

Managing Customer Success in Business Markets: Conceptual Foundation and Practical Application

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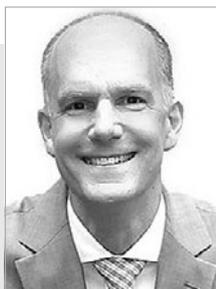
Customer success management is gaining momentum in business markets. From an initial focus on selected industries, such as software-as-a-service, interest in customer success is spreading among business-to-business marketing practitioners. To date, academia has largely neglected this concept and its organizational implementation. Based on extant managerial literature and research on value in use in business markets, we distinguish between customer success as a customer-perceived construct, customer success management as a joint customer-supplier management process, and the emerging job position of customer success managers in supplier organizations. Based on the case of a provider of IoT devices, software and services in decision agriculture, we illustrate how customer success management is practiced in a business marketing context and refine our understanding of customer success management and its constituents. Finally, we suggest promising avenues for future research in this managerially important, under-researched and rapidly growing domain.

1. Introduction

A new position is gaining ground in business markets. Large industrial incumbents and small start-ups alike hire customer success (CS) managers, establish CS manage-

ment departments, and allocate budget to develop CS management structures and processes (Ulaga, Eggert, and Gehring 2020). In the U.S., customer success manager has been identified as one of the most promising jobs in terms of salary, the amount and yearly growth of job openings and promotion opportunities (LinkedIn.com 2019). Initially confined to the software industry, CS management is gaining momentum in a cross-section of industries and markets. The growing interest in CS management is fueled by fundamental shifts in the business environment, including digital transformation and the move towards subscription-based business models, more demanding customers that approach their suppliers with an outcome orientation, and supplier firms that have learnt to sell value instead of product features (Ulaga, Eggert, and Gehring 2020).

The Customer Success Association (2019) describes CS management as “a long-term, scientifically engineered, and professionally directed strategy for maximizing customer and company sustainable proven value” and a managerial guide depicts it as a “relationship-focused client management, that aligns client and vendor goals for mutually beneficial outcomes.” (Gainsight 2019a). Within a CS management framework, the supplier firm is actively engaging in customers’ usage processes and plans, implements, and monitors key performance indicators that ensure and improve customers’ goal achievement when using the supplier’s market offerings. Against this back-



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drop, CS management may qualify as the next step in the journey towards customer centricity and service growth in business markets (Ulaga 2018).

Despite a growing body of literature in the business press and substantial attention being paid in managerial practice (Zoltners, Sinha, and Lorimer 2019), academic exploration and discussion of CS and CS management is almost non-existing (see Hochstein, Rangarajan, Mehta, and Kocher 2020 for a rare exception). Is CS management just another management fad that represents old wine in new bottles? Or is it a substantive phenomenon that builds on and extends established concepts and constructs, pushes the boundaries of business marketing, and deserves our scholarly research attention?

To address these questions, we first discuss the conceptual foundation of CS management. We briefly review the managerial literature and its understanding of CS and CS management. Next, we adopt an academic perspective, distinguish between CS as a customer-perceived construct, CS management as a joint customer-supplier management process, and the emerging job position of CS managers in supplier organizations, and discuss how CS management builds on and extends existing (customer) management approaches. In a second step, we explore how CS management is practiced in a business market context. Based on the illustrative case of a provider of IoT devices, software and services in decision agriculture, we shed light on emerging CS management practices and respective key constituents. Finally, we discuss our findings and suggest promising avenues for future research in this managerially important, yet under-researched domain.

2. Conceptual Foundation

2.1. Managerial Conceptualizations

CS management is a relational customer management approach with the mission to ensure that customers derive full value from suppliers’ market offerings (Mehta, Steinman, and Murphy 2016) and to “increase sustainable proven value for both the customers and the company” (The Customer Success Association 2019). While such early definitions certainly have the merit of being simple and straightforward, a careful review of emerging managerial literature in form of practitioner articles and books also reveals that managerial literature relies on a broad and sometimes fuzzy understanding of CS and CS management. For example, Mehta, Steinman, and Murphy (2016, p. 23) claim that CS “is really three different, but closely related concepts:

- (1) An organization,
- (2) A discipline,
- (3) A philosophy”

First, CS management provides the organizational structure and processes that create superior customer experiences and thereby increases customer retention and lifetime-value. Second, as a discipline, CS advocates initiate groups, forums, best practice meetings and conferences, such as the Pulse conference that brings together thousands of customer-facing professionals who want to enhance their CS skill set (Gainsight 2019b). With more than 36,000 members worldwide, the Customer Success Association is dedicated to developing the CS profession. Third, the CS philosophy requires a company-wide commitment to customers and implies fundamental organizational changes to enhance customer centricity and imple-

