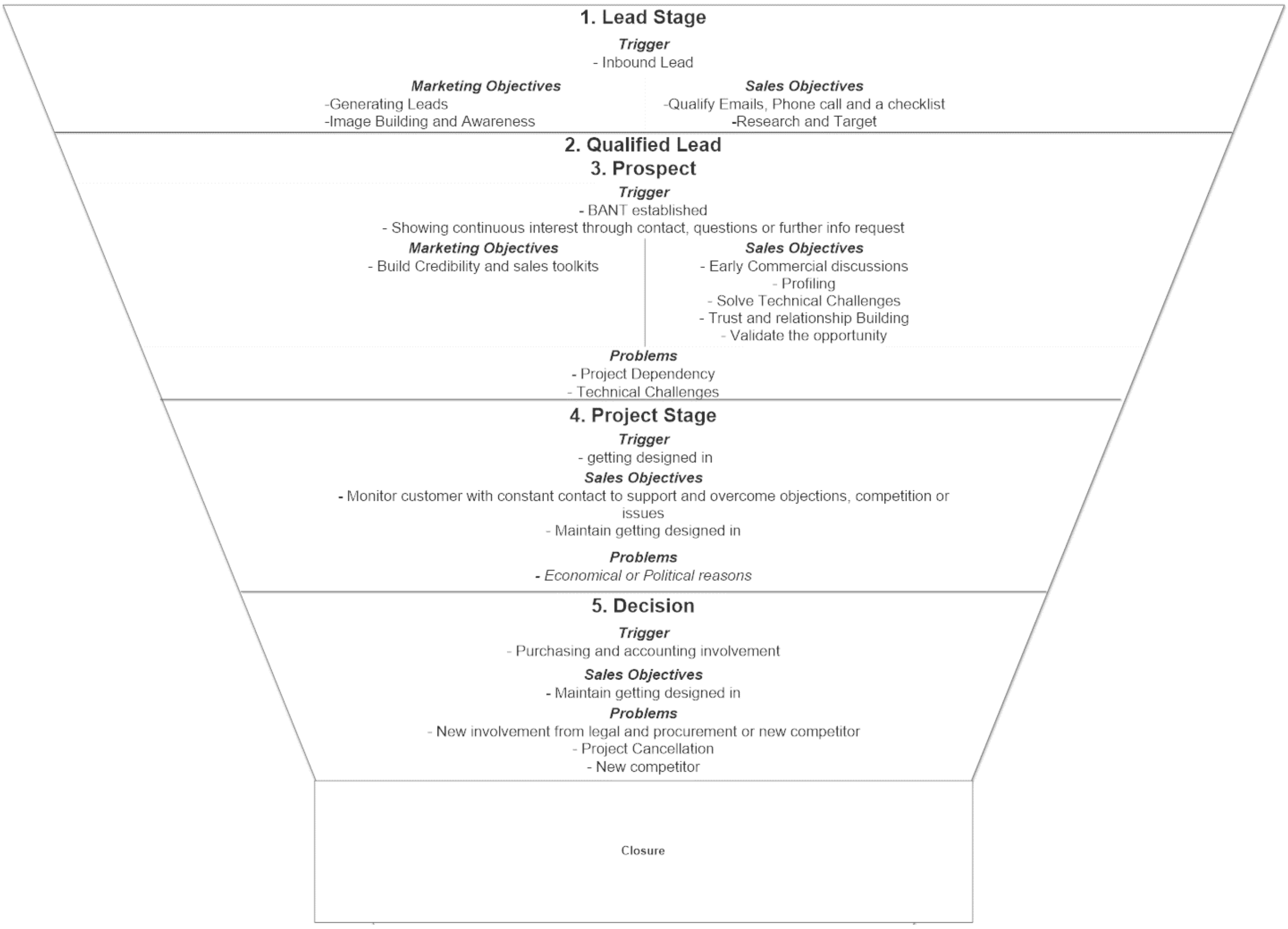

Figure 4-8. Company D Sales funnel.

4.5.5 Case E Sales Funnel

Case E is a sales director for a small technology manufacturer based in the UK. The company identified itself as having a large range of products, yet it had to specify the type of customers it worked with and to be able to switch the products depending on the customer type and needs. Their stages start as a Lead stage, which is anyone within the right sector but not necessarily having a need yet. The company attempts to qualify the lead through a specified checklist and sends them a quote at the early stage to assess their seriousness. If the lead has been qualified, they move onto a Prospect stage, meaning there is an active opportunity. It is important to note that the company's approach is different from others in providing a quote at such an early stage. The salesperson attempts to gauge the customer about the quotation or solution proposed and starts to modify and customise it based on the customer's feedback. Following that, the qualified prospect gets converted into an opportunity once a final solution is proposed. At that stage, discussions about timeframes, delivery, support questions or negotiation of a deal start to happen. The salesperson's objective is to maintain communication and maintain the customer's satisfaction with the solution provided whilst pushing to close the deal. Once the customer request lives demonstrations or starts the installation discussions, the deal is moved into a decision phase where closing negotiations start. Following that, the deal moves into closure.

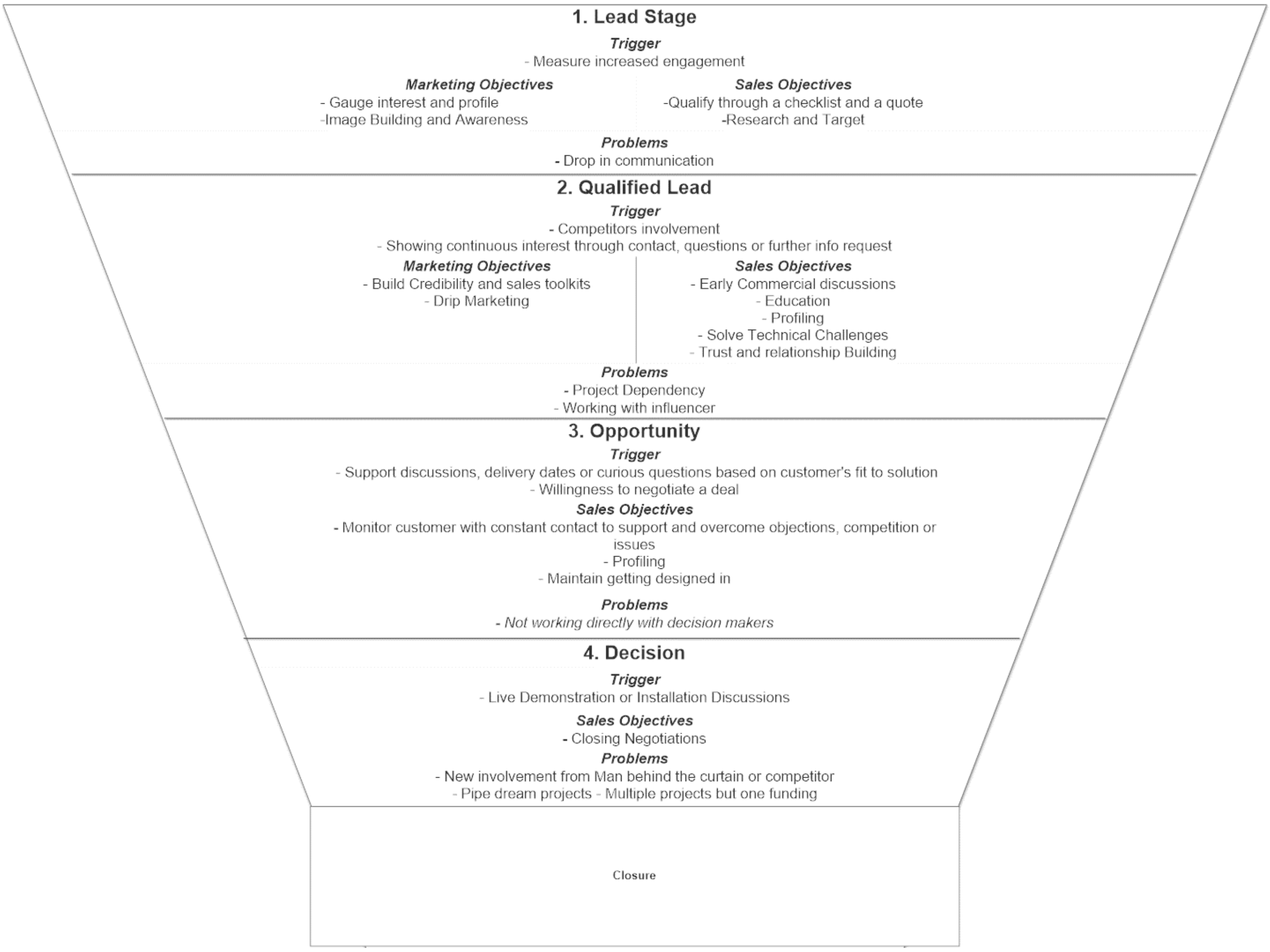

Figure 4-9. Company E Sales funnel.

Company E's approach differs from the others in that an early rough solution is provided to the customer at an early stage as means of qualifying them. Following that, the solution evolves and gets adapted if the customer continues the discussions. The reason given behind that is to filter out the qualified from the non-qualified leads.

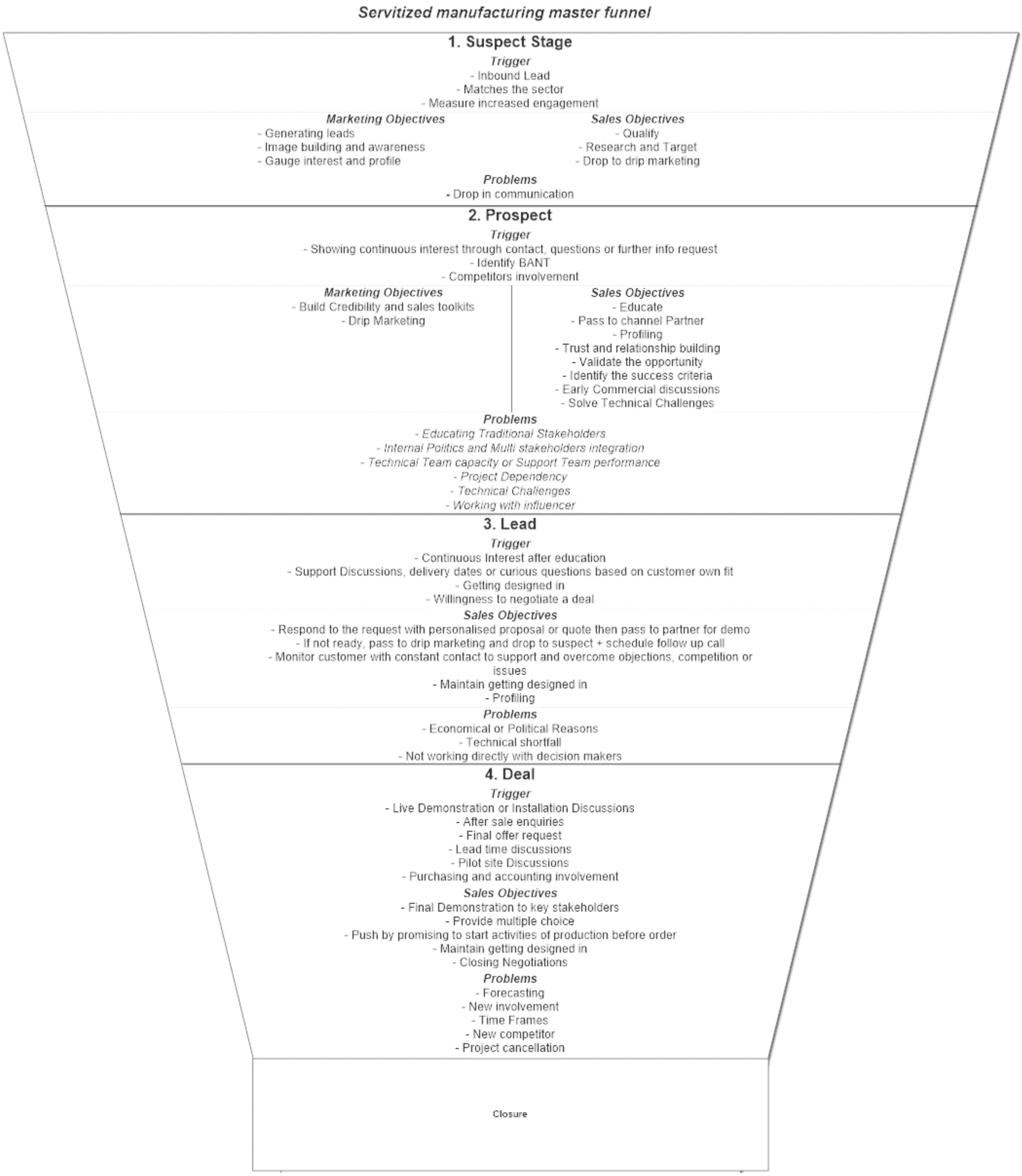

Figure 4-10. PSS businesses traditional Sales funnel.

4.6 Re-Evaluation for the Sales Funnel Stages

Upon a closer look, each one of those phases has the same characteristics as the phases described by Mustakallio (2016, p. 32). Such phases correlate with the historical sales phases raised by Grossberg (2015) that fall under sales responsibility: consideration, intent, evaluation and purchase. This confirms that PSS businesses do rely on a traditional sales cycle where sales are responsible for most of the funnel, whilst the marketing role is minimal.

The researcher has identified that whilst each participant had a different name for how they categorise their stages, they could be categorised into four distinctive phases (as shown in Figure 4-10). These phases correlate with the sales phases identified by D'Haen and Van den Poel (2013) in his sales funnel, which is split into Suspects, Prospects, Leads and Deals (as represented in Figure 2-5). For the purpose of this research, each phase will be discussed as a whole, regardless of the precise naming given by each case. The findings will clearly differentiate and highlight the triggers, sales objectives, and marketing objectives and highlight problems at each of those specific phases, if any. To do so, a holistic sales funnel that has considered all the previous company's input has been created in Figure 4-10. This does not mean that the research assumes that each PSS business implements the full set of activities described in each sales funnel. It is, however, used as collective activities and objectives conducted by PSS businesses to address the different cases and identify potential themes.

In the upcoming section, each stage of the funnel will be analysed across all five companies. MAE presented each stage separately, and their input was collected and analysed to identify how Marketing automation can optimise the different stages and solve common problems that sales have identified.

4.6.1 Phase 1: Suspects

Table 4-2 summarises the triggers, objectives and problems identified at this stage across all the case studies. A suspect stage is triggered once an inbound enquiry has been generated via a digital channel. Company A, C and D. Company C highlighted that many of their leads come from marketing-generated channels. Company A added that they do not consider an enquiry as a suspect unless they match their target sector. Company B focused on salespeople to set the sectors they would like to sell to, and following that, the salesperson would research companies within the sector and target them. Company E had a different approach where they would consider the contact a suspect if they witnessed high engagement across different channels.

Both marketing and sale have objectives at this stage—where the primary objective of marketing is to generate leads. Company A has expressed that marketing's primary job at this stage is to build up a database of contacts by telemarketing or doing events. Company B expressed that they do the same; however, they do it through sending general emails and creating a digital presence. Company C mentioned that marketing's main driver in generating leads is through video content, followed up with more information such as case studies, adding that this generates hundreds of cold leads with a very high conversion rate. Company D stated that marketing primarily generates new leads through its website content. Company E had a different approach that marketing gauges customers' interest and profiles them digitally, which in return allows them to measure their engagement which is the trigger discussed. Company A and Company E added that it is important to keep a high frequency of contact at this stage in order to build brand awareness and for the sector to recognise the brand as renowned in the industry. Company E added that direct marketing is a channel they use at this stage. Company B did the same; however, the participant added that the communication at this stage is primarily about their expertise as a company rather than general information. Company D used case study materials to explain to the market what they “are not” as means to qualify the suspects and to renown themselves as a specialist expert in the field.

		Case A	Case B	Case C	Case D	Case E
Triggers:	Inbound Lead	X	X	X	X	
	Matches the sector	X	X			
	Measure increased engagement					X
Marketing objectives	Generating leads	Telemarketing and events	Emails and social media	Video content and targeted email follow up	Website content	
	Image building and awareness	X	X	X	X	X
	Gauge interest and profile					X
Sales objective	Qualify	Call	Calls, Emails or Meeting setup	Emails	Emails, Phone call and a checklist	Checklist and a quote
	Research and Target		X	X	X	
	Drop to drip marketing			X		
Problem	Delay in communication (Solution - alternate calling method)			X	X	X

Table 4-2. Sales Suspect stage triggers, objectives, and problems.

Sales objectives at this stage are to qualify the sales. Company A conducts this via a phone call sale. Company B would do so via calls, emails and setting up meetings. Company C would only qualify via email until they are sure that it is an executive that they are in contact with. Company D would do the same, but they would have a checklist to check if the lead is qualified for the regions they cover and type of products they would like, and the potential size of the deal. Same as Company E, Company D will use a checklist to identify if the user matches their requirement. Additionally, they would provide a preliminary quotation to filter out unqualified leads at an early stage. Company B would ask salespeople to research, and approach leads that they see fit for their products. Stating that even if there is no need, they should educate the suspect early so that when there is a need, they are aware of the product's benefits. Company C follows a similar approach, targeting three large accounts and thirty small accounts, so the probability is in their favour with the aim that they would want to convert one small account, to hit the half-year target, whilst the big accounts can take longer till they close.

Company C does the same by setting up four verticals at the beginning of the year, and they ask the sales team to build relations with these customers. They do not target them with a sales target, as, according to them, it is difficult to measure since the sales cycle is quite long at such an early stage; however, they set the targets as actual visit reports to the customer's location and the result of these visits to keep the relation ongoing, until an opportunity arises, which can take more than a year. Company E targets key accounts from large data sets; they would research the accounts and send mass communication to them and await the results. They would do profiling for interested suspects and prepare content for them and emails that resonate with the suspect, such as a previous project they did or recent recognition they have received. Sales in Company E mention that it sounds like a marketing activity, but admittedly it is more of a sales activity. Only company C added that in the case of an unqualified lead, they would drop it to drip marketing campaigns.

Companies C, D and E expressed that one of the biggest issues they face is a drop in communication, and that is due to many factors, including the suspect speaking to another competitor that has a cheaper solution that might not be as effective as theirs or the after-sale support is not good enough. The drop in communication between the suspect and the salesperson at this stage can be because the salesperson does not want to appear as being "very pushy".