Definition	Source
“Customer Success is a long-term, scientifically engineered, and professionally directed strategy for maximizing customer and company sustainable proven value.”	Customer Success Association 2019
“Customer Success is the business methodology of ensuring customers achieve their desired outcomes while using your product or service.”	Gainsight 2019a
“Customer Success is relationship-focused client management, that aligns client and vendor goals for mutually beneficial outcomes.”	Gainsight 2019a
“[Customer success is] a proactive, real-time sales approach consisting of building relationships with existing customers, understanding in depth their company and product goals, and helping the customer meet those goals through day to day contact.”	Client Success 2019
“At its essence, customer success is the organization that focuses on the customer experience with the goal of maximizing retention and LTV. [...] Like any other discipline – sales or product management or customer support – there are groups and forums and best practices and conferences created to support and nurture this craft and its practitioners, into a place alongside the other necessary roles in a successful company. [...] And last, customer success is a philosophy, and it must pervade the entire company. No organization, or job role, can function in a vacuum, and customer success may be the best example of this.”	Mehta, Steinman, & Murphy 2016, pp. 23-24

Tab. 1: Managerial Definitions of Customer Success and Customer Success Management

ment an outcome orientation in the supplier organization (Mehta, Steinman, and Murphy 2016). *Tab. 1* provides an overview of CS definitions from managerial literature.

2.2. Academic Conceptualizations

Based on an explorative analysis of more than 300 job descriptions from CS managers, Ulaga, Eggert, and Gehring (2020) provide a more differentiated perspective. Drawing on Grönroos and Voima's (2013) value sphere concept, the authors distinguish between

- CS,
- CS management, and
- CS managers.

First, they conceptualize CS as a subjective, customer-perceived construct that resides in the customers' and the joint value creation sphere. Second, they define CS management as a joint management process that spans the customers' and the suppliers' value creation spheres. Third, CS managers are operating in the suppliers' and the joint value creation sphere. As a supplier-based position, they orchestrate CS management activities and integrate tasks from marketing, sales, training, and support during the customer acquisition, retention, and expansion phases (*Fig. 1*).

2.2.1. Customer Success

Building on their content analysis of CS managers' job descriptions, Ulaga, Eggert, and Gehring (2020) propose a working definition of CS. They define CS as "the customer-perceived achievement of desired outcomes by using the supplier's offering". This working definition entails three constitutive characteristics of the CS construct:

1. CS is a perceptual construct,
2. CS captures the customers' perspective,
3. CS reflects the extent of goal achievement that is realized by employing the supplier's market offerings in customer's usage situation.

A closer examination of these characteristics reveals substantial commonalities with the customer-perceived value construct. Like CS, customer-perceived value is a perceptual construct that reflects customers' assessment of "consequences arising from use that facilitate (or block) achieving the customers' goals and purposes in use situations" (Woodruff 1997, p. 143).

In their integrative framework of value in business markets, Eggert, Kleinaltenkamp, and Kashyap (2019) develop a typology that distinguishes between (1) the value beneficiary (i.e., an individual or an organization), (2) the underlying value perspective (i.e., customer's or supplier's value assessment), (3) the reference object of value (i.e., value of transactions or value of relationships), and (4) the concreteness of the value assessment (i.e., expected or experienced value). To better understand the conceptual nature of CS, we suggest in the present article that the construct can be positioned within this integrative framework of value conceptualizations.

In a CS context, the customer firm is the value beneficiary, that is, CS captures the supplier's contribution to customer firm's goals. In business markets, however, the customer firm is not a monolithic organization but it consists of multiple groups of individual actors. This multi-actor perspective has traditionally been discussed in the buying center literature (e.g. Webster and Wind 1972; Johnston and Bonoma 1981). Macdonald, Kleinaltenkamp, and Wilson (2016) extended the multi-actor perspective to the customer side and its organizational usage processes and conceptualized the usage center which "...comprises, from the perspective of a single actor, all resource integrators that draw on a focal resource within a usage process" (Kleinaltenkamp et al. 2017, p. 721)."

The individual members of the customer firm's usage center form CS assessments while they employ the supplier firm's market offerings in their specific usage processes. Rather than tapping value expectations, CS captures experienced value in use. Eggert, Kleinaltenkamp, and Kashyap (2019) explain that "*experienced value in use* is at the

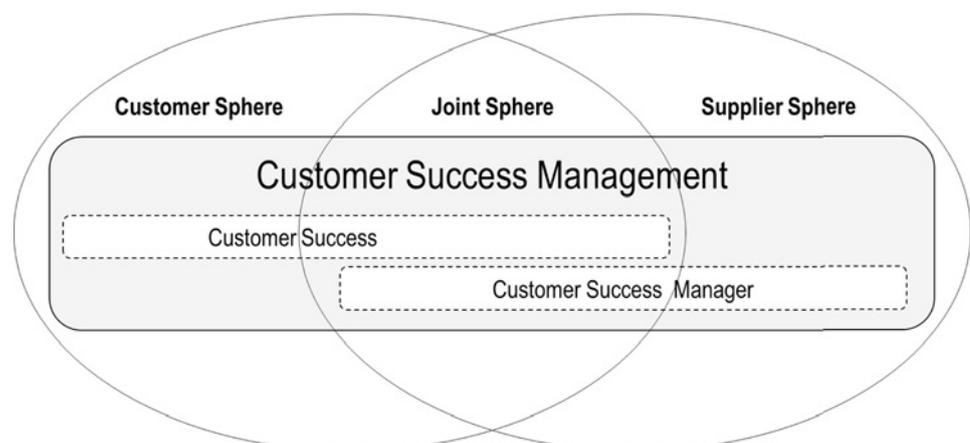


Fig. 1: CS, CS Management and CS Managers in the Value Creation Spheres Framework (adapted from Ulaga, Eggert, and Gehring 2020)

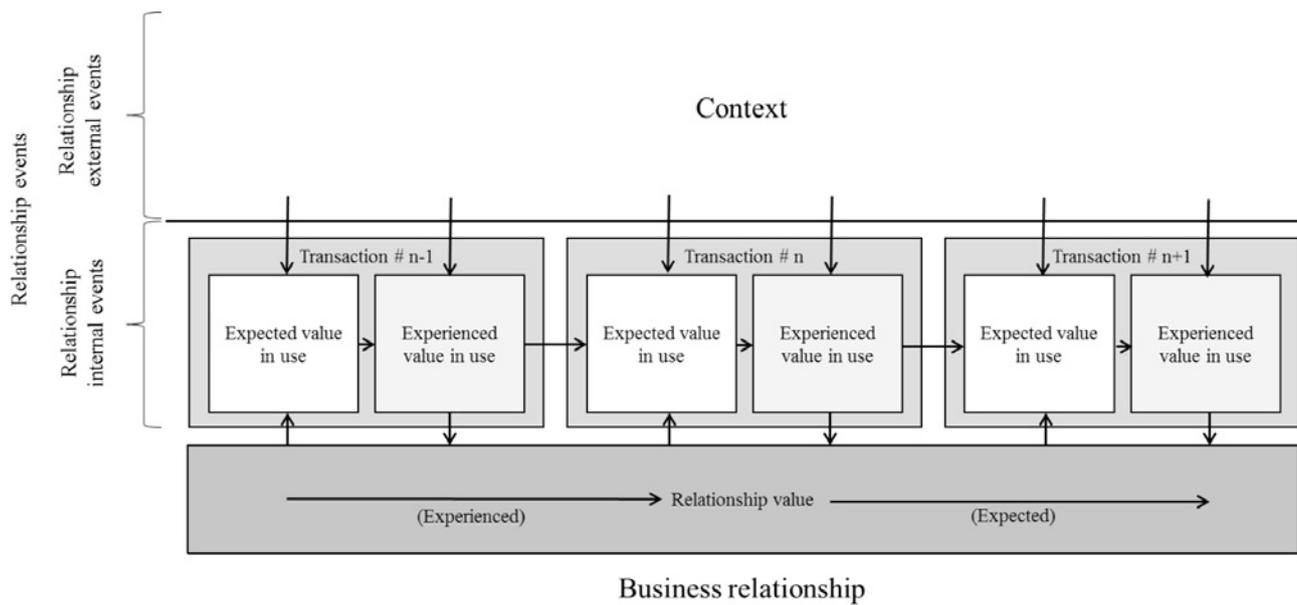


Fig. 2: Interplay of Different Value Conceptualizations (Based on Kleinaltenkamp 2015, p. 286 and Hollmann, Jarvis, and Bitner 2015)

heart of subjective value conceptualization as it plays a pivotal role in the formation of *relationship value* which, in turn, influences *expected value in use* in future exchange episodes” (p. 18). Fig. 2 depicts the complex interplay between the various conceptualizations of value in business markets.

Experienced value in use is conceptualized as an assessment of all customer-perceived consequences that are achieved through the usage of goods and services (Macdonald et al. 2011) and it depends on the quality of (1) supplier resources, (2) customer resources, and (3) the resource integration processes (Macdonald, Kleinaltenkamp, and Wilson 2016). Seen through this lens, CS is conceptually equivalent to value in use of the customer firm, as experienced by the members of its usage center.

2.2.2. Customer Success Management

CS management has been defined as a management process comprising “all activities of the customer and the provider firm aiming at aligning their customer and supplier goal achievement” (Ulaga, Eggert, and Gehring 2020). This definition characterizes CS management as a joint management process that spans the customers’ and the suppliers’ value creation spheres (see Fig. 1).

CS management resonates well with the notion of creating enduring customer value. As Kumar and Reinartz (2016, p. 36) observe, “[t]he purpose of a sustainable business is, first, to create value for customers and, second, to extract some of that customer value in the form of profit, thereby creating value for the firm. [...] For the firm’s decision makers who allocate resources to markets, customers, and products, the challenge is to dynamically align resources spent on customers and products in order to *simultaneous-*

ly generate value both to and from customers [emphasis added].” CS management adopts a similar logic and argues that suppliers need to proactively enable their customers reaping the full value potential from their market offerings in order to prosper and survive in competitive business markets.