Marketing objectives across this stage are limited to generating leads, gauging interest, and building the corporate image. Company A has focused on telemarketing and physically inviting end users to meet in person. Moriarty and Swartz (1989) did mention that telemarketing is quite a costly method, yet it generates results. Although this study is not recent, Company A confirmed that this is a successful way to generate business, thus confirming its validity. Another interesting term Company A has used is: "It's just from our point of view, we need to keep hammering them", confirming the need to maintain communication (Ryals and Rackham, 2012). Company D's approach to marketing was simply that the website allows customers to fill in their information. It was evident that there was not enough activity from marketing; thus, the sales did the majority of the work in generating the leads. Similarly, Company E did not mention marketing's involvement in the leads. It was evident from both companies the reluctancy from marketing to generating qualified leads, which was highlighted in the literature as an issue in PSS businesses that move to Servitization (Sabnis *et al.*, 2013; Putkinen, 2014; Grandinetti *et al.*, 2020). Company B's approach to generating leads was via marketing, sending emails and social media posts. It confirmed that customers often would hear that they have seen their emails or read about their Facebook posts and request to speak to a salesperson. Company C confirmed that they follow the same concept for emails, including case studies and video posts; however, they do show a request for the customer's contact information to see the assets mentioned in this email. The salesperson would then take this as a lead and speak to the customer. It is interesting that none of the companies that highlighted the use of emails did mention behavioural tracking and nurturing, which is a key element in Marketing Automation which resonates with the literature that Servitized PSS businesses are still following traditional sales funnels (Putkinen, 2014; Schmidt *et al.*, 2015).

The other objective of marketing identified is image building and awareness. Company A mentioned that drip marketing is required to maintain brand awareness. Company B agreed that it is required to do so to remind customers that they are experts in this sector with a long history and experience. Company D also mentioned the importance of marketing to convey such a message, and their method to do so is via articles, whitepapers, and case studies. Likewise, for Company E—whilst for them the goal of marketing is to create awareness not only for the company but also all the products they do in the background. This method matches the literature where the industrial sales funnel produces campaigns for brand awareness to generate leads and express their interest, adding that this method often generates interest after the customer has identified the solution they are after, which is too late in the sales cycle in Servitized organisations (Tiago and Veríssimo, 2014; Schmidt *et al.*, 2015).

Company E added that gauge interest and profile of the customer is also important at this stage, expanding that understanding of where the lead is coming from and which webpages they have opened—allows them to understand the type of solution the customer is after.

MAE have been presented at this stage, and a discussion has been carried out to identify how to improve it. By starting to look at the problems identified above as a starting point, MAE have mentioned that Marketing Automation needs to save the salespeople's time and maintain background communication. This is required to avoid radio silence as sales can be working on other prospects. Additionally, background communication sent by marketing can help nurture the lead until they move to the prospect stage. Adding that some suspects will not respond to the communication by sales, and it is marketing's job to continue nurturing them until they start engaging with sales, and this leaves the suspect with a positive user experience about the company.

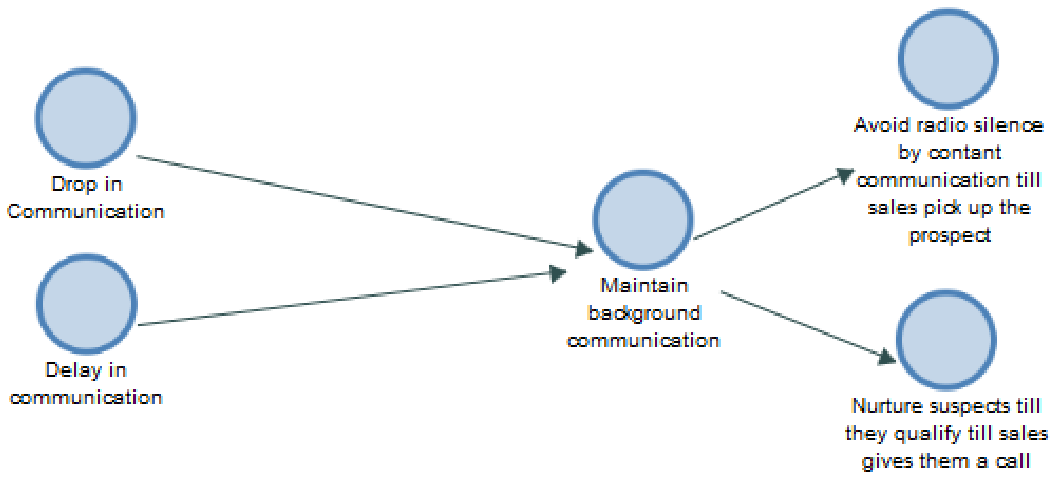

Figure 4-11. Marketing Automation solution to problems identified by sales in the Suspect stage.

MAE also mentioned that at this stage, 80% of the activities should be carried out by marketing, whilst sales should carry out only 20%; they have added key activities in this stage to generate relevant leads. To do that, there are activities that need to be conducted first. The first is related to sales—for sales to define the sector and customer profile for marketing, clarifying that they need to know who the ideal customer is and where they come from. This would allow MAE to enter a process called—optimise lead gathering criteria—which is an evolving criterion that gets updated regularly based on feedback from sales on the quality of prospects generated. Within this activity, MAE would identify the key messages required based on the persona(s) of the customer, the trail where they come from and where they exist (digitally and physically), identify the channels they come from. They would also look at the historical sales to trace the suspect's persona and digital footprint. More importantly, who was identified as a potential customer in historical sales and has not been converted to a sale and at which stage of the funnel? They would also get regular feedback from sales once they start to generate leads to improve this generation criteria. Once this has been identified, MAE would set what they call traps for ideal customers, which is various digital and physical communication to different channels for such customers to express their interest. Such activities are spread over pay-per-click campaigns, press releases, trade publications, email marketing, and online material that captures the suspect's details. These are not fixed sets of communication but rather a set of flows for various lengths of time on each suspect over different communication channels. During this stage, this workflow measures each suspect's interaction—to ensure that they have been by drip feeding them different information within the different flows set whilst measuring their engagement and touchpoint, including asset downloads and visits to specific pages, repeat visits or phone calls. MAE mentioned that wherever there is an engagement, they will measure it. This method resonates with the literature, where implementing multiple-channel communication via marketing resources has increased customer leads by 20% and customer growth by a further 10% in less time (Lingqvist *et al.*, 2015).

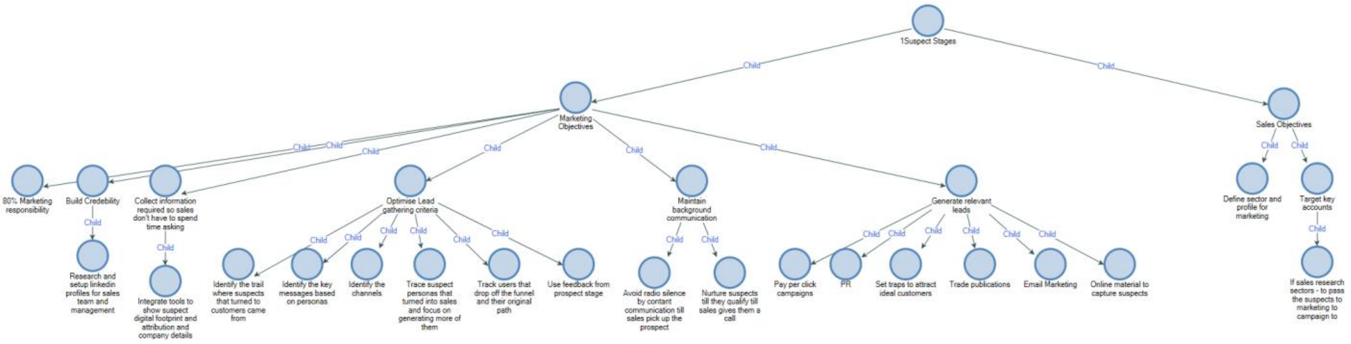

Figure 4-12. Stage 1 activities from the Marketing Automation perspective.

MAE trigger a move of the suspect to the next stage, meaning that the suspect has confirmed interest by getting in touch or has shown high engagement with the communication generated. Adding that this does not mean that it would go to sales, MAE will keep track of the suspect and continue background communication in the subsequent stages even if sales have engaged with them to ensure the suspect does not drop off. MAE added that they would use systems and tools they have to show the digital footprint of this suspect, and also do profiling for their organisations and shows possible additional contacts and organisational information that is helpful for Sales. MAE said that their goal here is to save the sales time to focus on the important deals. Whilst doing that, MAE also said that they work to increase credibility by taking over the sales and management team’s digital presence, setting it up for them, and pushing regular communication through them as a channel. Sales here can have another objective: research high-value key accounts they want to target or may have met at an event and feed the contact’s information to marketing to campaign and nurture them. Resonating with the literature, Kaur *et al.* (2015); Schmidt *et al.* (2015) did mention that such activities allow for multiple touchpoints that can nurture customers and build stronger density in accounts which, in a complex sales cycle, gives sales the time to focus on other activities where their input is more is needed until a critical behaviour is triggered.

Taking MAE input into account and reflecting upon the sales stages mentioned above, the updated suspect stage in this sales cycle has been summarised in Figure 4-13.

1. Suspect Stage

Trigger
- Inbound Lead
- Matches the sector
- Measure increased engagement

Marketing Objectives	***Sales Objectives***
- Build credibility - Generate Relevant leads - Maintain communication in the background - Optimise lead gathering criteria from sales - Nurture Leads until qualified	- Feedback to marketing leads quality - Define sector and profile of customers - Target key accounts and feed them to Marketing Team to nurture

Results
- Qualified leads through continuous improvement via sales feedback
- Continuous communication with Suspects until nurtured and then till sales take over

Figure 4-13. Improved Suspect Stage.

4.6.2 Stage 2: Prospects

Stage 2 has been named by the researcher as the prospect stage as a common name that fits all companies. Table 4-3 summarises the triggers, objectives and problems identified at this stage across all case studies. A suspect is moved to a prospect at this stage after it has hit a specific trigger. All companies agreed that one of the triggers is that the suspect shows continuous interest and requests further information. Company C and Company D have an additional condition called BANT, which stands for Budget, Authority, Need, and Timeframe. Company C will only pass the suspect to this stage if they can identify full BANT. This is different from Company’s B strategy, where they will progress anyone that expresses the need to learn more—even if they are not decision makers to educate them. Company D required only fewer BANT qualifications. Whilst Company E, however, follows a different perspective, that they would only progress the suspect once they see competitors getting involved as this shows that the customer is investing time into the process—thus showing positive signs of commitment to buy. It is very apparent that each company has a different view in terms of how they progress the suspect. Some are happy to invest time to educate the prospect, which ultimately falls onto the salesperson to do. Others have slightly less stringent criteria, vs others that have stringent criteria. Company C said, “I do not take the next step investing my time at the prospect if I can discover a full BANT”, highlighting the reason behind this is their precious time.

		Case A	Case B	Case C	Case D	Case E
Triggers:	Showing continuous interest through contact, questions or further info request	X	X	X	X	X
	Identify BANT			X	X	
	Competitors involvement					X
Marketing objectives	Drip Marketing	X				X
	Build Credibility and sales toolkits		X	X	X	X
Sales objective	Educate	X	X	X		X
	Pass to channel Partner	X				
	Profiling		X	X	X	X
	Trust and relationship building		X	X	X	X
	Validate the opportunity			X	X	
	Identify the success criteria			X		
	Early Commercial discussions				X	X
	Solve Technical Challenges				X	X
Problem	- Educating Traditional Stakeholders		X	X		
	- Internal Politics and Multi stakeholders' integration		X	X		
	- Technical Team capacity or Support Team performance		X	X		
	- Project Dependency				X	X
	- Technical Challenges				X	
	Working with influencer					X

Table 4-3. Sales Prospect stage triggers, objectives, and problems.

Sales objectives at this stage are to educate the prospect on the solution. Company A expressed that this education process is key, as a Servitized solution is often about the benefits and pitfalls the Company have learnt through the different verticals. Moreover, Company C stressed that "you have to bring in your experience of the vertical market" and "you can't give the same demo to somebody who's got a supermarket as somebody who's got a university". So, passing such information to the prospect gives the prospect confidence in the company's experience and to tailor the information depending on the prospect's vertical. Company B agreed with this concept stating that "you have to shine as an expert in this sector" and "if you are able to increase that need, you can shorten the cycle". Company C added that they find it important to tailor the information depending on whom is the stakeholder involved in the education stage. Company E added that there is a lot more consultancy, time spent, meetings and phone calls at this stage. However, this is clearing the path for them to make the right decision. It was clear across all companies how important the education stage is yet how time-consuming this process is, which was confirmed in the literature (Sheth and Sharma, 2008; Ryals and Rackham, 2012; Putkinen, 2014; Kamalakar, 2021). Trust and relationship building was another theme that came across this stage, where Companies B, C, D and E agreed to be important. Company B has explained that the education stage must come across as the company is a customer-supporting arm. Company E expressed the importance of building relationships and trust, yet the challenge in doing so whilst keeping communication to a minimum is based on the timeline of the project.

Profiling was a theme that has also been expressed by Companies B, C, D and E. They clarified the need to get the foot in the door and identify more stakeholders in the business that are influential to the decision process. Company D expressed that it is a gradual process during process. Company D also expressed the importance for the salesperson to engage technical people to deal directly with the prospect's technical team to showcase the quality of their team. This allows the salesperson to broaden their relationship with another stakeholder to avoid one point contact to one point of contact. This was confirmed by the extant literature, whilst there was a significant emphasis on the importance of this trust being built across the various layers of the organisation (Ryals and Rackham, 2012; Peterson *et al.*, 2015; Shannon Cummins *et al.*, 2016; Favoretto *et al.*, 2022).

Company A added that for indirect sales, they would pass the prospect to the channel partner to follow up on, and this makes it difficult to build relations with the customer and makes the dependency on the channel partner.

Another activity concluded at this stage by Companies C and D is to validate the opportunity early. This is achieved by sharing design documents, case studies, and preliminary pricing to gauge whether the prospect is continuously showing interest or has any objections. This process allows them to qualify for the opportunity quickly and identify if there are other competitors, and check the solution fit for the prospect. During those stages, it allows the company to identify any technical challenges that need resolving at such an early stage and allows for early commercial discussions to take place. Bradford (2016) did mention that sales automation tools give salespeople visibility to assess and qualify leads; however, in the cases inspected in PSS business, it is the case, albeit it is a manual process without the aid of any tools.

There are several problems arise at this stage. Educating traditional stakeholders was expressed by both Companies B and C. Company B explained that the problem happens when they are dealing with stakeholders that are not forward-thinking and resist change. Given the change, the Servitization model has on how the solutions are sold, this often-present challenges with such stakeholders. Company C expressed that it is a social challenge as the stakeholder might be coming from a different department and background, which does not understand the benefits the Servitized solution has on the organisation as a whole. Internal politics and multi-stakeholders are other issues faced by Company B, and C. Company C explained that a Servitized solution integrates multiple stakeholders, and each has its own goals, and thus there are often clashes on which objective the solution would resolve.

Project Dependency is another problem faced by Company D and E. Complaining that the dependency of the project on other external factors and gauging the opportunity without constant communication can lead to the opportunity drifting away.

Technical challenges and technical team capacity or support team performance were two issues expressed by Company D and Company B. Company B explained that sometimes they must slow down Sales and Marketing, as technical challenges and supporting such projects can take a lot of time from the technical team. If the technical team does not perform, this can lead to less trust by the customer and thus risk potentially losing old and new customers. They added that it could be damaging when you are too fast with sales if there is no technical backup to assist the sale.

Finally, working with influencers was a theme expressed by Company E, that the company may only be working with a junior contact that conveys the information to the decision maker, thus making it difficult to educate, build trust and sell.

The marketing role in this stage was around building credibility and a sales toolkit. Company B added that showing case studies and projects will increase credibility. Company C admitted that the help of marketing collateral, such as case studies drives 80% of the sales process at this stage. Company E expressed that "marketing is good to send stuff in the background that's not about the project". The term drip marketing is also used across Companies A and E. Company A explained that the prospect may buy from us in two years; thus, getting an email every three months from marketing can help maintain brand awareness. Company E expressed that bulk sending emails on behalf of the sales team—where they look like they are personalised, but they are sent by marketing to 1000s of emails can be time saving. The use of email marketing mentioned by Companies A and E can be clearly recognised as nothing more than a traditional digital marketing approach, lacking clear and targeted messaging for each suspect (Peterson *et al.*, 2015).

MAE have presented the challenges and activities conducted in the different sales organisations. Although there seems to be a crossover between sales views on marketing's responsibilities at this stage, MAE have added significant input to resolve the challenges presented in the sales cycle. Figure 4-14 presents the issues highlighted by the sales organisations and how MAE attempt to resolve them via different activities.

MAE expressed that it is important for Marketing to be involved at this stage and that it is still primarily a heavily supported stage by marketing rather than a just sale. Regarding Internal politics and multi-stakeholder integration, MAE recommended feeding testimonials to prospects at this stage through Marketing Automation systems. Adding a sequence of guides of how customers in similar industries use the product/service can be quite beneficial through email, downloadable PDFs, and testimonials quotes—

stressing the importance of the relevance of the case study and the industry of the prospect to build trust. MAE also advised that each offering has a typical objection list and that building an objection and doubt toolkit for the product and service is a requirement at this stage via the feedback sales provide. Such objection and doubt toolkits are then created as part of eBooks and webinar series that get the prospect to further engage with the organisation. The same assets generated can be used to educate traditional stakeholders by having them in an offline-ready format that can be sent to the prospects or provided to the sales team to use during their meetings. MAE added that as part of their profiling activity, they take a quantitative approach looking at historical data and understanding their job titles and what type of material, comments, and content that they engaged with to optimise such materials. Adding that often for traditional stakeholders, video case studies can be prepared since they are more visual and can be easily absorbed, where a comment was made, “seeing is believing”.

Project dependency was another challenge faced by the sales; often, projects take time and require the salesperson to have continuous engagement in order not to lose the opportunity. MAE have highlighted that maintaining background communication, as highlighted in the previous stage, is key and that this ensures the prospect always remembers the organisation. Adding that specific automated follow-ups can be set up on a prospect to invite the customer for a catch-up call or ask for a general update. Additionally, to help sales save time, MAE can set up merge mails for different stages and scenarios—an automated email sequence that the salesperson can trigger, which will automatically personalise each email sent by the salesperson. Adding that it is not always possible to give attention to every single account, and thus these automated yet personalised targeted sequences per account allow sales to focus on opportunities that are closer to deal stages whilst maintaining communication with prospects. MAE added that as part of the communication, they also implement lead scoring strategies and measure each prospect's engagement to such activities, to alert sales with potential prospects that might be showing increasing engagement. Allowing sales to focus on prospects that show an increased engagement which often means the prospect is back again to explore the solution at this point in time. This tactic resonates well with the literature, which highlighted that this creates a relationship with the prospect and the organisation, and depending on the prospect's digital behaviour, marketing can measure whether they have reached a qualified sales Lead stage where a sales team are required to implement further actions (Lingqvist *et al.*, 2015; Peterson *et al.*, 2015; Mustakallio, 2016).