CS management is built on the implicit assumption that customers often do not know how to use suppliers’ offerings in an optimal way that maximizes their own goal achievement. Further, in the fast-paced digital economy, combinations of physical and digital components increasingly require a constant flow of innovation. As new technical features constantly emerge and customer expectations permanently evolve, there is a need for an ongoing alignment between customers’ goals and mix of elements forming a supplier’s market offering. In short, both the customer’s and the supplier’s spheres require a high degree of agility from both parties. Sub-optimal use of suppliers’ goods, services, and good-service combinations, can erode customer satisfaction, lead to increased customer churn and, therefore, also impacts the supplier firm’s bottom line. It is therefore in the best interest of the supplier to help its customers realizing the full value potential of its current and evolving market offerings in the customer firm’s equally evolving usage situation, in particular when the supplier’s offering is novel to the customer firm, complex, and important (McQuiston 1989).

Against this backdrop, it does not come as a surprise that CS management originated in the Software-as-a-Service (SaaS) industry, with Salesforce.com being one of its key proponents. SaaS are typically complex permanently evolving offerings, and customers often do not grasp all functionalities and their value creation potential in cus-

customer firms' usage situation. Furthermore, SaaS are usually commercialized in subscription-based business models "whose customers pay a periodically recurring fee for access to a product or service" (McCarthy, Fader, and Hardie 2017, p.17). These business models have been widely applied in B2C-contexts like newspapers or telecommunications; they now also gain momentum in business markets (Ulaga, Eggert, and Gehring 2020).

In a subscription-based business model, contract renewal is the acid test for the customer-perceived contribution of suppliers' market offerings to the achievement of the customer firm's goals. Compared to traditional software purchases, customers are more flexible to quit the subscription or may be inclined to opt for less expensive options at contract renewal (Mehta, Steinman, and Murphy 2016). Consequently, suppliers need to continuously demonstrate and document how their market offerings create desired outcomes for customers.

Within a CS management framework, suppliers get proactively involved in customers' usage processes in order to ensure and improve customer firms' value creation (Ulaga, Eggert, and Gehring 2020). The proactive involvement in customer firms' usage processes and the business outcome orientation distinguishes CS management from other management approaches on the path to customer centricity, such as quality management, customer satisfaction management, and customer experience management (Ulaga 2018). Traditionally, "[m]arketing has mainly been a promise making process, where the responsibility for

keeping promises and creating loyalty have been in the hands of other functions in a firm" (Grönroos 2011, p. 246). In a CS management context, suppliers proactively engage in promise keeping and ensure that customers achieve their goals while using suppliers' goods and services.

2.2.3. Customer Success Manager

The CS manager is an emerging job position in the supplier firm that operates predominantly in the joint value creation sphere (see Fig. 1). Its main responsibility is to ensure that the customer firm realizes the promised value potential of the supplier's offering in its specific usage situation.

Ulaga, Eggert, and Gehring (2020) report that CS managers typically hold senior positions within the supplier organization that demand significant work experience and an academic educational background. CS managers work as advisors and build trustful relationships with their customers. They also serve as escalation points and customer advocates in the supplier organization when critical issues occur in the customer-supplier relationship. In addition, CS managers identify opportunities, manage projects and play a substantial role in the "on-boarding" of new customers.

The CS manager's job description has substantial commonalities with more established positions such as key account manager and customer experience manager. Key account managers are responsible for developing long-term



Fig. 3: Commonalities and Differences in Job Descriptions among Customer Success, Customer Experience, and Key Account Managers (Ulaga, Eggert, and Gehring 2020)

customer relationships. They engage with key customers, analyze their behavior and monitor the competitive environment (Wotruba and Castleberry 1993). In contrast to CS managers, their roles, responsibilities and rewards are not primarily geared towards customers' goal achievement. Customer experience managers focus on improving the customer journey and enabling a superior customer experience that encompasses "the customer's cognitive, affective, emotional, social and physical responses" (Verhoef et al. 2009, p. 32) to the suppliers' offerings. Compared to the CS manager, customer experience managers are more process- than outcome-focused. They manage the customer experience that finally leads to customers' perception of value in use (Lemke, Clark, and Wilson 2011).

The Venn diagram in *Fig. 3* summarizes frequently used key words in job descriptions of CS managers, customer experience managers, and key account managers and thereby identifies both commonalities and differences among the three customer-focused job positions. The next section raises the question why CS management is emerging in today's B2B environment and how it builds on and extends existing (customer) management practices.

2.3. Customer Success Management and the Path Towards Customer Centricity and Service Growth in B2B Markets

Two major shifts are changing the B2B landscape: First, firms "transition from a goods-centric to a customer-centric orientation, while the second relates to companies' move towards providing customer solutions, instead of focusing on manufacturing and selling products" (Ulaga 2018, p. 80). How is CS and CS management related to these fundamental trends? And what is the role of the CS manager when customer-centric firms provide solutions instead of goods and adjacent services in B2B markets?