MAE also added that their role is not only limited to marketing and sales but that they have an important contribution to supporting technical teams in different ways. Whilst this research focuses mainly on MAE activities within the sales cycle, it will touch on the input provided in relation to this area. MAE mentioned that many of their activities with the technical team are designed to reduce the load on the technical team but also to ensure customers and prospects benefit from the technical team's input in automated ways. MAE mentioned that they would gather from the technical team the frequently asked questions (FAQ) and frequent challenges that clients encounter, which will then be regularly updated in different formats. They would create videos that showcase how the solution addresses such technical challenges and questions asked by the customer, as well as evergreen webinars and content that can be used to nurture leads and prospects, which includes different parts of the solution or a full demo for different sectors. The prospect and other team members in their organisations can then see this content multiple times without the salesperson dragging the technical team into multiple meetings, leaving the technical team time to get involved where they are most needed. MAE said that such content is heavily used to convert more prospects within the funnel. The concept of evergreen content is an interesting theme discovered in this research, which was not discovered during the literature stage.

A final challenge highlighted at this stage is when sales are working with influencers rather than the decision-makers. MAE have mentioned that a key element is creating material to sell. It is worth mentioning that it is common for sales to work with another contact who relays the information to the decision maker. In this case, MAE would normally prepare the quotation and the proposals in a format that is designed to self-sell the solution and the company to whoever reads them rather than depending solely on what the sales manager says in a meeting. Furthermore, they can create targeted ad campaigns that indirectly present the brand to decision-makers consistently. However, this is dependent on the organisation size as it may not be possible to target a specific category of users in very large organisations. This strategy was discussed in the literature; however, it was mainly used to re-target suspects at an earlier stage rather than a specific campaign to reach decision-makers in an existing company (Krishna, 2016).

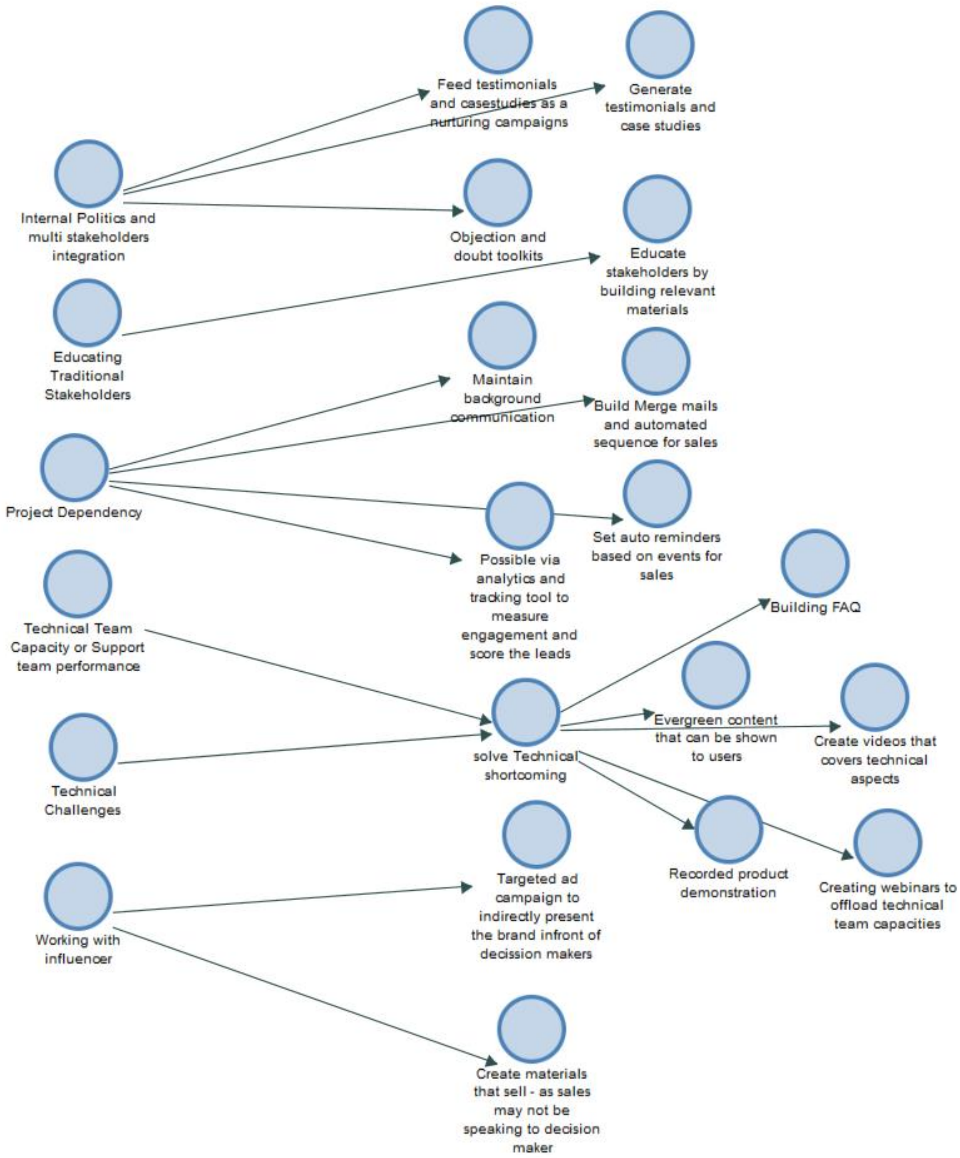

Figure 4-14. Marketing Automation solution to problems identified by sales in the Prospect stage.

To consider all the above, MAE were asked what the marketing and sales activities at this stage need to be to benefit from the solutions identified above. At this stage, it was identified that marketing activities could be summarised in seven key areas that have been illustrated in Figure 4-15. These areas are:

- To solve the technical shortcomings that are often identified at this stage, as described in the previous section.
- Identify credibility gaps via a quantitative approach by looking at the CRM and by listening to the sales team's feedback. Moreover, to fill those gaps, via generating

testimonials, case studies and a variety of content types that can be used online and offline by both Sales and Marketing campaigns.

- Analyse the CRM to help in profiling the different contacts involved in the purchasing process, which are the deals that have been won and lost, to give feedback on this information to sales and use it internally for the nurturing process across the funnel.
- Segment prospects for high touch points and low touch points for sales. MAE mentioned that large accounts generally bring 80% of the revenue whilst they could make only 20% of the company accounts. This means that such accounts require more involvement from sales, whilst lower-value accounts should be automated as much as possible. Building automated email sequences for low touch point accounts by marketing where sales get involved only when there are responses that require their involvement whilst segmenting high touch point accounts with more involvement from sales.
- Create Assistive campaigns, which educate stakeholders by building relevant materials, feed testimonials and case studies as nurturing campaigns. At the same time, ensure that intelligent communication is planned via the Marketing Automation system so such communication is not sent out close to when a salesperson has logged an activity onto the customer.
- The assistive toolkit, which includes objection and doubt toolkits discussed earlier, and the build partner pack, which is material that sales to new partners for indirect sales channels can distribute.

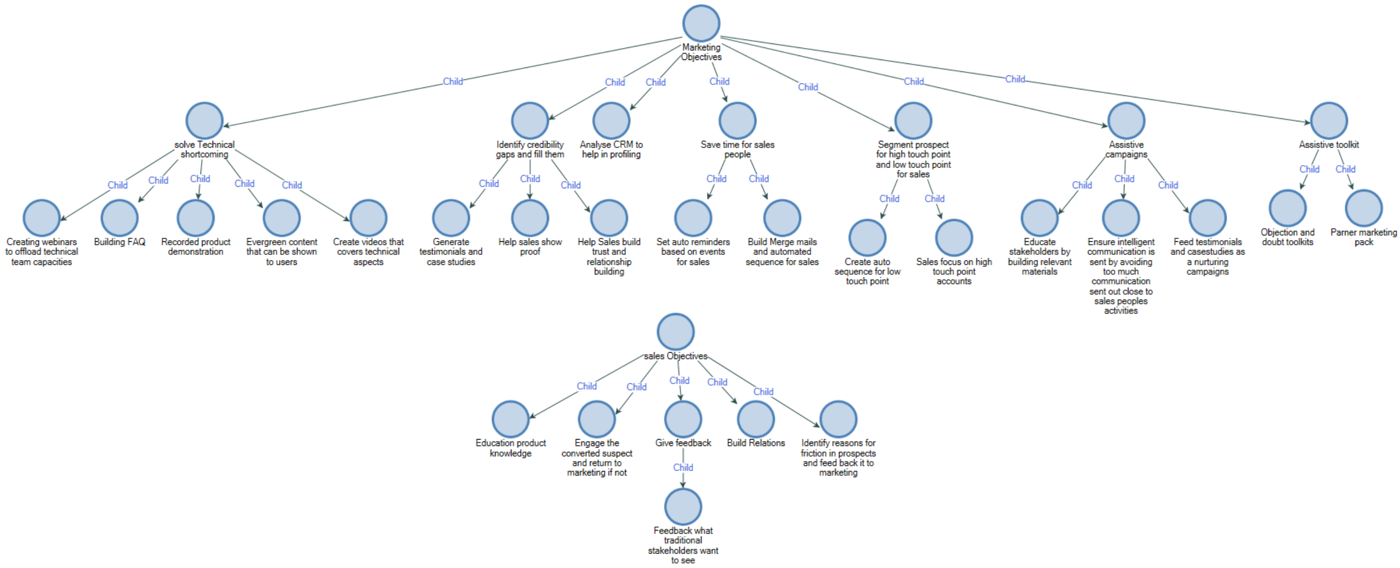

Figure 4-15. Stage 2 activities from the Marketing Automation perspective.

MAE have described the purposes of Sales objectives in this stage:

- Product knowledge education via the material and assets created by marketing whilst only getting the technical team involved when they are needed. MAE explained that education is also an intimate process, thus communicating the benefits of the product via voice and speaking to the customer can have a good impact on the prospect in comparison to only automated methods which suggests that they clearly identify that they are supporting sales teams and acknowledging their importance in the cycle as identified in the literature (Lingqvist *et al.*, 2015).
- Engage the converted suspects to qualify them until they either convert to a sales-qualified lead, or if the sales feel that either prospect is not ready yet, or not qualified, to return them to marketing and provide feedback—where marketing can assess whether the suspect needs further nurturing at a suspect stage, or that they may need to update their qualification criteria.
- Build trust and relationships and, depending on the prospect's potential, sales to meet them in person. It is important that sales build a relationship with high touch points with high potential prospects at this stage and solve their needs.

- The other two activities that have been stressed are to provide feedback to marketing. Feedback on the quality of the prospect, feedback on the friction points that the prospect might be asking or objecting about regularly, and feedback on what traditional stakeholders want to see.

From the above, it was found that MAE’s main goal is to build a relationship with customers, and it admits that this needs to be conducted by sales. It was evident that they deploy tools and tactics that focus on staying in touch with prospects, nurturing them whilst still depending on sales to provide the personal touch. However, this is done in a manner that protects the salespeople's time and only gets them involved with specific prospects when needed whilst supporting the salesperson and getting their feedback to automate and optimise marketing touch points and conversion strategies. A shared activity can clearly be identified during the analysis of both MAE and sales interviews at this stage, which is to build trust and credibility with the customer. This suggests that there is consensus on the goals and a clear understanding of the objectives at such a stage.

Following the analysis of both MAE’s input and existing sales funnel, a summary of what the suspect stage will look like is presented in Figure 4-16.

Figure 4-16. Improved Prospect stage.

4.6.3 Stage 3: Lead

Table 4-4 summarises the triggers, objectives and problems identified at this stage across all the case studies. Company A and Company B expressed that one of the main triggers to identify a sales lead is to see the customer identify what they want after the education phase. This is done by requesting a proposal, advice on the best approach based on the lead's own requirement or requesting advice on how the lead would change the way they work to benefit from the solution provided. They summarised that it is all based on the customer saying, “I want”.

Company D mentioned that their trigger is getting designed by means of the lead planning their future process based on the company’s solution. They mentioned that getting designed in would mean that the customer has made a commitment to the solution and that they are likely to win the business at some point down the line.

Company C and Company E explained that a good trigger is a leader wanting to discuss details on the support level or to see a demo of the solution running based on the lead's business requirements. Additionally, Company E added that discussion of the delivery date and asked questions on what they would need to prepare internally for the solution to be set up; they argued that the increased level of curiosity about how the solution looks like when it is live at a lead’s own site is a positive sign. Company E added that the lead’s willingness to negotiate a deal and discuss prices is an additional trigger they look out for.

Companies A, B and C expressed that one of the main objectives is to respond to the lead with a personalised proposal/quote or pass the lead to an indirect channel partner should that be their model. Company B mentioned that part of the trust building is to provide a personalised and tailored proposal to show the company's commitment despite the time and effort it takes. It is also about building long-term relationships, thus recommending a smaller solution if the lead does not have the budget and explaining that it can be upgraded as the lead grows as a method to build trust and make it less about sales and more about the relationship. Company C mentioned a formal quote with a statement that is tailored specifically for the lead that explains what the solution will deliver and how it will be delivered in the lead’s specific case. All companies have expressed that at this stage onward, marketing has no objectives and that all sales led apart from Company A, which has mentioned that if the lead is not ready, they will pass it to drip marketing. However, this means passing it to a previous stage rather than marketing doing any activities at this stage.

Company D's sales activities are intended to maintain communication with the customer on different levels. Arguing that a lot of work will need to be done at this stage from different departments, and thus maintaining communication and handling objections at different levels is important to maintain getting designed in and not to be forgotten about and replaced. Company E agreed on the same, highlighting that ensuring they tick all the boxes via constant contact and handling any objections once the quote moves between heads of departments and other influencers. They also argued that there are many leads at this stage and that it is important to focus on the ones that have the most relevant qualifications.

This has shown the importance of working with the lead on multiple levels, and it is evident that all companies have expressed that profiling is one of the important activities at this stage in order to handle objections and push the solution for adoption. This resonates with the literature where Lingqvist *et al.* (2015) highlighted that sales historically relied on one-to-one relationships, whereas in Servitized organisations, it is more about building consensus between buying groups. Additionally, it is evident that marketing has no objective in this stage, which was confirmed in the literature arguing that its critical to increase density with multiple stakeholders in the complex sales cycle whilst capitalising on multiple touch points from marketing—leaving sales to perform the activities that they are needed the most in (Kaur *et al.*, 2015; Schmidt *et al.*, 2015).

In relation to problems, the economic and political reason was raised by Company A and Company D. Explaining that deals that face such issues are quite difficult to manage as they involve either large delays or full cancellation. Adding that the biggest threat to such deals is the longer sales cycle, as decision-makers change, as well as economic and political circumstances. Company B mentioned that technical shortfall where a lead had seen another solution and wanted the lead's solution to work in the same way. Their solution to resolve that is to explain how the solution works and explain why it is not advisable to do so to convince the lead. Company E added that the other problem is not working directly with decision-makers, which makes the sale difficult to manage. Tiago and Veríssimo (2014) argue that one of the reasons that this is the case as the lead has not been marketed early enough and that the industrial sales cycle where marketing is to generate interest often means that the customer has already been identified late in their own decision cycle. The researchers add that it is more likely that the lead has been working with another company that has educated them enough that now they are looking at similar companies to quote for the project.

		Case A	Case B	Case C	Case D	Case E
Triggers:	Continuous Interest after education	X	X			
	Support Discussions, delivery dates or curious questions based on customer own fit			X		X
	Getting designed in				X	
	Willingness to negotiate a deal					X
Marketing objectives						
Sales objective	Respond to the request with personalised proposal or quote then pass to partner for demo	X	X	X		
	If not ready, pass to drip marketing and drop to suspect + schedule follow up call	X				
	Monitor customer with constant contact to support and overcome objections, competition or issues				X	X
	Maintain getting designed in				X	X
	Profiling	X	X	X	X	X
Problems	Economic or Political Reasons	X			X	
	Technical shortfall		X			
	Not working directly with decision makers					X

Table 4-4. Sales Lead stage triggers, objectives, and problems.

MAE elaborated that some of their activities attempt to resolve some of the highlighted problems. Highlighting that not working directly with decision makers is common and can often lead to the information presented by sales being lost. MAE take the same approach that interests suspects at the earlier stages. By identifying what the leads want to see at this stage, they would produce materials such as a library of different proposal templates and quotation templates targeted for specific solutions, sectors or customer persona. Sales can use such materials, so they can sell the company's benefits and solutions in visual and creative ways that can also handle potential objections raised behind closed doors. Thus, when the proposal and quote go to the decision maker without the salesperson being involved, they would have a better chance that the materials would do the sales pitch and convey the company's message. This synthesises well what sales directors mention, which is the importance of personalised proposals, yet MAE's approach is to build a library of proposals that can be personalised quickly by sales which would save them time. MAE added that creating targeted ads can target the decision makers indirectly to present the company to them—and this can influence their decision, albeit MAE highlighted that this is dependent on the company size/demographics as it may not always be possible to do so.

Regarding Technical shortfall, MAE added that solving technical challenges can be addressed in the form of various multimedia resources, which falls under the marketing department's responsibility. This is because marketing must deeply understand the customer's pain points, their profiles, and what they are most interested in via the feedback continuously gathered. Such resources include professionally recorded product demonstrations that have a high conversion, which can be presented to different stakeholders, arranged for live and recorded webinars with different team members, and created videos that address specific implementation problems. These assets are then created in evergreen content that can be presented to different stakeholders on demand with or without the salespeople being present, which is useful when new stakeholders are getting involved—thus saving salespeople time whilst maintaining a high quality of conversion. Likewise, building, maintaining, and recording FAQs for customers and for the salespeople to refer to. All these assets are constantly updated, keeping the content fresh and relevant. MAE highlighted that there is not much they can do to overcome economic and political reasons, and neither did the extant literature.

Such methods mentioned above provide a new insight which has not been discovered in the literature, providing additional practical tactics to help sales during the sales funnel. It is also evident that the role of marketing has a deeper integration between the different departments in the organisation, such as the technical team, to support sales in converting customers.