While customer orientation has always been at the heart of the marketing concept (Kotler and Keller 2006), many B2B firms still struggle to implement customer orientation in their organization (Ulaga 2018). The academic literature defines customer orientation as a "set of beliefs that puts the customer's interest first, while not excluding those of all other stakeholders such as owners, managers, and employees, in order to develop a long-term profitable enterprise" (Deshpandé, Farley, and Webster 1993, p. 27). To develop a customer-centric mindset among their employees, firms must overcome organizational barriers and need to adapt their structure, culture, processes, and financial metrics (Shah et al. 2006). The total quality movement with its focus on managing product quality and measuring customer satisfaction was an early attempt in this direction. Customer relationship management (CRM) further advanced supplier firm's customer orientation.

Employing information technology to better understand customers, their preferences, and needs, CRM aimed at creating "improved shareholder value through the development of appropriate relationships with key customers and customer segments" (Payne and Frow 2005, p. 168). More recently, marketing academia and practice have begun to embrace the management of customer engagement which summarizes a broad set of customer activities toward the firm that go beyond purchase, such as sharing of information, word-of-mouth etc. (Pansari and Kumar 2017).

CS management can be regarded as the next step on this path to implementing customer centricity in supplier organizations. Beyond managing product quality, customer relationships, and customer engagement, CS management brings the proactive involvement of the supplier in customers' usage processes on the agenda. Often based on data-generated insights about customers' usage processes, CS managers work with their customers to unlock the full value potential of the supplier's market offerings (Hochstein et al. 2020). The focus on customer outcomes and its proactive nature distinguish CS management from more traditional service support and customer management activities.

The ongoing servitization of industrial firms is a second major trend in today's B2B landscape. Ulaga (2018, p. 81) defines "servitization as a firm's strategic transition beyond its traditional focus of manufacturing and selling goods and systems to a focus on leveraging resources and competencies through the provision of activities that achieve customer-desired business outcomes". In this context, supplier firms increasingly offer value-adding services and customer solutions with an outcome-based value proposition (Ulaga and Reinartz 2011); i.e. rather than promising to perform a deed (e.g. a repairing an elevator lift), supplier firms promise to achieve a business outcome (e.g. 99 % uptime of an inflight-entertainment system). Outcome-based value propositions are a defining characteristic of customer solutions (Ulaga and Reinartz 2011), that have been conceptualized as a "set of customer-supplier relational processes comprising (1) customer requirements definition, (2) customization and integration of goods and/or services and (3) their deployment, and (4) post-deployment customer support" (Tuli, Kohli, and Bharadwaj 2007, p. 5).

While salespeople are critical in the early phases of a customer solution (Grewal et al. 2015), they can often take on a rather limited role in the deployment and post-deployment phases. According to Panagopoulos, Rapp, and Ogilvie (2017, p. 148), solution salespeople focus on "the 'people aspects' by personally taking care of and monitoring the quick delivery and installation of the proposed solution" in the deployment phase. In the post-deployment

phase, salespeople should “adapt the solution to needs that may arise during installation”. With their focus on understanding and improving customers’ desired outcomes in ongoing usage processes, CS managers are well prepared to adopt responsibility for the latter phases of the solution provision process. Indeed, the ongoing usage of a customer solution under changing market conditions may require a specialized position in addition to the salesperson that ensures optimal value realization and thereby prepares the ground for future sales opportunities.

In sum, CS management builds on established concepts such as CRM and the management of customer satisfaction and engagement. It extends these approaches with CS managers’ proactive involvement in customers’ usage processes that were traditionally regarded as customers’ own responsibility, located in their distinct value creation sphere. Against this backdrop, CS management is the logical next step on the path towards customer centricity and the realization of customer-desired outcomes in B2B markets.

3. Decision Agriculture – An Illustration of Managerial CS Practice

To better understand the meaning of customer success in a business marketing context, and to shed light on managerial practice in this domain, we explored how customer success management was implemented in a Software-as-a-Service company, that is, in an industry context with a long-standing experience of CS structures, people and processes.

Within the scope of the present article, our explicit goal was to comprehend and illustrate emerging managerial practice in CS management, rather than conducting a grounded theory study based on multiple decision-makers in a cross-section of industries and firms. Thus, our company illustration is based on a depth interview with the firm’s Vice President (VP) of Customer Success, complemented with secondary data provided by the company and further enhanced with a desk research on the firm’s industry, its customers and its broader competitive landscape. The firm’s customer success department comprises five people, a vice president of customer success, two customer success specialists, and two customer success interns to account for the seasonality of the company’s business, with a heavy increase of customer success activities focused around the beginning of the growing season early summer. The VP of customer success joined the company five years after its creation as the second staff member involved with customer success management. Prior to joining the firm, he held positions in sales, technical and website support, training, marketing and customer success over a period of twenty-four years in the semi-conductor industry and in diverse technology start-ups.

3.1. Company Background

Founded in 2014, our case company develops, manufactures and sells solar-powered Internet of Things (IoT) devices with sensors designed to provide real-time continuous visibility, harvest timing, in-field crop monitoring, and predictive analytics of crop growth. As a provider of goods and services in decision agriculture, the company assists farmers and growers in collecting, synthesizing and analyzing site-specific agricultural data in order to gain insights, make predictions, recognize and address risk in decision-making. To date, the company has installed more than 2,000 devices in agriculture fields throughout the world. These devices are positioned above plants in a field. Sensors collect and transfer data in continuous time series, over cellular connections to a data pipeline. Data is then processed and stored in the cloud before being analyzed. The company further develops and designs various visualization tools for assisting growers in their operations to address questions such as ‘how much irrigation water is required for a field in a given week?’.

The firm’s business model is based on both product and subscription sales. The company charges a list price of \$ 850.00 for a device. In addition, the provider charges an annual software and service subscription fee of approximately \$ 500.00 per device or per location. Over time, the company seeks to move to outcome-based pricing models, i.e. invoicing customers per hectare covered.

The decision agriculture specialist serves customers in the States of New Jersey, California, and Nebraska in three distinct customer segments. A first segment consists of farmers and growers in high value agriculture markets, such as wine grapes, strawberries and tomatoes. Next, the company serves Digital Agriculture (‘Digital Ag’) Tool Providers, that is, other software companies that also serve growers as their own customers. Digital Ag’ Providers apply the company’s data in their predictive models and recommendations for crop protection, use of fungicides, herbicides, pesticides, etc. Finally, a third customer segments consists of Seed Research and Breeding Firms. These companies produce and sell ‘inputs’ to growers, i.e. seeds and small (trans-)plants, such as tomatoes. Seed Research and Breeding firms increasingly acquire start-ups to provide digital agriculture tools, mobile apps, websites and software for analyzing weather conditions, evaluating risks of various crop diseases, and for specifying usage of chemicals.

The company’s unique expertise lies in its ability to collect data on the different forms of light reflected from plants. Beyond regular weather station capabilities, i.e. collection of temperature, air pressure or humidity, the company we interviewed can analyze light reflected off the leaves of a plant and determine a variety of measurements about that

plant. For example, its unique expertise allows the firm to measure how large the plant is. Similarly, by investigating the type of light reflected from the canopy of the plant, the temperature of the plant's canopy can be determined. A leaf's temperature is important for assessing potential risks of disease, such as fungus pathogens, among others. Finally, because plants with more leaves and more canopy area consume or transpire water at a larger rate, the firm can understand more precisely the amount of water transpired by the crop and thus inform farmers more accurately about crop conditions than other solutions.

Beyond its own devices and sensors, the company offers an open platform to which multiple third-party sensors can be attached, such as probes inserted into the soil or wind sensors. The firm aggregates those into the very same data stream as its own measurements. Hence, customers receive only one data stream, with the same time stamp, that can be visualized without having to pull data from multiple sources and different time stamps. Therefore, IT efforts to align data in a continuous time series are significantly reduced.

3.2. Customer Success Management

3.2.1. Sales Context

The nature of the company's goods and services heavily influences its sales approach and process. IoT devices, software and visualization tools sold are highly complex systems and require substantial customization to meet the requirements of individual customers' usage situations and their need for constantly collecting and analyzing relevant data for decision-making. The following quote also demonstrates that a supplier's offer is not 'set in stone'. Rather, the Vice President of CS we interviewed emphasized that his company's offer is in constant flux:

Our product is not 100 % reliable [laughs]. It takes people with very specific metrics and goals on continuous successful operation of our technology. [It's about] really meeting the customer's needs.

Further, beyond the complexity of offerings themselves, our informant highlights an additional layer of complexity insofar as the sales process itself can best be characterized as being very similar to project marketing and sales. Consider the following statement:

Sometimes, there is a project in which we develop dashboards or organize a very large deployment to a lot of growers. It's a complex project.

Collectively, the need for integrating different components into a system, tailoring the offer to customers' specific needs, and adopting a project marketing and sales approach lead to a need for distinguishing between different customer-facing roles. Our informant distinguishes between 'hunters' and 'farmers'; he further iden-

tifies different stages of the sales process, that is, lead generation and customer acquisition, project deployment, and contract renewal. It is noteworthy that our informant particularly emphasizes the importance of the latter stage of this process, i.e. contract renewal, for mastering the overall sales process (see below our verbatim on value documentation and communication during contract renewal).

These stages require a concerted effort among different internal stakeholders from different functions such as sales, marketing, engineering, and CS. Consider the following statements:

I use the analogy of hunters versus farmers. We have business development people who are very good at starting a relationship with a lead and acquiring new customers. They are hunters. However, with a complex product, there is also a lot of need for ongoing on-boarding, training, technical support. [These are] not the core skills set of the hunter salesperson.

3.2.2. Customer Success Management Roles

Our informant identifies several critical roles of CS; from the time a customer is first approached as a lead until the renewal of the subscription with a satisfied customer. The roles and responsibilities of CS evolve throughout the different stages along this timeline. It must be noted that, according to our key informant, CS management's activities, roles and responsibilities appear to grow in importance throughout the sales cycle; culminating at contract renewal time where CS employees' actions are paramount for securing the next contract.

Pre-Sales Support. Early on, CS managers work with their sales counterparts during the contract negotiation and signature phases. They contribute to determining key performance indicators that not only serve for aligning the customers' and the suppliers' goals, but also help establish later on whether the customer has gained value as agreed.