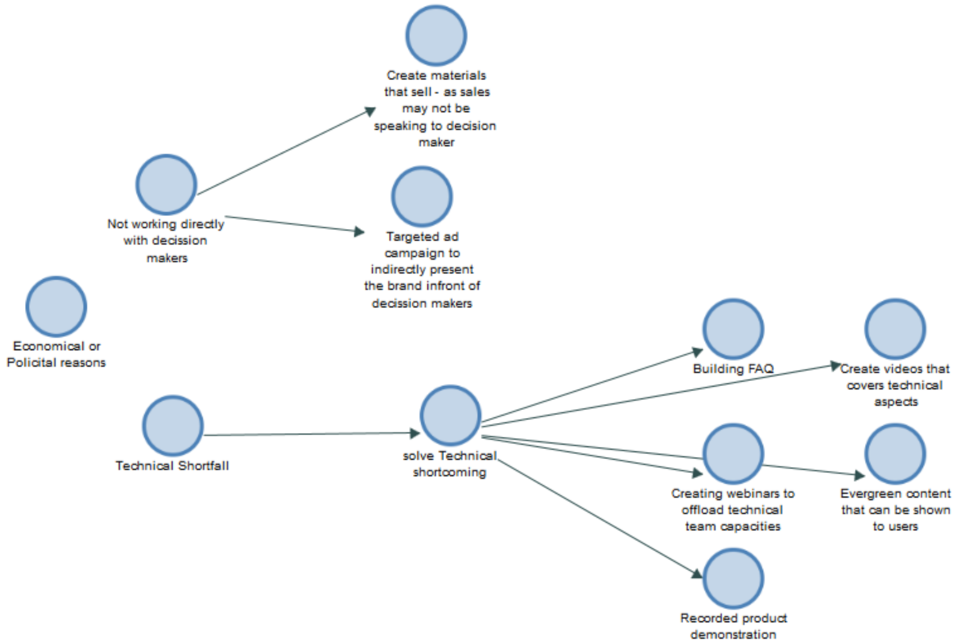

Figure 4-17. Marketing Automation solution to problems identified by sales in the Lead stage.

Summarising the above activities with additional activities MAE would be responsible for at this stage is summarised in Figure 4-18. In Figure 4-18, sales activities at this stage become limited to responding to customer requests for proposals, where the proposal is personalised and tailored for the customer based on the materials generated by marketing. Moreover, this is done to build a long-term relationship with the customer or to pass it to a channel partner if this is the model of the company to build the relation with the customer whilst monitoring the customer using the support tools provided by marketing in customer's engagement to overcome any potential objections that may arise. Finally, using the information identified from marketing tools about the different profiles in such an organisation is useful. Whilst marketing would perform the activities mentioned earlier on, such as preparing the assistive toolkit that sales would use to create a library of the proposal and quotation templates and arrange drip campaigns in the background that measures the lead's engagement. An important theme that was identified at this stage for marketing is their role in building credibility in all their background communication with leads, targeted ad campaigns to influence indirect decision makers and materials they generate, additionally for marketing to make regular presentations to engage the leads in the funnel and keep them warm—where such presentations do not require technical expertise. This allows marketing to read the room through the tools they deploy and the presentations they do—where they can identify wider issues such as lead getting cold by not engaging or potential internal political conflict of which sales may not be aware. The most important theme that has been repeated at each stage is for marketing to gain feedback from the data gathered from the CRM, their tools, and sales. Such feedback includes identifying trends of objections and identifying unqualified leads to stop them from entering the funnel at an early stage whilst focusing the effort on customers that like the company and further progress in the funnel and focus on generating more of those types of leads. When questioned, “wouldn't sales be able to provide this insight for marketing as they have the expertise with the customer”; MAE mentioned an interesting statement—”Like a sniper, sales would look at one company at a time, whereas marketing will do a whole industry or a whole region”—indicating that marketing has higher capability than sales into seeing the wider picture and focusing the company's effort in the right direction. They added that regular meetings between Sales and Marketing to gather such feedback are critical to both gain and providing feedback for such trends. This was reinforced by the literature where Schmidt *et al.* (2015) mentioned that the combined knowledge gained from Sales and Marketing provides insights and triggers which can be applied to other accounts on a larger scale. This gives sales time to focus on other activities until a critical behaviour is triggered, which requires their attention which can be achieved only when multiple touchpoints are created that help nurture leads and strengthen the communication with different stakeholders achieving high density (Kaur *et al.*, 2015).

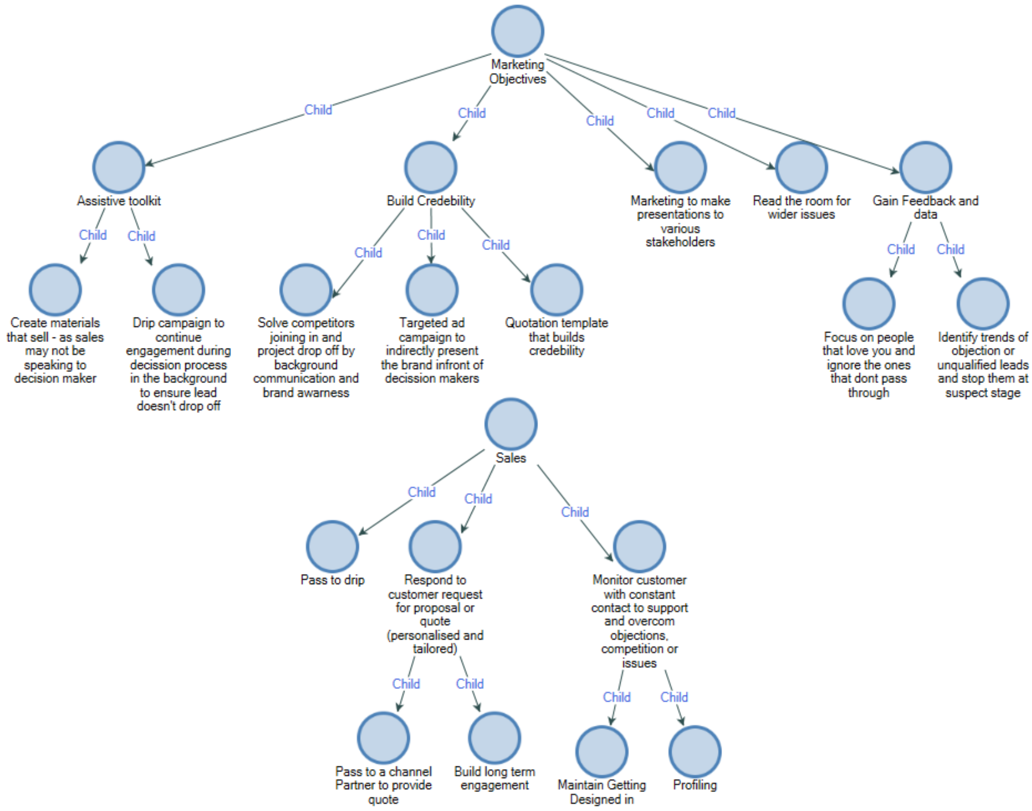

Figure 4-18. Stage 3 activities from the Marketing Automation Experts' perspective.

Summarising the activities of Sales and Marketing for the funnel at this stage is shown in Figure 4-19. In contrast, the results explained from such change is that leads will receive consistent communication via marketing and via sales. Relevant materials are organised for the stakeholders, and higher visibility on warmer leads is established. Synthesising the Lead stage from the MAE perspective in comparison to the Lead stage identified by sales is very different—where in all five sales cases, marketing was not involved at this stage—whereas, from the MAE perspective, marketing is heavily involved at this stage providing sales with tremendous support by resolving the issues they highlighted, and by saving their time and warming up the leads. This was reaffirmed in the literature where Peterson *et al.* (2015) study confirmed that organisations that had higher alignment between marketing and sales have resulted in higher lead conversion rates.

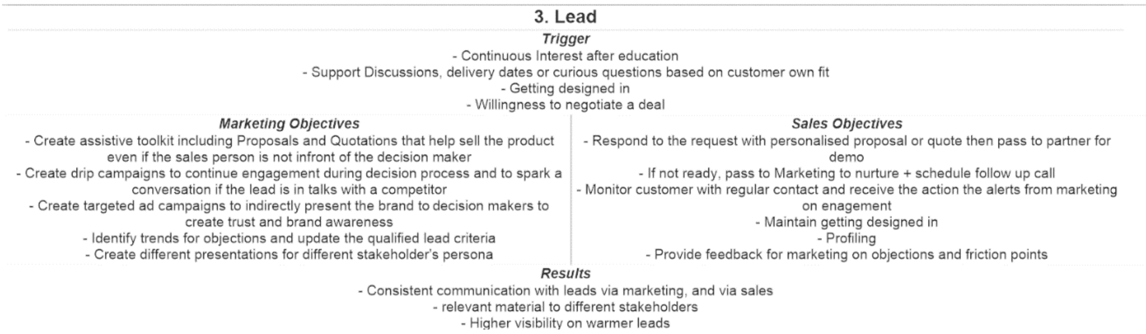

Figure 4-19. Improved Lead stage.

4.6.4 Stage 4: Deal

In this final stage in the sales cycle, there are multiple signs that sales look for to move the lead to a deal. Table 4-5 summarises the triggers, objectives and problems identified at this stage across all the case studies. Companies A, C and E expressed that live demonstration or installation discussions are one, and Companies B and C added detailed after-sale discussions, including replacements and repair timeframes. Company B mentioned that final offer requests and lead time discussions are strong signs. Whilst company C added that pilot site discussions are also a strong sign. Finally, Company D mentioned that the ultimate sign is when purchasing and accounting departments get involved.

Sales objectives at this stage seemed to be more specific for each company, which is fine for this research as they share similar themes regardless of the difference in activities. Company A presents the final demonstration to key stakeholders. Highlighting that if they find out that there are no key stakeholders, they ask the question of who the decision maker is and try to request to present to them directly, which they admitted is not always possible. Company B focuses on providing the customer with multiple options to choose from, arguing that this gives the customer the feeling of control as, in many cases, the customer will review the solutions offered from either multiple vendors or a single vendor if they have multiple options. Company B found that providing multiple options gives the customer a choice and the feeling that they are not forced into a single decision and may not require other vendors to be involved. Company B pushed the deal to closure by promising to start production before receiving the order. Company D's main goal is to maintain getting designed in and waiting for the order without putting much pressure on the customer. Company E does what needs to be done to close the deal, whether price or lead time support.

All companies had the same theme: marketing is not involved at this stage.

Company A admitted that it is difficult to give a definitive answer on what activities are conducted at this stage, and from the other companies, it is clear that each has its own activity. Since this study is about marketing rather than sales processes, the sales activities suggested in the final stage can be used just as a guide, as it would depend on each organisation. The research will, however, focus on the problems faced by sales.

Such problems identified at this stage involve forecasting. Company A said that sales mainly forecast incorrectly based on their own instinct, and that forecast generally changes over time. Timeframes are another issue faced, especially with international deals, where customers need the solution by a specific date. Adding that sudden project cancellation is also another issue they face.

Two of the more prominent issues at this stage are new competitor involvement at a late stage with a low price point, where the company have to go back to the education stage and the benefits of their solution and their after-sale service. The other prominent issue is new internal involvement. Each company had an issue with new involvement, whether it was from legal, executives in other departments, finance or man behind the curtain who were not involved in the project till a later stage. This requires the salesperson to go back to educating the new stakeholders about the solution offered, the company's benefits, and the method it delivered.

		Case A	**Case B**	**Case C**	**Case D**	**Case E**
Triggers:	- Live Demonstration or Installation Discussions	X		X		X
	- After sale enquiries		X	X		
	- Final offer request		X			
	- Lead time discussions		X			

	- Pilot site Discussions			X		
	- Purchasing and accounting involvement				X	
Marketing objectives						
Sales objective	- Final Demonstration to key stakeholders	X				
	- Provide multiple choice		X			
	- Push by promising to start activities of production before order		X			
	- Maintain getting designed in				X	
	Closing Negotiations					X
Problems	- Forecasting	X				
	- New involvement	X	from executives, departments or Man behind the curtain	From legal / procurement	From legal/ procurement	From man behind the curtain
	- Time Frames		X			
	- New competitor		X		X	X
	- Project cancellation				X	X

Table 4-5. Sales Deal stage triggers, objectives, and problems.

Although the sales view is that marketing is not involved at this stage, MAE have elaborated various activities that they would be conducting at this stage can address some of the problems identified earlier on (summarised in Figure 4-20). MAE advised that lead and deal scoring, which has been described earlier in the funnel, continue benefiting sales till the last stage—by identifying hot and cold deals—which can help sales engage with customers once the deal becomes active again. Additionally, whilst it is not related to Marketing Automation, MAE added that deals at this stage are very warm, and marketing can engage with customers to participate in marketing activities such as inviting the customer to attend podcasts or video casts or organising workshops with various stakeholders in the business—which can be fun, educational, and informative. Such activities further allow the customer and the various stakeholders to build trust with the company and demonstrate positive collaboration with various departments and their education, which is something senior management spends time on within organisations of all sizes, as MAE have found. This can provide marketing with a view on timeframes since they are deeply integrated with the customer away from the usual stakeholders that sales deal with.

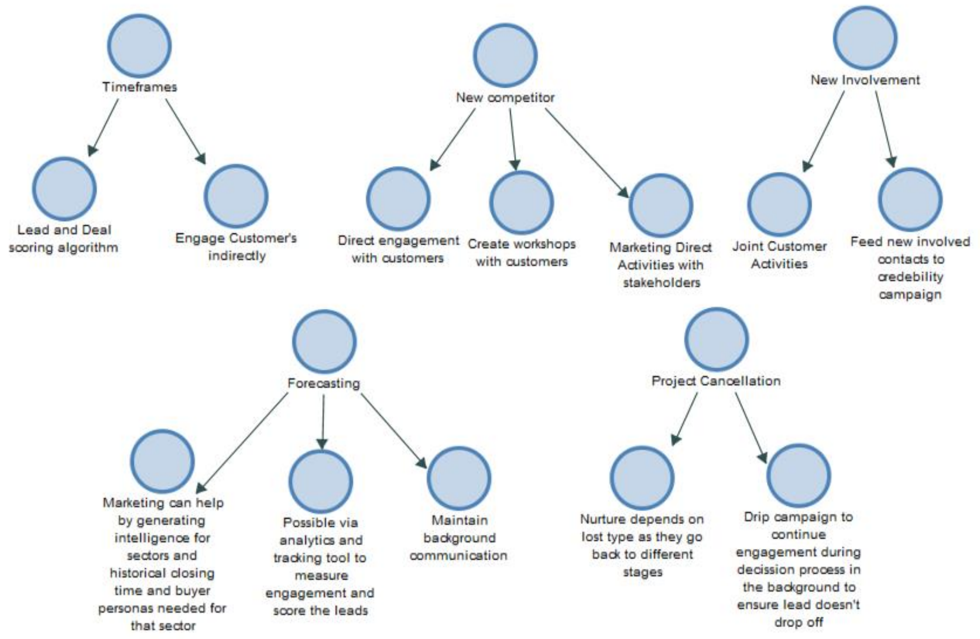

Figure 4-20. Marketing Automation solution to problems identified by sales in deal stage.

Additionally, since the concept of Servitization is about the manufacturer integrating their services with their customer (Clegg *et al.*, 2013), such engagements provide insights for the customer into how such integration would work and provide an edge over the competition. Along with feeding newly involved contacts a credibility campaign, this helps newly involved stakeholders get a good view of the company since they are in collaboration mode. Indeed, such activities allow marketing to identify newly added stakeholders and to add them to credibility campaign automation at the right time.

MAE added that forecasting is a difficult task—arguing that it is not always possible to forecast all deals and that such dates can often change. However, they added that rather than forecasting, it would be more important to focus sales on deals that are likely to close by monitoring customer engagement via analytics and tracking tool. MAE maintain regular communication in the background with all deals via targeted communication—and this provides them with intelligence on the activity of deals along with MAE knowledge of the sector and data they gather from the CRM on the sector and buyer's personas. Arguing that the historical data can provide insight to sales on the behaviour of similar deals/customer's personas, along with high engagement, often means that the customer is actively reviewing the assets provided by the company, which can happen closer to a decision time. This can give sales a perfect opportunity to put their effort in—as they could be closer to a decision stage or comparing solutions with a competitor; thus, it is more important to engage with than an arbitrary forecasted deal. It is an interesting view as Company B's sales director highlighted the same point arguing that forecast and probability are simply a sale's person gut feeling—and they often argue that the sales can be incorrect in their forecast. Additionally, MAE argued that from their experience, forecasts in organisations they worked with often were not met and that perhaps it is time to focus on deals backed by data showing higher engagement. Such background communication by marketing and drip campaigns can also often help sales identify a project that might be getting cancelled or delayed sooner, either via detecting a lack of engagement from the deal or by reminding the customer to email the company about the project when they see the background communication. MAE added that this also allows them to continue to nurture cancelled deals by moving them to a different stage in the funnel to continue background communication with them until they convert again via the same triggers they identified earlier. This approach resonates with the literature where Peterson *et al.* (2015) identified that sales still have the full responsibility for nurturing and closing the sale. However, marketing and Marketing Automation plays an important role in supporting sales in focusing their efforts in the right direction (Järvinen and Taiminen, 2016). The specific strategies and methods identified by MAE here provided a far greater insight into the detailed activities on how they work in the real world, which admittedly was not identified in the literature.

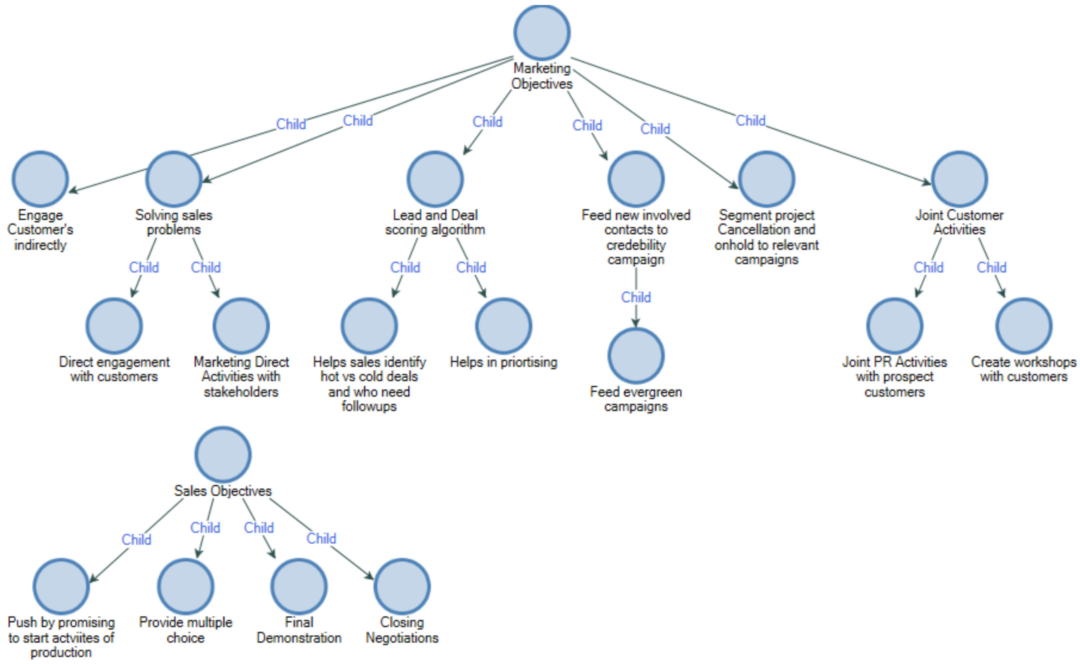

Figure 4-21. Stage 4 activities from Marketing Automation Experts' perspective.

Following the solutions identified, Figure 4-22 was created to summarise the Sales and Marketing objectives at a deal stage. Sales objectives can be summarised by focusing on closing negotiations, providing final demonstrations to customers, providing multiple options for the customer chooses to, and promising to start activities of production as soon as the order is confirmed; these are the same sales goals identified by sales. Each organisation is different, so any additional sales objectives depending on the organisation can be added at this stage. However, MAE do have an important supportive role at this stage, as identified above, such as engaging customers indirectly, providing lead and deal scoring algorithms to help sales prioritise and to identify hot vs cold leads to provide multiple touchpoints, which was also emphasised in the literature (Kaur *et al.*, 2015; Schmidt *et al.*, 2015). To provide a credibility campaign to newly involved contacts, arrange joint activities with the customer such as PR and workshop activities, and segment cancelled or on-hold projects to earlier stages or a relevant campaign. Such activities were described in detail earlier in the previous page. The result of such collaboration, according to MAE, can help sales in their forecast, saves salespeople time by letting them focus on hot deals that need their attention. Furthermore, it creates relation and rapport between the company and the customer, which makes it less likely for competitors to have the same relation, and to identify project cancellations and projects that are on hold to move them across the funnel accordingly. It is believed that such activity can provide a better closure rate and focus in the organisation, which was confirmed in the literature, where Lingqvist *et al.* (2015) argued that in their study of 100 B2B, organisations that stimulate collaboration across the funnel helps win over reluctant buyers with a faster closure rate, and an increase in deals closed.

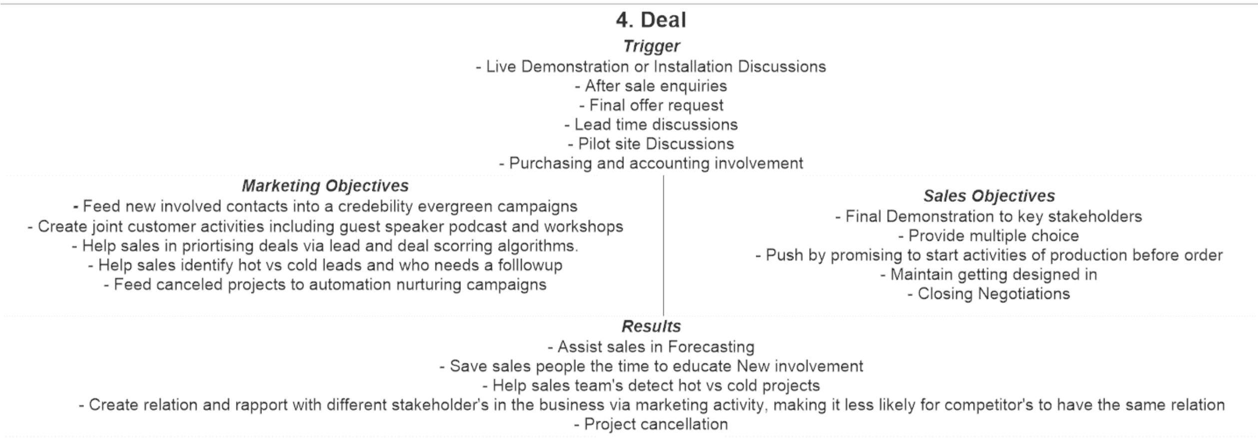

Figure 4-22. Improved deal stage.

4.7 Beyond the Sales Funnel

MAE were asked if there was anything else to add, and it was interesting that all of them mentioned that the funnel had not finished from their perspective, revealing further an additional stage—named the post-sale stage. The goals of this stage are summarised in Figure 4-23 in no particular order. At this stage, MAE argued that this stage is as important as the previous stages, where the goal is to maintain the customer and their lifetime value. Explaining that if the customer is not attended to, they may leave or may not buy again from the company, which the company has worked hard to secure in the first place. Emphasising that their role is as important to retain the customer and to prolong the customer's lifetime value using various tools and techniques. There have been three themes identified in the post-sale stage—the first is the cross-selling funnel, the second is the Account Management Funnel, and finally the Loyalty Funnel. Such funnels have automated campaigns and activities that MAE can set up depending on the company and its solutions.

Within the cross-selling funnel, increasing lifetime value is one of the main goals for marketing at this stage. MAE explained that customers would get specific segmented campaigns as part of a Marketing Automation funnel to promote products and services that are related to the customer, including support plans or potential upgrades to a higher-tiered plan. When MAE detect a trigger from the customer expressing interest in the campaign, they would then go back to the sales funnel as a prospect for that specific offering.

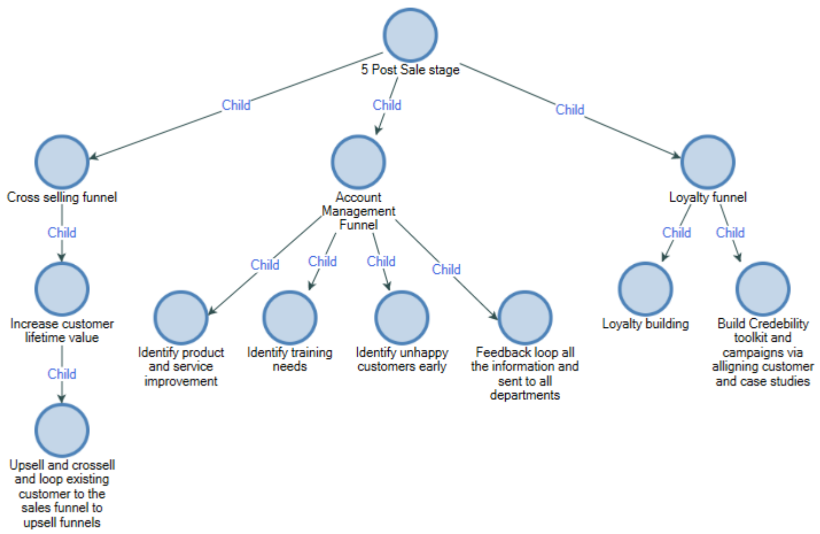

Figure 4-23. Post Sale Stage.

The Account Management Funnel is the other theme; its main goal is to ensure that the customer is happy and can use the solution effectively. MAE explained there are various campaigns for tips and tricks on how to use the solution, launch surveys to identify product and service improvement the customer may have, launch satisfaction surveys to identify the unhappy customer so they can be attended to, identify training needs that customer's need and arrange frequent live demonstrations with the support team, communicate product updates and update the training needs the customer may require as a result of the product updates via different multimedia material including knowledge base, wikis and videos. MAE added that they also have tools to detect customers that may not be logging into the system or did not open a specific feature. They can also segment such customers and attend to their needs, whether it is training or potentially being unhappy about the service. Most importantly, MAE added that communicating the information gathered from the above across the different departments in the company is paramount in allowing the company to improve its offering and solutions and maintain its customers effectively.

The final funnel identified is a Loyalty Funnel—where marketing would use the existing customers to create additional credibility toolkits such as case studies and white papers—promoting the customer via social media and attempting to get them to speak publicly about the company and the solution they are using.

This brings the study to the last set of activities identified by MAE, lost deals and leads (Figure 4-24). MAE added that it is important to profile leads and deals that have been lost to identify the reason and whether they were lost to a competitor or other reasons and why. Depending on the reason, marketing will give feedback on the reasons to the relevant departments and would nurture the lead depending on which stage they may be in. It is worth noting that a customer that went to a competitor would mean that they will be due to renew the solution again in 3 years, so it is important to add them to a specific campaign that will allow the customer to re-engage with the company when the time is right noting that this would reconvert and recycle the deal lost during renewal. Alternatively, if the deal is put on hold due to budget reasons, they would move back to the prospect stage so they can be re-engaged to qualify through the funnel when the time is right whilst getting the relevant communication. Adding reminders for the salespeople is also important to assist marketing to have a human interaction with the prospect at the right time can be helpful. MAE added that it is also important to categorise the lost opportunities, not to annoy the customer with too many communications. Thus, each opportunity that is lost requires communication that suits its timeline.

It can be argued that such activities are standard activities in the industry; however, what is interesting is that MAE elaborated that since they have the full view of the full customer lifecycle, they rely on automation and information gathered about both leads and deals that have been won and lost, they are more primed to monitor these behaviours and to feedback it in order for the organisation to take intelligent decisions where needed. As an example, if a customer is winning business from a specific sector, yet they notice that they do not renew and often cancel, then they would try to identify the reasons behind it and improve the solution or simply avoid generating suspects in such sector/industry. This was covered in the literature where Heimbach *et al.* (2015) argued that the value of Marketing Automation exceeds those of CRMs and marketing activities, including cross- and up-selling as well as retention rate.

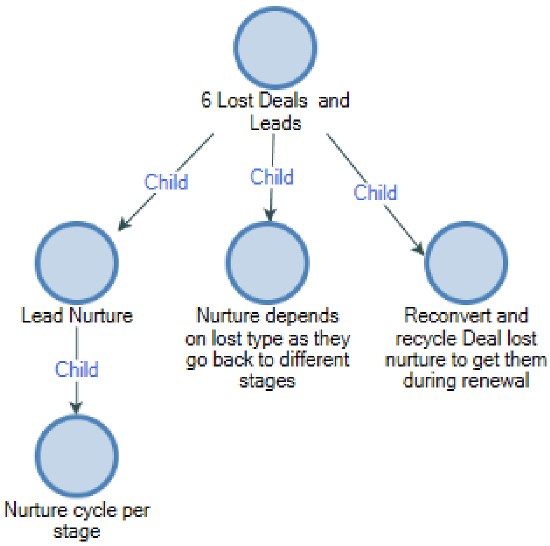

Figure 4-24. Lost leads and deals.

4.8 New Master Funnel Framework

The research has interviewed MAE to gather their views on the proposed Sales funnel and discussed the issues raised by Sales directors in the previous five case studies. The results of the Marketing interview shed new themes and insights on how the funnel can be optimised and how the objectives of Sales and Marketing in each stage of the funnel can change to resolve some of the salient issues identified in the previous case studies. It was evident that Marketing Automation has a large role to play throughout the funnel, whilst in the sales case studies identified, marketing played a small role at the early stage of the funnel to no role at all at the bottom of the funnel.

To present the data, the stages presented across Section 4.6 have been presented in the final funnel framework, showing marketing and sales activities and their view on the funnel (as shown in Figure 4-26). The master Sales and Marketing funnel changes the role of marketing in comparison to the traditional sales funnel implemented by PSS businesses. It is evident that when Marketing Automation is incorporated, there is heavy involvement throughout the different stages of Marketing, whereas, in the traditional sales funnel, marketing involvement was limited and was not involved at the last two stages. Additionally, the concept of the funnel being top to bottom is correct; each customer can have multiple contacts who can live at different stages, such as new stakeholders to the business or another division recently involved in the sales cycle. The sales funnel identified in the literature in Figure 2-11 (Järvinen and Taiminen, 2016) has adopted a top-to-bottom approach with the ability for a deal/lead to move up within the funnel. However, MAE have identified that whilst the organisation could be at an advanced stage within the sales process, a specific department or a newly involved contact could be at an early stage on their own and thus requires the same education stages about the company and the solution that is normally presented earlier in the funnel. This was also highlighted by Åge (2011), where it was identified that in Servitized businesses, the sale could be a spiral process.

In industrial sales funnel marketing does not get involved at the later stages of the cycle (Pradi and Noël de Wild, 2016) to assist in the sales cycle, which is the same as with all the case studies identified. Marketing does not get involved in the industrial funnel because there is no way to differentiate the needs of different contacts within each stage separately. MAE argued earlier in this chapter that marketing can damage sales (a complaint made by sales) due to irrelevant content sent to the customer based on the stage they are at. The new master Sales and Marketing funnel addresses this by including an iterative pass to allow contacts to be fed into a separate Marketing Automation campaign to reach the desired goal for that contact without affecting where the customer is within the main funnel (Figure 4-25 and Figure 4-26).

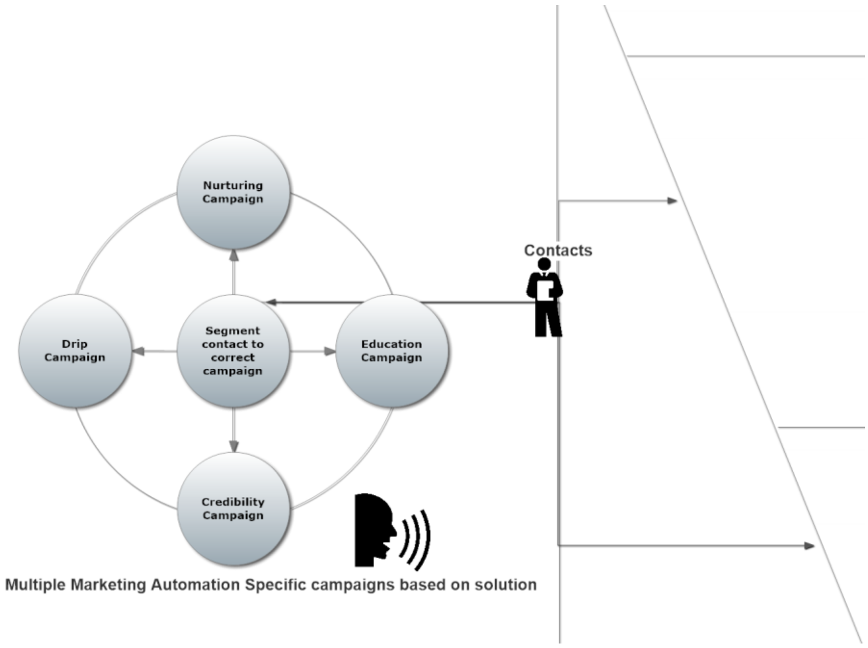

Figure 4-25. Multiple Marketing Automation specific campaigns based on solution.

Such campaigns have been split into Nurture campaigns which promote the benefit of the different solutions the company has to offer; an educational campaign which teaches the contact benefits about a specific solution and how it can deliver value for their business; credibility campaigns which educate the contact about the company and their success in this sector, and finally a drip campaign which are background campaigns to keep the contact engaged with the company during the long sales cycle. All these campaigns allow marketing to measure the engagement of the contacts with the prospective customer. This also allows new contacts identified to be educated and nurtured accordingly to bring them on par with the same stage where the actual sale is at.

Additionally, the sales funnel includes an additional stage at the bottom for sales won and deals lost to be segmented into cross-selling, account management and loyalty funnels. Those two stages of the funnel have not been identified in the extant literature being part of the marketing's responsibility. The design of such funnels is outside the scope of this study and requires further future research.

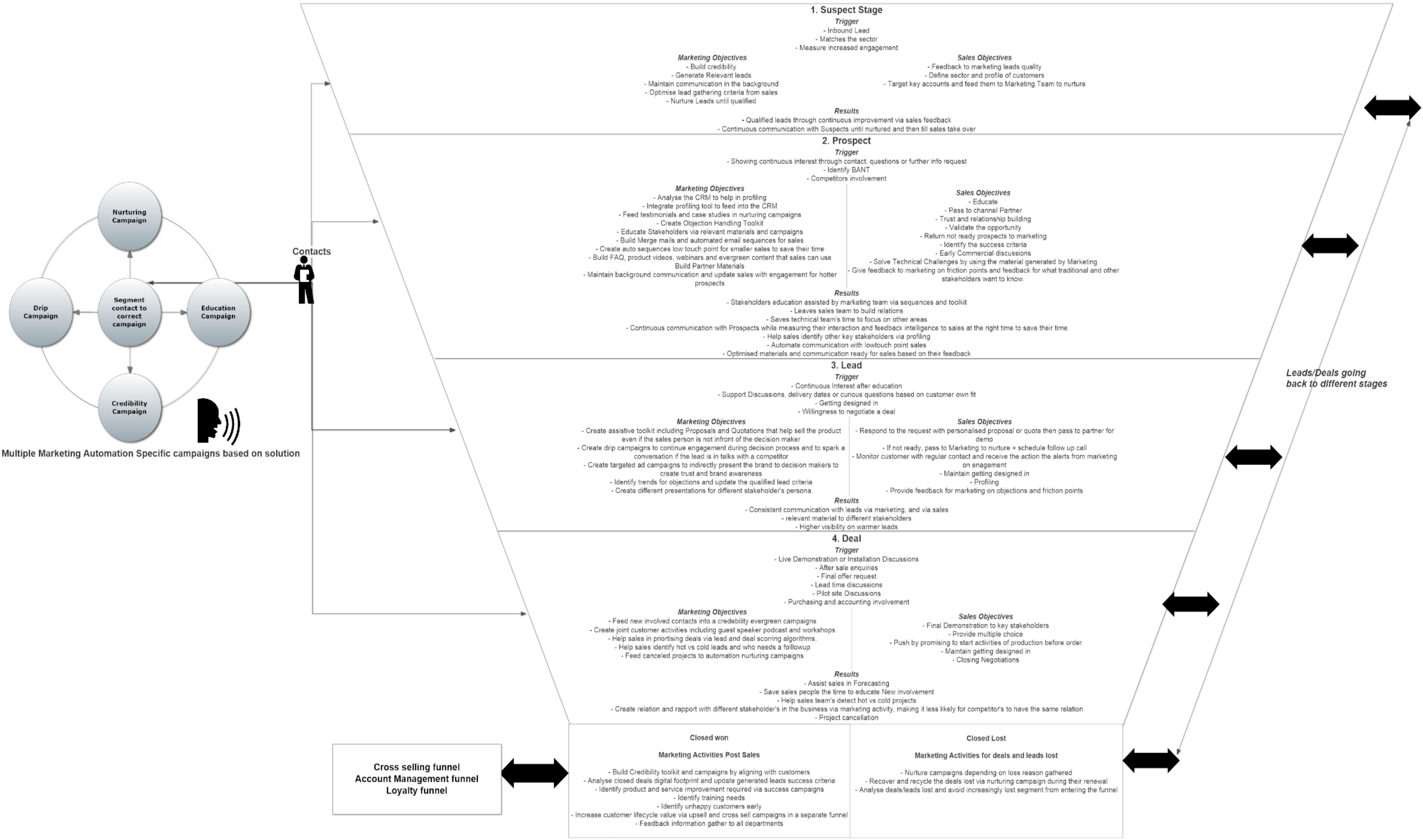

Figure 4-26. New master Sales and Marketing funnel with Marketing Automation.