Customer Engagement. Due to the very nature of the company's business model, CS management teams allocate a substantial amount of their time to project implementation. As equipment is installed on customers' premises, visualization software and dashboard are deployed, and users are trained, customer engagement takes on a critical role. Customers' staff must learn how to make best use of the suppliers' equipment; they must adjust internal processes and activities. To this end, the supplier must clearly communicate the benefits of the offer to facilitate users' adoption. Most importantly, the supplier must ensure that customers' employees not only *begin*, but also *continue* and *expand* usage of data and visualization tools in the best possible way. In short, customers' initial and continuous engagement with the vendor's goods and services become key factors of success.

Continuous Support. Once project implementation is completed, CS managers' role continues to evolve. In this stage, ongoing technical support, as well as continuous user on-boarding take on a lead role.

Value Documentation and Communication. Finally, as the supplier and customer prepare for contract renewal discussions, an important additional role of CS management comes to the forefront. CS managers assist salespersons in contract renewal negotiations by creating value documentation and value communication material. In our case study context, this material takes the form of compelling end-of-growing-season analyses and visuals. At this stage, the suppliers' goal is to ensure that customers perceive value gained from the provider's goods and services in such a way that they are naturally inclined to renew a contract. Consider the following statement:

As the renewal time approaches, we want to make sure – and this is important – that we are creating visuals and end-of-season analyses that are very compelling so that the customer will see: 'Oh, historically I look at my season, I see all of these good things that happened, all of these insights. Now that I have this end-of-season report, yes, I will renew'. Customer success always wants to show the value at the time the renewal is solicited. That's where sales come back, and they help with that.

Customer Stewardship. In our case study, yet another important role surfaced. During project implementation, unforeseen customer pain points often surface. At this stage, CS managers not only collect the voice of the customer and report back issues raised. They also adopt a proactive role in solving problems to ensure customers derive value from goods and services sold. In our case study, this takes the form of identifying urgently needed product accessories not yet included in the supplier's current product offering, as well as missing software required for data visualization. Interestingly, CS managers' role here is not restricted to simply surfacing and reporting problems encountered. They are empowered to take action, even temporarily, in order to ensure customers' goals are being met. Consider the following statement:

It was very difficult for our customers to install the devices in our field. They received our device, but there was nothing with it to enable the installation. So, they had to drive to a hardware store, find tubes and pipes, and put it together on their own. That was making us not so successful. So, I found some options for ground anchors and telescoping poles. I developed those with vendors and helped to bring those to market. These are like accessories, but they are very important for making the engagement successful. We heard the feed-back and we realized we had to change this.

We have a web product that is not able to visualize all the third-party sensors we have enabled. So, in customer success, we had to find a[n external] vendor that could help us visualize the data that our production website could not.

Many of our customers now have special dashboards temporarily. Until our product can catch up and add these visuals, we have to use these prototype or proof-of-concept dashboards in order to keep the customer engaged.

3.2.3. Customer Success Management Competences

When reviewing competences required for mastering CS management positions, several skills surfaced. Besides a solid technical background, the ability to connect with customers emerged as an important dimension. Referring to a metaphorical distinction between 'hunters' and 'farmers', our informant assimilated CS managers to farmers, in contrast to sales peoples' resemblance with 'hunters'. Finally, deep knowledge of customers' industry and use situations emerged as a third important domain. Against this backdrop, our informant described CS managers as increasingly evolving towards profiles and skills sets comparable to those of management consultants.

[High-performing CS managers have] first, a good basic technical background for trouble shooting, training, and learning technical subjects very quickly. That's important. This is someone who has very good customer skills, can think about closing new deals and expanding with the customer. But they are different from a hunter kind of salesperson, they are much more a farmer. They are cultivating something that is more stationary and growing. [...] The other piece is subject matter expertise. In this case, its agriculture, an interest in growing crops and a passion for developing expertise in that. I think it's kind of those. The technical side, the ability to sell, and then the ability to recommend and advise on the agriculture side, the subject matter side.

[...] Those people are often coming from the management consulting world and doing well in customer success. I see customer success evolving towards almost really a management consulting kind of role. The very best in the world, McKinsey, Bain and others, they do some very interesting work with customers to win them, but also to proof their value.

As highlighted earlier, our exploration of CS Management in the present company solely aimed at merely illustrating emerging practices to complement our conceptual developments in the present article. Collectively, these insights point at several promising research directions detailed in the following section.

4. Directions for Research and Practice

Across industries, CS management is gaining momentum in small and big organizations alike. From an initial focus on selected industries and early adopters (i.e. Salesforce.com), interest in CS continues to grow as companies, such as Assa Abloy (locks, doors and gates for access control), Grundfos (pumps), NCR (point-of-sale terminals), or

Schneider-Electric (energy and automation digital solutions) show heightened interest in subscription-based business models. Fueled by the trends discussed in our article, more and more B2B firms establish CS management functions and organizational units, hire CS experts and devote growing resources in this domain. Clearly, CS management is a topic of growing managerial relevance.