4.9 The 10 Questions Covered in the Literature and How Marketing Automation Resolves Them

The extant literature has covered 10 additional activities (Table 2-2) that were required to be conducted by sales in Servitized businesses that MAE gave their view on. The first two activities were related to demand generation, where 1. Sales to act as a consultant to build the customer's solutions, and 2. sales profile new and prospective customers. Sheth and Sharma (2008) and Schmidt *et al.* (2015) highlighted that this is because the industrial sales funnel reacts to customers' requests after they have reached the supplier selection phase, which means the salesperson is dealing at a late stage of the buying cycle. According to the results identified in the research, this would mean that the customer has already passed the educational stage by another company and has now reached the lead or deal stage. Within the new funnel (Figure 4-26), this would not be the case until the customer has passed by the education and qualification stage at an early stage. Additionally, marketing will be responsible for profiling and education; thus, sales will only invest their time in highly qualified leads that have passed the education phase.

The other three activities are related to communication and engagement:

3. Sales to maintain regular communication with the customer on a regular basis.
4. Sales to maintain updates about customers' news and changes.
5. Sales to maintain regular changes in products and offerings based on the market to keep the customer engaged.

Within the new sales funnel (Figure 4-26), marketing assists sales with the responsibility of regular communication on a regular basis with automated campaigns that regularly change the product offering to the customer (depending on which stage they are) and inform sales only when higher engagement or a specific trigger has been detected from the customer. Thus, this significantly reduces the activities required by sales leaving sales the time to build and strengthen relationships with stakeholders in companies that are at an advanced stage of the funnel, as suggested by Kaur *et al.* (2015). It resolves the issue in industrial sales funnels, which are only designed to engage customers who have an existing demand, rather than regular communication and nurturing to potential prospects (Lo *et al.*, 2016). Mustakallio (2016) added that current customers require more intelligent, engaging, and relevant interactions from the selling organisation, and Mathur and Trivedi (2016) elaborated that such B2B customers have been embracing new channels to inform their decisions such as digital content and social media—which was not addressed by the industrial sales funnel. The new sales funnel (Figure 4-26) relies on relevant and targeted content generated by marketing across multiple channels, which is aligned with Servitized B2B customers' behaviours highlighted in the literature. Such activities also require a method to detect when a customer is showing intentioned to buy, whereas in industrial sales, the funnel was the responsibility of sales:

6. Sales to learn to detect and understand the customer's intention to buy signals.
7. Sales to optimise and prioritise the leads based on the customer's buying behaviours.

Customers reach to sales agents after they have reached a solution stage where it is often too late when sales reps start to engage, and this is how industrial sales funnels are designed to do (Ryals and Rackham, 2012; Peterson *et al.*, 2015; Schmidt *et al.*, 2015). The new sales funnel (Figure 4-26) does involve the customers at an early stage with triggers designed to detect when the customer is engaging with a solution or marketing communication through the education stage. This allows marketing to detect customers' early intentions, move them in the funnel accordingly and involve the sales when they are needed at such early stages of education at a prospect stage. This also alerts sales with the prospects and leads with higher priorities which show higher engagement and buying signals where they could potentially be turned into deals. At deal management, sales had to:

8. Sales to build high density with high authority relations with prospect organisations.
9. Sales to build a common language and goal between buying groups.
10. Sales to build pro-mobilisers by inspiring their personal gain.

As sales historically relied on one-to-one relationships with decision-makers, which makes the deal stage in the sales funnel, the above activities were required by sales as they shifted to Servitized businesses (Lingqvist *et al.*, 2015). The new sales funnel

(Figure 4-26) considers the above by identifying and profiling various stakeholders via indirect and direct email campaigns. MAE added that they would also do the profiling by analysing historical deals, including demographics and buyer's profiles, which channels they came from, and by also implementing various tools that can automatically pull different profiles for each organisation based on a set criterion they set. It also helps build a common language by having various automated campaigns designed for the different contact profiles within the organisation, allowing each contact to fall into a different stage regardless of where the actual deal is within the funnel. This separation allows the company to identify potential mobilisers and other stakeholders and to send them relevant information and educational campaigns that can promote their personal gain by automatically personalising the communication and the assets generated for sales. MAE added that this communication could be brief and designed to excite the promobiliser indirectly, which drives the promobiliser to find out more from the company or the salesperson—adding that it is all about the right message at the right time at the right place.

It was also identified in the literature in Table 2-4 that there are conflicts between Sales and Marketing and challenges that sales face in the long sales cycle. These differences and challenges were A) Sales complain that Marketing Leads are Poor. This is addressed in the new sales funnel by providing a feedback loop between Sales and Marketing. MAE have expressed that the only reason the leads generated will be poor is if the target was not defined correctly or if marketing did not receive constant feedback to optimise their lead generation criteria. In fact, the new sales funnel focuses primarily on generating suspects that will result in deal closure using a combination of data analytics in the CRM, feedback from sales and feedback gathered from post-sale customers and deal-lost stages. MAE added that another contributing factor for the leads being poor could be that they require further nurturing, and thus, sales need to pass the lead back to an earlier stage and provide feedback for marketing.

The other challenge sales used to face was that overloaded sales complained that they did not have time. The new sales funnel (Figure 4-26) addresses this by automating much of the communication in the background, not involving sales until needed, leaving sales to focus on deals and leads with higher engagement and higher value via lead scoring systems. MAE added that they would create a personalised email merge for sales that can be used by sales and automatically gets personalised for each contact they want to send the communication to. Such email merges are set up in the system and can save time.

The other conflict highlighted by sales was that Marketing communication is not effective and can damage the sale—whilst some MAE have admitted that this is correct, they added there are usually contributing factors, such as the marketing communication is generic and not personalised. This can happen if the CRM is not updated correctly or receives the wrong message from marketing requires feedback to resolve it. MAE added that communication must be relevant to the customer or relevant to the stage they are at. Generic information or too many emails can scare the customer away. Thus, marketing has tools in order not to email customers during public holidays or on the same day when there is communication detected by the system from the salesperson to that customer.

The last conflict was about sales highlighting that it is difficult to track sales probability due to the long sales cycle and user involvement. MAE admitted that sales probability is a challenge and that rather than try to guess probability, lead scoring algorithms, marketing generated intelligence on the type of customer, their profile /historical sector closure track record, and viewing the customer's engagement with marketing's background communication can help identify deals that are warmer and potentially close to closure than totally cold deals. Probability has been scrutinised by both Company B and various MAE; it is very subjective and can often be difficult to rely on. MAE advised that perhaps it is better to focus on the data, and optimising the funnel can provide better insight into the long-term forecast from the overall funnel rather than on forecasting specific deals. Bradford (2016) argued that the sales automation tools that give visibility to assess and prioritise leads, so the salesperson can focus on deals with the highest probability of closing follow the same concept MAE suggested earlier.

4.10 The Potential Results of the New Funnel

It is evident from the above that the new sales funnel that adopts Marketing Automation presented in Figure 4-26 does address many of the flaws identified in the industrial sales funnel and challenges faced by sales as per the literature and the case studies conducted in this research. MAE have provided invaluable intelligence on how Marketing Automation can help resolve such conflicts and to improve the sales process within PSS organisations. However, what about the sales and Marketing Automation funnel identified in the literature? How does the new funnel compare to the identified sales and Marketing Automation funnel framework? Table 4-6 synthesised the information found in this findings chapter, with the literature identified in Table 2-4 to present the differences:

Objectives Sales Funnels	**Sales and Marketing Automation Funnel**	**Updated Marketing Automation Funnel from This Research**
Funnel Design		
Support Circular Process	Partially—through feedback loop	Fully—through lead and deal nurturing campaigns, and upsell campaigns
Takes Account Density into consideration	Not achieved	Achieved via account profiling tool to provide full view of decision makers and by indirectly targeting other decision makers
Supports Authority	Not achieved	Achieved by engaging decision makers via indirect communication, and via targeted material that are designed to onboard them even if they do not meet the salesperson
Supports Decision Making Groups/Profiling	Not achieved	Achieved by customised communication to decision makers and profiling tools
Sales Activities		
Assist Sales in their Long Sales and Demand Generation	Partially at the early stages	Fully—the new sales cycle assists sales throughout the sales cycle
Assist Sales in communication and engagement	Not achieved—Lead gets handed over to sales	Achieved—marketing activities monitor and maintains communication with the customer
Assist Sales in detecting Triggers	Not achieved—Leads gets handed over to sales	Achieved—via measuring engagement through the communication sent

Assist Sales in Deal Management	Not achieved—Lead gets handed over to sales	Achieved—via educating new involvement through campaigns, and engaging with the customer
Responsibilities		
Marketing Function Responsibilities	Educate Create Awareness Create Interest Drive Consideration Drive Intent and measure buying intents	Educate Create Awareness Create Interest Drive Consideration Drive Intent and measure buying intents Do organisational profiling Provide sales with sector intelligence Continuously adapt to improve demand generation and conversion Build density and create high authority relations Educate multiple stakeholders Generate less leads but more qualified
Sales Function Responsibilities	• Do organisational profiling • Build tailored solution and create a need • Build density and create high authority relations • Regular communication to build relationship quality • Monitor stakeholders to detect buying intents • Build consensus between mobilizers • Close	• Focus on building relations with customers • Engage with hot qualified leads and deals • Get intelligence from marketing about their deals • Get alerts for potential hot deals that has high probability of closure • Provide feedback for marketing • Negotiate and close deals
Conflicts between Sales and Marketing	○ Sales complain that marketing leads are poor ○ Overloaded-Sales complain that they do not have time ○ Marketing communication not effective and can damage the sale ○ Difficulty to track sales probability due to long sales cycle and user's involvement	None—sale and marketing have to be in sync

Table 4-6. Differences between the Sales and Marketing funnel vs the updated Marketing Automation funnel identified in this research.

Table 4-6 summarises the benefits of the newly produced funnel framework, which unifies Sales and Marketing cycles into one process through the utilisation of Marketing Automation as per the aim of this DBA. Reiterating back to the research question, *"How Marketing Automation can optimise, integrate and evolve the sales cycle within B2B Servitized technology manufacturing business?"*

The newly provided sales funnel framework shows in detail how Marketing Automation can optimise the sales funnel in a significant way and that it relies on integrating Sales and Marketing into a single funnel for it to function as intended. Additionally, by reviewing the extant literature for the issues identified in B2B Servitized technology manufacturing businesses, their sales funnel, and the five real-world case studies, it is evident that the newly produced sales funnel should positively impact such organisations.

It is suggested that further area of research is to research the different campaigns within Marketing Automation and when they should be used. Additionally, another area of research is the "beyond the deal stage", which was identified in this research and was not addressed by the extant literature. Further research is required to identify a framework for dealing with deals that have been won and deals that have been lost and what type of stages, activities and triggers are required for that part of the funnel. Finally, it is imperative to do an applied study on this sales funnel and to report back on the results. The researcher has applied many concepts from this study to his business, and it has generated excellent results. However, it has not been completely implemented; further applied research on this framework can provide valuable insights and recommendations that benefit both the academic and business worlds.

4.11 Participants' Feedback

To achieve further increased rigour and increased trustworthiness, the researcher provided the findings to the participants and asked for their feedback to confirm whether the interpretation in the findings chapter represents their views correctly and to provide feedback on the research outcome. The researcher received feedback from two participants out of ten, which was expected due to the nature of their position and role within their organisation.

A Sales Director Participant has stated:

> *"I've spent some time this week to read through your thesis, which I found a very compelling and interesting read."* *– Participant B*

The researcher received positive feedback from a reader who spent some time reading through the thesis and found it to be a compelling and interesting read. This feedback is significant as it demonstrates that the thesis can engage and interest readers who have prior knowledge and experience in the subject matter from a practical perspective rather than academic. It is also a testament to the researcher's ability to effectively communicate complex concepts in a clear and concise manner. This feedback further reinforces the value and contribution of the research in the field, as it has the potential to reach and engage a wider audience beyond the academic community.

"After reading through your documents with a special attention to your findings and their discussion chapter, I can confirm that your conclusions match the ideas and experiences shared with you during our interview, and reflect precisely on the conversation we've engaged." – Participant B

The feedback received from this participant is a valuable confirmation that the findings accurately represent their views and experiences. This further strengthens the trustworthiness and validity of the research. The participant – Sales Director – has emphasized that the discussion chapter has effectively captured the ideas and experiences shared during the interview, thereby demonstrating the effectiveness of the research methodology. This is a significant finding as it validates the research's objective of providing a comprehensive understanding of the Sales and Marketing funnel in PSS businesses. The confirmation provided by the participant supports the notion that the master Sales funnel framework proposed in this research can effectively unify Sales and Marketing functions in Servitized businesses, indicating the practical relevance of the research. Overall, the feedback provided by the participant further supports the research's objectives and highlights its contribution to the field of Sales and Marketing.

Participant D, who is a Sales Director of a larger SME has stated during the interview process:

“It felt like a therapy session. So in that respect, it was helpful. I might sleep a bit better this weekend.” – Participant D

The feedback above was obtained from a Sales Director participant subsequent to the interview. Although Participant D's feedback may appear lighthearted, it suggests the high level of engagement and ease experienced during the interview process. This feedback implies that the interview served as a valuable opportunity for the participant to discuss their experiences and perspectives related to the research topic within a supportive and non-judgmental environment. Such feedback is critical in ensuring the research's quality and accuracy in representing the views of those involved. Additionally, Participant D's remark indicates that the interview provided a space for the participant to vent frustrations, leading to a sense of relief. This highlights the significance of establishing a robust rapport with research participants and cultivating a supportive and empathetic relationship throughout the research process, ultimately contributing to the reliability and validity of the research findings. Furthermore, it showcases the research's practical value in exposing actual business challenges that Sales Directors face daily even in larger SMEs, emphasizing its relevance in practice. This demonstrates the research's potential worth in providing insights and practical recommendations to improve the sales function and benefit both individuals and organisations in the future.

From MAE perspective, one participant has stated:

“The extent to which all my suggestions and best practices are not only present but also clearly explained is impressive. Having reviewed all the stages of the customer journey, including the often overlooked post-sales experience, featured in your document; I found the content to be comprehensive, logical and certainly vastly ahead of current understandings and commercial procedures in most sectors.” – Participant I

The feedback provided reaffirms the gap within the field and the existence of gaps in the extant literature, which this thesis aims to address. The participant has highlighted the gap between marketing and sales activities and firmly acknowledged that the marketing function has been underutilised due to historical and cultural bias, implying that there is a shift in the business paradigm that calls for marketing involvement to be reviewed in relation to traditional sales funnels and the business.

"You have successfully demonstrated the need to redress the balance between marketing and sales activities in terms of their equal impact on generating both leads and revenue. Due to historical and cultural bias, the marketing function has for too long been under-utilized and under-represented, your work is an important contribution to the new way of doing business and its applications in a customer-first economy." – Participant I

The participant also identified that the master sales funnel strikes the required balance and that the research findings make an important contribution to a new way of doing business, demonstrating the success this research has accomplished in relation to its objectives and relevance to the real world. The usage of the phrase "new way of doing business" signifies the shift in the industry and how the new master sales funnel represented in this research would have a real-world impact on how Sales and Marketing function in PSS businesses.

Another MAE participant stated:

"Thank you for providing your findings. I believe the chapter accurately represents the views given during my interview and agree with your interpretation of the study. The new master funnel is certainly an optimised framework for Sales and Marketing alignment in Servitized businesses." – Participant F.

Further acknowledging that the findings have successfully represented the participant's views and confirming that the new master Sales and Marketing funnel proposed by this research is an optimised framework that does unify Sales and Marketing in Servitized businesses. It is also significant as this participant does work for a Servitized PSS manufacturer. The participant further added:

> *"One point I found very interesting on reflection is the difference between the qualification requirements for a Suspect moving into Stage 2 as a Prospect between the Companies. Notably, Company E had a unique perspective on progressing the suspect only once they see that competitors are involved. I find that this contradicts the opinion that they expressed, where they say that one of the biggest issues, they face is a drop in communication, with one of the factors that lead to this being the suspect speaking to a competitor. I wonder if perhaps this criteria for the Prospect stage is hindering their performance as they allowing competitors to be the biggest determining factor in this crucial stage of the funnel. I would be interested to understand how they identify and measure this competitive involvement and would suggest that this further proves the importance of Marketing Automation to provide lead scoring or identify additional triggers to move the customer to the next stage more effectively." – Participant F*

This statement is significant in response to the research as it shows that the participant has already started noticing issues with a PSS manufacturer's sales funnel and has begun reviewing the new activities proposed by MAE to resolve such challenges impacting salespeople. Such findings emphasise the importance of this study's findings and how quickly practitioners in the business world can employ them.

> *"I believe the MAE input to resolve the challenges raised at Stage 2 to be significant and signify how Marketing Automation can be used*

to effectively present relevant educational information such as sector case studies to customers, as opposed to traditional marketing tactics. The ability for marketing to measure engagement which allows sales to focus their effort on engaged accounts would certainly bring relief to the sales function who note that they struggle to maintain constant communication with all prospects." – Participant F

Participant F's feedback highlights the significance of the MAE input in resolving the challenges raised in Stage 2. The comment further underscores the importance of Marketing Automation and its ability to effectively present relevant educational information, such as sector case studies, to customers. This approach is seen as a departure from traditional marketing tactics and is considered more effective in engaging customers. Additionally, the participant notes that the ability for marketing to measure engagement would provide relief to the sales function, who often struggle to maintain constant communication with all prospects. This suggests that the integration of MAE with the technical team and post-sales cycle could significantly improve the efficiency and effectiveness of the sales process. Overall, this feedback highlights the potential benefits of incorporating Marketing Automation into the sales and marketing process and further validates the research findings.

"I agree with the finding around MAE's contribution to support the technical team and would note the importance of this to the sales cycle, when it comes to both new and existing customers. Often the content produced in order to answer technical queries helps to close the initial sale with the customer but also helps to increase add-ons and upgrades with existing customers." – Participant F

The participant added their view below on how important it is for MAE to integrate with the technical team, which has been highlighted as an area for future research as described in Section 4.7, where an emerging theme has evolved about the importance of MAE beyond the sales funnel to help new and existing customers.