As companies learn how to deploy CS structures and processes and gain experience in this field, there is a need for scholarly inquiry in this promising domain. Our knowledge of CS, particularly in business-to-business settings is only at its infancy. In the present article, we first investigated the conceptual foundation of CS and CS management. Based on extant managerial literature and nascent research in this field, we distinguished between CS as a customer-perceived construct, CS management as a joint customer-supplier management process, and the function of CS managers as an emerging job position in supplier organizations. In a second step, we illustrated how CS management is practiced in a business marketing context. Based on the example of a provider of IoT devices, software and services in decision agriculture, we highlighted how B2B companies adopt CS management approaches and techniques today.

Against this backdrop, we suggest several promising avenues for future academic inquiry in this managerially relevant, yet under-researched field. First, from a corporate strategy point of view, senior managers want to know whether investing in CS structures, processes and people translates into superior firm performance – and under what conditions. Growing CS capabilities potentially competes with other investment alternatives. Therefore, there is a need to thoroughly understand how CS initiatives translate into firm results. Further, an understanding of key moderators and mediators is required. Knowledge of factors conditioning success or failure of implementing CS initiatives is still lacking. A better understanding of such factors can accelerate wide-spread adoption of CS management.

Second, from an organizational perspective, we need to understand how the CS function relates to other customer-facing functions, such as business development, key account management, customer experience management, and customer support. On the one hand, we need to observe and analyze these linkages more thoroughly. On the other hand, we have to understand where and how CS management is best positioned in a company, under what conditions it works best, and how it interacts most successfully, directly or indirectly, with internal organizational functions that are not directly related to customer interactions, such as engineering, operations or R&D.

Third, from an individual employee-level perspective, we only begin to understand the CS managers' role. More re-

search is needed to explain how this new role can best be set up and how CS managers can be supported with regard to their tasks and responsibilities. In the context of the decision agriculture firm we explored, the role of CS managers appeared as encompassing pre-sales support, customer engagement, continuous support, value documentation and communication, and customer stewardship. However, we need more and deeper insights from a large variety of companies and on a long-term basis to better understand this function.

In the present article, we chose an IoT provider in decision agriculture to illustrate our conceptual developments. To take our investigation from a conceptual to an empirical level, and to address the above-mentioned research opportunities, there is the need to work with various qualitative and quantitative research methods in order to understand the practice-based phenomenon of CS management more thoroughly. One idea is to analyze the return on CS management. With the help of for example data that compares the financial situation of firms with CS management to those without this function, insights into the ROI of CS management could be offered. To gain a deeper and more thorough understanding of CS managers' roles and responsibilities, depth interviews involving different internal and external stakeholders could be conducted. For example, discussions with frontline CS staff, CS managers, or customers could give insights into the interactions between the stakeholders and refine our initial ideas of their role within an organization.

Likewise, future research could adopt a grounded theory approach involving diverse firms and multiple stakeholders in both the customer and supplier spheres. Such an approach could lead to the development of promising future research propositions. We recognize that, at the present stage, the insights gained from the single company example in our article fall short of representing a sound basis for deriving solid research propositions. Nonetheless, we hope that scholars engage in future grounded research studies to develop research propositions related to CS management.

Further, to gain insights on how CS management can be implemented over time, longitudinal data or consecutive waves of survey data could be combined with internal customer satisfaction and loyalty measures. Despite being practiced in a growing number of industries, research on CS management is still in an early stage, and there are many promising research avenues to be addressed in this field.

Finally, while our article squarely focuses on business-to-business (B2B) contexts, scholars might want to compare and contrast CS management in both B2B and business-to-consumer (B2C) environments. Conceptually, one may suggest that the CS construct and CS management prac-

tices apply across diverse B2B and B2C market environments. Indeed, newspaper and video streaming companies, for example, regularly engage with consumers to help them make better use of their subscription-based access to news information or entertainment offers and achieve their ultimate goals. Yet, as we define CS as a customer-perceived construct, the very nature of outcomes sought by customers might play out in very different ways. For example, while consumers may emphasize “joy” or “self-esteem” when driving a luxury sports car, CS may manifest itself through meeting key performance indicators on customers’ factory floors in a B2B environment. However, despite contextual variations, the foundational process of anchoring CS in customer-specified ultimate goals remains unchanged.

Further, as breadth and depth of customer interactions often greatly vary across B2B and B2C markets, one may infer that CS management approaches and tools will require various degrees of adaptation. For example, companies faced with very large customer bases may heavily draw on new approaches for generating customer insights and coordinating interactions – through Artificial Intelligence (AI) or chatbots – to contain costs when deploying CS management processes. In B2B markets, on the contrary, orchestrating CS management activities in cooperation with key accounts may take on very different forms. Thus, which factors condition failure or success of CS management in diverse marketing environments? How to strike the balance between CS management automation and personalization? We need more comparative research in this domain.

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Keywords

Customer Success, Customer Value, Experienced Value in Use, Subscription-based Economy