In conclusion, the positive results from member checking confirm that the research accurately reflects the participants' views, indicating that the study's findings are reliable and trustworthy. Additionally, the results indicate that the research outcomes have significant practical implications and contribute to the advancement of knowledge in the field. The confirmation of the study's importance highlights the potential for further research around Marketing Automation, particularly concerning its integration with technical teams and post-sales cycles. As such, this study has provided a foundation for future research that may contribute to improving the effectiveness of Marketing Automation practices and ultimately enhance the success of sales teams within Servitized PSS technology manufacturers.

4.12 Summary

This chapter has reviewed the impact of Servitization on five PSS businesses (as shown in Section 4.3 - 4.4) to examine their sales funnel, the different activities the salesperson and marketing are required to perform, and the challenges faced at each stage. The outcome has been analysed using a template analysis following a multi-case study approach to producing a single theoretical sales funnel framework for PSS businesses, highlighting the key activities conducted by Sales and Marketing and the challenges identified at each stage (see Section 4.5).

A further five interviews with MAE have been conducted to critically review each stage's triggers, activities by Sales and Marketing and the challenges faced whilst examining what changes can be applied in order to improve the sales funnel and address the challenges identified earlier. This has then been further synthesised with the extant literature and analysed through template analysis, resulting in a new master unified Sales and Marketing funnel that can align Sales and Marketing and improve the sales process and the overall business of PSS manufacturers by presenting a new unified Master Sales and Marketing Automation funnel framework for PSS businesses (as presented in Section 4.6 - 4.94.10). The research has also identified further stages for post-sale where Marketing Automation can further improve the process in PSS businesses (as shown in

Section 4.7). The research outcome has been provided to participants, where the participants have further agreed to the outcome of the research and provided positive feedback to the outcomes of the research (as shown in Section 4.11).

Chapter 5 Conclusion

The conclusion chapter provides a summary of the key findings and contributions of this research project. Present practical contributions from this study, comment on the implications of these findings towards existing practices within the PSS manufacturing sector and make recommendations for future research. This chapter also includes a personal reflection on the research process and outcomes. Overall, this chapter aims to draw together the various threads of the research and offer a coherent and meaningful conclusion to the study.

5.1 Re-Addressing the Researchable Question and Research Objectives

This DBA thesis's research question was: **“How can Marketing Automation optimise, integrate and evolve the sales cycle within B2B Servitized technology manufacturing businesses?”**

This section reviews the objectives presented in Section 1.4 and explains how each Research Objective has been addressed in this DBA.

Research Objective 1: Examine the critical digital marketing literature to understand the underlying principles of the Sales and Marketing cycles and the impact Servitization has on both functions.

Chapter 2 rooted this study in the digital marketing literature, where it examined the digital marketing function in traditional technology manufacturers and the conflicts between Sales and Marketing in such businesses, and it resolved such conflicts was attempted. It has then introduced the theory of Servitization, the reasoning behind why technology manufacturers are adopting it and the impact it had on the sales function in such organisations. Furthermore, the chapter has examined the challenges the industrial sales funnel has which is adopted by such manufacturers after Servitization, and analysed the flaws the funnel has when adopted in Servitized organisations, arguing that the fundamental principles and design of the industrial sales funnel does not lend itself to assist the sales function—given how Servitization impacts the sales cycle. The chapter has also stated 10 key questions where Servitization negatively impacts the sales process and questions if Marketing Automation can resolve at the end of the research.

Research Objective 2: Critically review the literature to identify the impact of Marketing Automation on both Sales and Marketing cycles, resulting in the development of a theoretical framework for a unified, integrated marketing and sales cycle for PSS Servitized manufacturers.

Chapter 2 continues to review the extant literature on Marketing Automation and its funnel, as introduced in the literature. Sections 2.4 and 2.4.2 further examine the differences between Marketing Automation and the sales funnel's fundamentals, drawing on the benefits each one brings to the table. This is further expanded on by reviewing (as discussed in Section 2.4.3) the literature introducing an adapted framework where a traditional sales funnel has been integrated with Marketing Automation in a standard B2B setting. Whilst such a funnel was an overarching framework rather than a detailed funnel, it did claim to resolve several issues in a traditional sales funnel. The chapter further highlights the issues it claims to resolve and how such issues resonate with some of the issues faced by Servitized businesses identified earlier in that chapter. The chapter concluded by adapting that funnel with the industrial sales funnel, resulting in a theoretical framework that unifies the marketing and sales cycle in PSS Servitized manufacturers.

Research Objective 3: Use the theoretical framework and the literature to develop a suitable methodology to collect and analyse the data that addresses the research question.

Chapter 2 ends by reviewing the methodological traditions for previous research in this area, which paves the way for Chapter 3, highlighting the need to further develop a detailed framework through multiple case study approach to achieve external validity and that can be adopted by practitioners in PSS manufacturing businesses. Chapter 3 draws onto the theoretical framework and the literature to justify this research's ontological and epistemological approach. Sections 3.3 and 3.4 cover the theoretical underpinning of the research and the research methodology employed. Providing detail about the process sequential multi-case study approach that the research has taken in order to achieve the research goals, the method of analysis being semi-structured interviews explaining the benefits it will bring to the research, and how the data will be analysed using template analysis and how such process/method can address the research question. Section 3.5 further explains how the research quality will be addressed to ensure rigour and reliability and represents the participants' member checking results, confirming that the research quality has been achieved.

Research Objective 4: Synthesise the data from the qualitative research methodology together with the extant literature to provide a better understanding of how Marketing Automation can impact the sales cycle within B2B PSS manufacturing businesses.

Chapter 4 uses the data analysed by the sales directors and presents the impact of Servitization on their businesses. Moreover, how Servitization has negatively impacted their sales cycle, their sales process, and the overheads that this introduced to their businesses. Furthermore, the chapter examined (through Section 4.5) each business as a case study by way of analysing each stage of its sales funnel, covering the detailed activities conducted by Sales and Marketing, the triggers and qualifications used, and the challenges faced. Following that, a unified PSS sales funnel has been developed that represents the PSS manufacturers' process.

These data were then presented, and MAE thoroughly examined each stage and its challenges through semi-structured interviews (as show in Section 4.6). The result of the analysed data provided detailed improvement in how each stage in the industrial sales funnel can be improved through Marketing Automation, with an explanation of how it supports the sales process and resolves the challenges that have been identified. This has resulted in a new unified and detailed Sales and Marketing funnel, presented in

Section 4.8 (p. 141), that adopts Marketing Automation that unifies and improves the sales cycle for PSS manufacturers. The chapter further discusses the 10 key questions identified during the literature review and addresses each one of them, concluding that Marketing Automation can indeed address such questions and, as such, helps resolve the challenges that arise due to the implementation of a Servitized model by PSS manufacturers.

This examination has been synthesised with the literature throughout and has been found to agree with the literature. It has also added new insights that have not been discovered in the literature. The study contributed through the existing body of literature to examine the benefits of Servitization and its impact on the sales cycle by extending Järvinen and Taiminen (2016) theoretical model. Whilst his theoretical model has been conducted on a single case study due to the cases being rare and its infancy which was argued that it might lack external validity and quality (Yin, 2013), this research has been conducted on five case studies as a multi-case study which adds the external validity required and quality to the research. The new master sales funnel introduced gone beyond the sales process and have also identified new areas for research for post-sale integration and potential integration of Marketing Automation with the technical teams. Such themes have not been identified in the literature historically, and through this research, such areas have been identified as key areas for future research. Finally, the participants have been provided with the findings of this chapter, and the participants' feedback has been discussed. They have agreed that it reflects their views and that the new framework provides powerful insights into how Marketing Automation can help improve the sales funnel in Servitized businesses.

As such, the researcher concludes that the answer to the research question has been addressed and thoroughly answered by means of this research. Moreover, the research objectives have been achieved to a satisfactory level. The researcher argues that this research has not only been able to address the research question but has also been able to extract thick and deep insights from the practitioner's world that have not been identified by the literature historically and that the master sales funnel framework provides a high level of detail in comparison to other frameworks identified historically in the literature. In addition, the research has uncovered key new research areas that are worthy of future research that can further support PSS manufacturers.

5.2 Summary of the Research

This research has explored the shift from traditional technology manufacturing businesses to Servitization. The shift was due to the rise in competition and delivering sustainable revenue where the customer is dependent on the manufacturer to deliver the service. The move to servitization has transformed businesses from being product-dominant to being based on product-service systems, which is closely related to service-dominant logic (S-D logic). This change has led manufacturers to develop a close relationship with various stakeholders of the customer in order to sell their servitized solutions. This has resulted in a more complicated and longer sales cycle which the industrial sales funnel did not address.

Traditional sales funnels were then improved using CRM systems to optimise the sales funnel; such change, however, had little impact on the complex sales process of modern Servitized manufacturers. The complex sales cycle was critically analysed in the literature, where 10 additional core activities were identified that needed to be implemented in a Servitized business by the sales department, which was not necessary in the industrial sales funnel (as presented in section 2.3.3).

Additionally, it was also discovered in the literature that marketing has little involvement in the industrial sales funnel, which was subsequently inherited by Servitized manufacturers that have implemented the same sales funnel. The move towards S-D logic and Servitization changed the marketing department's role from a support department to a critical department responsible for generating revenue. Whilst Marketing Automation has been known in B2C businesses, it has been seen as a way to help service dominant businesses improve their sales and reduce the load on salespeople throughout the sales process. This has opened a huge potential for Marketing

Automation to play an important role in helping to optimise the sales funnel for Servitized manufacturers.

The Marketing Automation funnel presented in the literature (as discussed in Section 2.4.1.2) shows the increasing role of marketing within the sales funnel, which emphasises the assistance and support Marketing Automation can provide to sales departments. A further adapted marketing and sales automation funnel was then presented, showing the role of marketing as being more involved throughout all the different stages of the sales funnel. Indeed, such a funnel was used as a framework for this research.

Five different case studies were conducted as part of the research for PSS technology businesses to understand their sales cycle and the challenges they faced through Servitization within their sales process. The role of marketing was also addressed in such businesses. The research has provided a significant insight into the reasons behind Servitization which agreed with the literature that it provided a competitive advantage to their businesses against competition and an increased revenue. Albeit, all businesses had been impacted by Servitization which led to extra overheads, a longer consultative complex sales cycle, and they had to move to concept solutions and experience selling, amongst others. This has resulted in sales taking a lot longer to materialise and required significant relationship building by the salespeople with different organisations.

Additionally, it was discovered that sales had new responsibilities within the sales process. These responsibilities included the need to profile the different stakeholders within the customer's organization and to increase the density of contacts that the business has to deal with within each customer. Subsequently, constant communication became key to ensure that the customer maintains an interest in the manufacturer's offering throughout the long sales cycle. It was also discovered that the role of the salesperson has moved from being a salesperson to being a consultant to understand how the customer operates and how their solution should be designed to fit their needs, and an educator to help the different stakeholders within the customer's organisations understand the solution and its values to each stakeholder's needs.

The long consultative sales cycle negatively affected all businesses, changing the sale process from being a straightforward sale to an iterative process with several dependencies. Such dependencies are a result of the Servitization since the solution affects multiple departments within the same company. Moreover, this requires the manufacturer to spend more time educating the different departments based on their own goals and cover any objections that are raised. Due to the nature of the sales, such sales can take a long time spanning a couple of years. This means that maintaining communication with the customer is key in order not to lose the sale to another competitor that may be dealing with the customer at the same time. The additional activities cause an increase in the sales cycle and an increase in the overheads of the manufacturer in each sale. Nevertheless, it results in higher profitability and develops stickiness with the customer once they adopt the solution due to the dependency built between the customer and the manufacturer through Servitization.

Through the five case studies, a unified master sales funnel was developed that encompassed four stages that all case studies shared. Those stages are suspect, prospect, lead and deal. Through each stage, it was also discovered that marketing has a limited role within the sales funnel that is focused on generating leads, image building and brand awareness to build credibility, sales toolkits and create drip marketing emails such as newsletters. Marketing is not involved in the remainder of the sale cycle, which is in industrial sales funnels, thus confirming that all the case studies are implementing the industrial sales funnel in their sales cycle.

The master PSS sales funnel shown in Figure 4-10 (p. 141) has summarised the different sales activities conducted by sales, the triggers that identify when a customer enters a particular stage, and the problems they have at each stage. This information was used to interview five Marketing Automation specialists to identify how a marketing department with Marketing Automation can optimise each stage, resolve the problems identified by sales and assist the sale through the process. Throughout the research with a Marketing Automation expert, it was evident how Marketing Automation can be involved in each stage of the sales funnel and how Marketing Automation can reduce the load on salespeople by automating background communication, assisting in profiling, monitoring customer's behaviour, and helping in educating different stakeholders. It also highlighted the importance of feedback and collaboration between Sales and Marketing. MAE have reiterated on numerous occasions that the key is to receive feedback from salespeople in order for them to identify ways to improve generated leads, reduce non-relevant leads that do not lead to closure and increase the conversion rate of the leads throughout the funnel.

An emerging theme was also discovered in the research, which is what is beyond the sales funnel. MAE have elaborated that their role does not end after the deal closes, but they have a critical role in customer retention, cross-selling, upselling, and nurturing customers that have been lost.

As a result, a new master Sales and Marketing funnel, with Marketing Automation, was developed that addresses the challenges faced by sales, addresses the new methods of selling introduced due to Servitization, and focuses on working with sales throughout the sales cycle to help the organisation maintain communication with the customer, build relations, and free salespeople time whilst being able to notify them when to engage with customers at the right time. The new sales funnel has addressed the 10 key additional activities required by sales that were identified through the literature and helped resolve them.

5.3 Practical Recommendations to Sales and Marketing Directors in Manufacturing

Due to the practical significance of these findings, the researcher would recommend the following number of practical recommendations to colleagues that work in the Sales and Marketing world in this field:

- Employ a Marketing director with a background in Marketing Automation.
- In the current age, having a single Sales and Marketing director is not recommended. As the Sales and Marketing function paradigm has shifted significantly over the past decade, especially in PSS organisations.
- Ensure a CRM system is implemented and always kept up to date; this is one of the main sources that Marketing Automation practitioners draw conclusions from.
- Provide a budget for marketing directors to implement a Marketing Automation system and a budget to test their theories and campaigns beyond traditional marketing.
- Ensure MAE in the organisation are responsible for the content on the website as the website is a key tool for marketing to achieve their goals—it is not just used for information, but it is used for capturing, tracking and moving the users through the stages accordingly via different information on different pages.
- Map out the sales funnel with the help of the marketing director to ensure they can advise and assist in how they can integrate into the sales funnel to bring value.
- Use the master sales funnel in this framework as a guide that can be reviewed and discussed by both Sales and Marketing directors.
- Clearly define for marketing the sales targets, the target sectors, and the different stakeholders the sales team deal with at each stage in the different sector.
- Set weekly meetings with marketing and sales so sales can provide feedback on the generated leads so that marketing can optimise their qualification criteria at each stage. Moreover, for marketing to provide feedback for what are the activities they are planning to run.
- Encourage the sales team to use the data generated from marketing teams to take decisions.

- Allow marketing to run their communication directly to customers and provide feedback to marketing.
- Allow sales to specify what information they require from marketing to support them during the sales process.
- Marketing and Sales teams must be present in the same office/floor. Communication and interaction between both teams are key.

5.4 Summary of Contribution to Practice

As identified in Section 1.5, this DBA thesis makes several significant contributions to practice.

The study contributed, through the existing body of the literature, to examine the benefits of Servitization (Section 2.3) and its impact on the sales cycle (Section 2.3 -2.3.3). Despite active research on Servitization and Marketing Automation (Sections 2.4 - 2.5), limited research has been attempted to bring the two areas together in a coherent process. This research responds to calls by Järvinen and Taiminen (2016) to explore its critical juncture through engagement with the practitioner community.

Through systematic analysis of five real B2B Servitized technology manufacturing businesses (As discussed in Section 4.3 and Section 4.4), using this theoretical model as a basis for discussion with the sales directors, it was possible to drill down to expose and examine practical challenges within their sales funnel's stages (Section 4.5). Allowing the research to provide insights into the granular detail in each stage of the sales funnel, and what the marketing and sales function does in each stage (as discussed in Sections 4.5 and 4.6).

By being able to draw on of an elite group of the practitioner community with unique and privileged access to the sales funnel in their organisations. Through the researcher's own network and significant position in the industry, the researcher was in a prime position to access such practitioners that traditional

researchers would not have access to. This allowed a multi-case study approach to be developed, the first of its kind, resulting in rich, thick descriptions of actual business practices in relation to the sales funnel in actual organisations.

This study provides a paradigm shift into a new unified Sales and Marketing funnel framework that adopts Marketing Automation, as presented in Section 4.8 (p. 141). This has been developed with the aid of Marketing Automation experts critically analysing (as presented in Sections 4.6 and 4.7), reviewing, and improving the activities and stages within the identified funnel from the multi-case study. Clearly defining key activities and actions that can inform and be applied by PSS manufacturing businesses in the real world, as presented in Sections 4.8-4.12.

Additionally, the overall study informs and encourages product-centric manufacturers to shift towards Servitization as it clearly highlights the benefits of Servitization by covering five real-world case studies showcasing its benefits, challenges and how to resolve them. It has also elaborated on the importance of the marketing department and has redefined their role and objectives at each stage and their importance towards the sales department. By providing MAE views and responses on the misconceptions of how sales view marketing, it is believed that the research has highlighted the reasons behind such misconceptions and how they are addressed upon the implementation of the right processes.

In conclusion, the study provides a blueprint Sales and Marketing funnel that can be executed to unify Sales and Marketing through Marketing Automation, which rectifies challenges faced due to Servitization and optimises the process followed by the manufacturer during its Servitization journey.

5.5 Summary of the Contribution to the Theory

This research aims to address whether Marketing Automation can optimise the sales funnel in PSS businesses that implement Servitization. Throughout the study, the literature did provide a clear view of the industrial sales funnel and the effects of

Servitization on PSS businesses. This was then confirmed by the case studies conducted in this research, thus confirming the issue at hand. It was also found that there are gaps in the literature around Marketing Automation and its involvement in Servitized technology manufacturers.

This research contributes to the theory in the following ways:

1. This research synthesized the literature on why real-world organisations adopt Servitization, as well as the challenges they face. This added to the theoretical knowledge domain by providing additional understanding of the reasons and challenges they face, as presented in Sections 4.3 and 4.4.
2. Section 4.5 introduced a PSS sales funnel that is currently used by Servitized PSS manufacturers.
3. Identified the challenges faced by PSS manufacturers and the detailed sales activities from five different case studies throughout Sections 4.4 and 4.5.
4. Created a section introducing a new Sales and Marketing Automation funnel specifically derived from PSS manufacturers and adapted using Marketing Automation Experts (As presented in Sections 4.6 and 4.8).
5. Introduced up to a high level of detail, the potential additional activities that marketing can implement to optimise the sales funnel (Sections 4.6 and 4.10).
6. Introduced a newly emerging theme for what Marketing and Marketing Automation are responsible for beyond the sales cycle in PSS manufacturing businesses (Section 4.7).
7. Provided a new view that marketing and Marketing Automation is an integral part of not just the sales process but also the technical department, product development and post-sale account management (Section 4.7).
8. Addressed the 10 questions covered in the literature in Section 2.3.3, and explained how Marketing Automation can address them in Section 4.9.

The overall researchable question of this study was “How Marketing Automation can optimise, integrate and evolve the sales cycle within B2B Servitized technology manufacturing business?”. This research addressed that in a high level of detail, which the researcher believes can have a significant input in future research to underpin Servitized PSS manufacturers.

5.6 Personal Reflection

As a Managing Director of a Servitized SME manufacturer myself, I can resonate with the challenges identified in this research. Operationally and commercially I also have the same challenges identified in this research. I believe that being close to the professional practice, and being exposed to the literature, has provided me personally with powerful insights into how to improve my own business. It was also great to discover that all sales participants found the interview to be helpful—notably, one director has expressed how useful the interview was, including having to go over the sales funnel; they described it as quite therapeutic to discuss all the challenges they face on a day-to-day basis.

I must admit I have had a very tough journey throughout this DBA in many ways since 2016 due to the difficulty in requesting senior executives to spare time to allow me to interview them, which has taken a lot of effort and time. Moreover, this was due to the exceptional challenges of owning a business that my employees depended on during the COVID-19 pandemic, which required my full attention. Indeed, family emergencies, from having a new baby to my in-laws being stuck in Ukraine during the war and the baby's delivery and balancing all that has been quite a challenge.

Whilst a DBA is not required to succeed in my business, I strongly believe in the power of research and putting theory into practice and thus, I did persevere and overcame the challenges and concluded the research. As a result of this research, I have already taken the liberty to implement many of this study's findings, resulting in a significant improvement in the business that was beyond my expectation. Whilst it is early days to implement everything mentioned in this research and to experience the full benefit of it, I have no doubt that this will significantly impact how we and others operate in a Servitized world.

5.7 Suggestions For Future Work

The study provided a theoretical framework (as presented in Figure 4-26) for how Servitized businesses can implement a unified sales and Marketing Automation sales funnel. However, implementing such a funnel can introduce further new challenges that will need addressing. This opens opportunities for practice-based research in real organisations that implement such sales funnel and feedback on it.

This study, as shown in Figure 4.26 has introduced a highly detailed framework that clearly identifies each stage and its goals. Such goals can be achieved through different activities as highlighted in the framework and has provided the reasoning behind such conclusions throughout Section 4.6. The researcher believes that this is a starting point for PSS businesses. Each business has the choice to implement, test, and evolve the activities highlighted. Therefore, further research is required to identify the most successful activities and variables required that can lead to its success.

Figure 4-25 provides a new addition to the sales funnel that plays an integral part in its success. The different campaigns highlighted in this figure each have their own goals. However, in order to achieve those goals, further research is required to identify the attributes of each campaign. This includes identifying the key activities required to be carried out by marketing in each campaign, its stages, triggers, and conversion criteria. While the content of such campaigns can be product-specific, the researcher believes that further research is required to produce an overall framework that informs practitioners about the goals required when designing such campaigns.

Additionally, through the findings, MAE have expressed how their role does not end after the sales cycle ends and that the funnel and their role expand beyond the sales funnel to inform the product development team, increase the customer life cycle, upsell/cross-sell, and account management. This shows how Marketing Automation has a significant role across the organisation beyond just the sales department. It is believed that further research in this area can provide a holistic approach to how Marketing Automation can work with different departments across the manufacturer and provide the organisation as a whole with intelligent insights that allow it to maintain customers and make important decisions. This research is only the beginning of Marketing Automation.

Academically, I can see scholars interested in this work and would suggest targeting the Journal of Industrial Marketing Management and the Journal of Business & Industrial Marketing to publish this research.

5.8 Concluding Comments

This chapter has provided a summary overview of the researchable question and the research objectives, highlighting how this research has achieved them and areas identified for future research. It has also provided an overview summary of the literature and the findings discussed in this research. Furthermore, it has provided details on how the research contributes to the practice world and has provided a list of suggested recommendations for Sales and Marketing directors in this field. This chapter concludes the research which took place from 2016 to 2023 and has provided personal reflections of the researcher on their journey throughout this DBA. Finally, it concluded with suggestions for future work.

Appendix A – Interview Design

Questions for Sales –

Area	Interview Questions	Sub-Questions	Time
Intro	In PSS Business, Sales transformed to act as a consultant to build the customer's solution. This has led into complex and a longer sales cycle. What are your thoughts on that?	Why? What impact did that have on your sales organisation?	3 minutes
Exploratory customer's funnel	Do you have a sales funnel, and can you describe its stages from the first contact between the lead and the organisation (i.e., New Business Customer)?	What is the sales role in each one of those stages? Under what criteria can the lead progress between the stages? What's the average sales cycle in your organisation? What's marketing's involvement during those stages?	10 minutes
Show the Sales and marketing funnel framework that the DBA is working on as a reference to the following questions			**2 minutes**
Lead Generation and profiling	How does your sales team generate new business?	Does your sales team need to profile the different stockholders in each organisation? What information do you need to collect? At which stage within your funnel do you do the profiling? why? Does marketing play a role in your profiling?	10 minutes
Communication & engagement	How often does the salesperson need to keep in communication with the lead in the different stages?	Is there different communication required to the different profiles? Are any of the following points important to you? maintain updates about customer's news and changes maintain regular change in products and offerings based on market Does marketing play a role in your communication	10 minutes
Triggers	What are the main triggers that the salesperson need to monitor at the different stages?	What does each one of those triggers tell you (list triggers mentioned and their meaning)? How do you measure it? Does the sales fund have any difficulty in keeping in communication with all the leads/deals? Do triggers play a role in prioritising the salesperson's activities? Does marketing play a role in measuring the triggers?	15 minutes
Deal Management	How does each of the following play a role in the sales process from a sales perspective? Build high density with high authority relations with prospect organisations; Build common language and goal between buying groups; Build pro-mobilizers by inspiring their personal gain.	How does sales achieve them? At which stage does those factors come into play in the sales cycle? Does marketing play a direct factor in building such factors?	15 minutes

Other	What other problems do you generally face as Sales in the different stages?	Do you think they do not have time anymore? Do your salespeople have difficulty tracking sales probability? Why? Would it help if marketing had a more active involvement in the sales funnel?	10 minutes

Total time anticipated: 1 hour and 15 minutes (+-15 minutes)

Questions for Marketing Automation Experts

Area	Interview Questions	Sub-Questions	Time
Foundation	Explain the purpose of the research, and the definition of PSS businesses and the type of organisations that are involved in the research		2 minutes
Intro	In PSS Business, Sales transformed to act as a consultant to build the customer's solution. This has led to complex and longer sales cycles.	Have you dealt with similar cases before that you can share with me – (please anonymise the company identity)	3 minutes
Exploratory customer's funnel	For such cases, what was the sales funnel produced and marketing automation involvement in the funnel? Can you describe its stages starting from the stages from when the first contact with lead and the organisation (i.e., New Business Customer)?	What is the marketing role in each one of those stages? Under what criteria can the lead progress between the stages? What's marketing's involvement during those stages? What impact did the new funnel have on the organisation?	10 minutes
Show the Sales and marketing funnel framework that the DBA is working on as a reference to the following questions (Present each stage details and the funnel at all times during the discussion "Example below in Diagram Stages")			**5 minutes**
Suspect Stage	In suspect stage, there are various activities being done by sales and by marketing. What would we change to optimise the funnel at this stage.	Would marketing goals change in the light of those changes? Would sales goals change in the light of those changes? How would that improve the sales process?	10 minutes
Prospects Stage	In Prospect stage, there are various activities being done by sales and by marketing. What would we change to optimise the funnel at this stage.	Would marketing goals change in the light of those changes? Would sales goals change in the light of those changes?	10 minutes

		How would that improve the sales process?	
Lead Stage	In Lead stage, there are various activities being done by sales. What would we change to optimise the funnel at this stage through marketing automation?	Marketing currently has no involvement at this stage. Can marketing and marketing automation play an active role at this stage to assist with sales goals and problems? How would the changes achieve or assist sales in their goals? How would that improve the sales process?	10 minutes
Deal Stage	In Deal stage, there are various activities being done by sales and by marketing. What would we change to optimise the funnel at this stage through marketing automation.	Marketing currently has no involvement at this stage. Can marketing and marketing automation play an active role at this stage to assist with sales goals and problems? How would the changes achieve or assist sales in their goals? How would that improve the sales process?	10 minutes
Lead Generation and Profiling	Statement: Sales team need to do organisational profiling sales funnel. Can marketing assist with this point?		5 minutes
Communication & engagement	Statement: Sales team need to keep continuous engagement with the leads to maintain updates about the customer and to regularly change offerings during the funnel to measure their engagement	How can marketing keep in communication with all leads and to measure the engagement throughout the funnel?	5 minutes

	What role does marketing play in helping sales with communication and measuring engagement?		
Triggers	Statement: Sales to learn to detect and understand the customer's intention to buy signals; Sales to optimise and prioritise the leads based on the customer's buying behaviours.	How Can marketing keep in communication with all leads and to measure the engagement throughout the funnel? How can marketing provide intel to sales about higher probability opportunities?	5 minutes
Deal Management	How can each of the following objectives be accomplished from a marketing perspective? Build high density with high authority relations with potential organisations Build common language and goal between buying groups (elaborate on whats buying groups) Build pro-mobilizers by inspiring their personal gain. (Elaborate on personal gain)	Can this be achieved by marketing automation? If so at which stage of the sales funnel	5 minutes
	Address the following: Conflict to resolve: ~~Sales complain that Marketing Leads are Poor~~ Overloaded-Sales complain that they do not have time. ~~Marketing communication is not effective and can damage the sale~~ Difficulty to track sales probability due to long sales cycle and user's involvement.		
Other	What other problems do you generally face as Marketing in the different stages of the sales funnel?	Do you have any conflicts with the sales department?	5 minutes

Total time anticipated: 1 hour and 25 minutes (+-15 minutes)

Each interview should attempt to address the 10 key additional activities conducted by sales in PSS business:

Supports Decision Making Groups/Profiling

1. Sales to act as a consultant to build the customer's solution
2. Sales to do profiling on new and prospect customers.

Assist Sales in communication and engagement

1. Sales to maintain regular communication with the customer on regular basis
2. Sales to maintain updates about customer's news and changes
3. Sales to maintain regular change in products and offerings based on market to keep the customer engaged.

Assist Sales in detecting Triggers

1. Sales to learn to detect and understand the customer's intention to buy signals
2. Sales to optimise and prioritise the leads based on the customer's buying behaviours.

Assist Sales in Deal Management

1. Sales to build high density with high authority relations with prospect organisations;
2. Sales to build common language and goal between buying groups;
3. Sales to build pro-mobilizers by inspiring their personal gain.

The result of marketing interview, need to assess any improvement in Sales and Marketing roles as it stands in PSS business:

Marketing Role:

Educate
Create Awareness
Create Interest
Drive Consideration
Drive Intent and measure buying intents

Sales Role:

- Find a target customer
- Qualify
- Do organisational profiling
- Build tailored solution and create a need
- Build density and create high authority relations
- Regular communication to build relationship quality
- Monitor stakeholders to detect buying intents
- Build consensus between mobilizers
- Close
- Keep in communication during and after deployment

Conflict to resolve:

- Sales complain that Marketing Leads are Poor
- Overloaded-Sales complain that they do not have time
- Marketing communication not effective and can damage the sale

Difficulty to track sales probability due to long sales cycle and user's involvement

Appendix B – Ethical form

Participant Information Sheet

(Face-to-face Interviews)

Thank you for agreeing to take part in this research project

You are being invited to take part in this research study it is important for you to read this leaflet so you understand why the study is being carried out and what it will involve.

Reading this leaflet, discussing it with others or asking any questions you might have will help you decide whether or not you would like to take part.

What is the Purpose of the Study?

Background to the project

The overall purpose of the research is to study the role of Marketing Automation in unifying the Sales and Marketing cycle within Product-Service Systems B2B technology manufacturers. The study aims to draw on the sales cycle in the Servitized manufacturing and the goals/triggers of each cycle. And the digital marketing activities followed during the sales life cycle.

The research will involve an interview that will last for one hour. The participant will be asked a series of questions regarding their views on the sales/marketing activities within the sales cycle drawing on the goals, targets and characteristics of each stage. The Interview will be facilitated by Mr. Mahmoud Elsaid. In order to capture all the data, the interview will be recorded and later transcribed.

Why have I been invited?

In order to investigate the issues faced in Servitization in PSS manufacturers during the sales cycle, the researcher need to understand the problems during the sales cycle in such environments. This will form a potential issue that require addressing. Following that, the researcher will work with Marketing Automation Experts to review the underpinned-issues and discuss how can they be improved using digital marketing automation methods. For that reason, you have been invited to this interview to assist the researcher in understanding the issues in sales process, or the solutions that can benefit sales from a marketing automation perspective.

Do I have to take part?

No. It is up to you whether you would like to take part in the study. I am giving you this information sheet to help you make that decision. If you do decide to take part, remember that you can stop being involved in the study whenever you choose, without telling me why.

What will happen if I take part?

The participant will be involved in an hour interview. The interview will be a semi-structured interview with a series of questions that aim to develop an understanding for the individual views of the Sales and Marketing activities conducted during the sales cycle and with which stakeholders involved from the customer's side.

First an introduction on the study will be provided and the reason for the study and outcome expected. From here, participants will have the opportunity to introduce themselves and provide a brief introduction to the researcher (Mahmoud Elsaid). Once happy, the interview will then be electronically recorded by dedicated software Otter.ai. Here, no personal identifiable data will be elicited. After the interview, the researcher will analyse the interview and will provide the participant with a copy of the transcript and final research.

What are the possible benefits of taking part?

By taking part of the interview, you will benefit from receiving a recent research on how marketing automation can help the sales process within your organisations and to benefit from a framework that underpins how that could be done.

Will my taking part in this study be kept confidential and anonymous?

Yes. Your name will <u>not be written on any of the data we collect</u>; the written information you provide will have an ID number, not your name. Your name will not be written on the recorded interviews, or on the typed-up versions of your discussions from the interview, and your name will not appear in any reports or documents resulting from this study. The consent form you have signed will be stored separately from your other data. The data collected from you in this study will be confidential. The only exception to this confidentiality is if the researcher feels that you or others may be harmed if information is not shared. All electronic data, including the recordings from your interview, will be stored on the University U drive, which is password protected. All data will be stored in accordance with University guidelines and the Data Protection Act (2018). No data will be stored with your name on.

What categories of personal data will be collected and processed in this study?

As part of the interview process no personal data will be collected. The specific purpose of the interviews is to get their preferences on the attributes and levels that could underpin the proposed app. The interview will be electronically recorded after the participants have introduced themselves.

Who are the recipients or categories of recipients of personal data, if any?

The primary data are being stored, access and analysed only by core members of the research team. Again, the participants' personal data will not be collected as part of the interview process. At no time will their data and personal records be passed to any persons outside of the research team.

Who has reviewed this study?

The research project has been approved in Northumbria University's Ethics Online system. It has been reviewed in order to safeguard your interests and have granted approval to conduct the study.

What are my rights as a participant in this study?

Participants formal rights are shown below and fully comply with GDPR.

Note: no personal data is being collected as part of this phase of the research.

It's important to note that if you are dissatisfied with the University's processing of personal data, they have the right to complain to the Information Commissioner's Office. For more information see the ICO website.

Contact for further information:

Mahmoud Elsaid – DBA Student (Mahmoud.elsaid@northumbria.ac.uk)

Dr. Mathew Sutherland – Supervisor (matthew.w.sutherland@northumbria.ac.uk)

Dr. David Brown – Supervisor (david.m.brown@northumbria.ac.uk)

Name and contact details of the Records and Information Officer at Northumbria University: Duncan James (dp.officer@northumbria.ac.uk).

You can find out more about how we use your information at:

www.northumbria.ac.uk/about-us/leadership-governance/vice-chancellors-office/legal-services-team/gdpr/gdpr---privacy-notices/

or by contacting a member of the research team

RESEARCH **ORGANISATION** INFORMED CONSENT FORM

Faculty of Business and Law
University of Northumbria

Completion of this form is required whenever research is being undertaken by Business and Law staff or students within any organisation. This applies to research that is carried out on the premises, or is about an organisation, or members of that organisation or its customers, as specifically targeted as subjects of research.

The researcher must supply an explanation to inform the organisation of the purpose of the study, who is carrying out the study, and who will eventually have access to the results. In particular issues of anonymity and avenues of dissemination and publications of the findings should be brought to the organisations' attention.

Researcher's Name:____ Mr. Mahmoud Elsaid

Student ID No.: 15038302

Researcher's Statement:

The overall purpose of the research is to study the role of Marketing Automation in unifying the sales and marketing cycle within Product-Service Systems B2B technology manufacturers. The study aims to draw on the sales cycle in the Servitized manufacturing and the goals/triggers of each cycle. And the digital marketing activities followed during the sales life cycle.

The research will involve an interview that will last for one hour. The participant will be asked a series of questions regarding their views on the sales/marketing activities within the sales cycle drawing on the goals, targets and characteristics of each stage. The Interview will be facilitated by Mr. Mahmoud Elsaid. In order to capture all the data, the interview will be recorded and later transcribed. All data will be stored electronically and password protected. Access to the data will only be made available to the researcher, his supervisor and assistant

Any organisation manager or representative who is empowered to give consent may do so here:

Name: ____

Position/Title: ____

Organisation Name: ____

Location: ____

Anonymity must be offered to the organisation if it does not wish to be identified in the research report. Confidentiality is more complex and cannot extend to the markers of student work or the reviewers of staff work, but can apply to the published outcomes. If confidentiality is required, what form applies?

[ ] No confidentiality required
[ ] Masking of organisation name in research report
[ ] No publication of the research results without specific organisational consent
[ ] Other by agreement as specified by addendum

Signature: _________________________________ Date: _____________

This form can be signed via email if the accompanying email is attached with the signer's personal email address included. The form cannot be completed by phone, rather should be handled via post.

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