



CHAPTER –III

LITERATURE REVIEW

CHAPTR III: LITERATURE REVIEW

3.1 Introduction:

An extensive literature study was undertaken by the researcher to understand the KAM practices used in other countries, what are the objectives, significance and outcomes of various research papers and journals. Indian Resrech papers are also referred.

2.2 Objectives Research papers and Publications, articles in international conferences, and books were referred with following objective related to this research

- To earn peripheral knowledge of the research topic.
- Find out problems and challenges in the area of interest to the researcher which have already been researched in the past.
- To know outcomes of others about the subject and how they reached there.
- To learn different concepts related to research topic and the potential relationship between them.
- To distinguish potential domains and hypothesis for research.
- To receive support for design of research methodology and techniques of analysis.
- To locate rich sources of information for conducting the detailed research.
- Identify and get familiar with the style of writing a research project.
- Position your research incorrect context.
- Generate better knowledge of the subject and keeps you updated on the latest and ongoing information.
- It sharpens your focus and attention on the Research Topic,
- To clearly define and come out with limitations of the problem of the research
- To examine and research in historical perspective
- To avoid unnecessary duplications

It will show how your study will make original Contribution to the subject

3.2 Literature Review – Books:

Key Account Management: 3rd Edition

Peter Chevetrton : publisher – kogen Page India Pvt Ltd Year 2012

- The book is rolled out as a useful Guide for how to come out with KAM strategies and practices. It covers majority of the important point's right from its concept, definitions to supervise these plans.
- The author has divided KAM into Five stages which is termed as the KAM development model. These stages are Pre-KAM, Early KAM, Mid KAM Partnership KAM, and Synergistic KAM. The book gives strategic directions about handling and Monitoring progress during all these stages. It gives a sound layout of these prime business tools for those who are interested in its learning and carrying through.
- The book gives worthy interpretation of KAM and portrays what KAM is not. Sizable number of companies follow what KAM is not and loose its Effectiveness
- The author strongly advocates that KAM is not short period sales plan. It is a long-hauled Implementation strategy of business development and relationship. It is also a determined activity with long term stakes. Secondly it is not a dragged-out Sales initiative.
- The book has covered very important areas of these practices like assessing opportunities, Developing relationships, Key account profitability, Importance of trust and values , how to identify the key accounts , segmentation and obstacles in setting it out .
- The basic Purpose of KAM is clear – Pursuit of competitive advantage. Making objective and Goal clear and writing the plan is essence of effective KAM

- The book does not have any specific Indian references. Many of the concepts will need reshaping while rolling out in Local Indian business surrounding. It will offer many relevant points to incorporate in the questionnaire for the survey for this research. The endorsements and measures suggested in the book are very useful to MNC's JVC's or companies who are growth driven.
- The theoretical framework, explanations of concepts, charts and tables etc. about KAM will be very useful in this research work
- The book will assist in the research since it covers most of the fundamental concepts. It does not have relevance to Indian business conditions since it was originally published in the UK. It will provide a good theoretical background for research of actual KAM practices which are followed by the sample companies.

Excellence in Key Account Management : 2nd Updated and revised edition

*christian Belz ,Mrakus Mullner , Dirk Zupancis : publisher – Viva Books Pvt Ltd
Year 2012*

- The book identified series of hardships in implementing the KAM effectively. The excellence in implementation can be achieved only when we address these hardships which are very commonly observed but are not easy to handle. Few of The deep water situations mentioned in the book are Differentiated solutions for Customers, Mergers and Acquisitions by customers, Lean Cooperation, Changing Business Dynamics, and Lack of consistency, Missing Framework conditions and Setting Incentives correctly.
- This book has mentioned various Risks in the actual operations. Few examples cited in the book are disappointing customer expectations, increases pressure from customer and misuse of power, Flow of know how to customer and sometimes to competitor , performance deficit affects customer-supplier relations, agreeing to performance guarantees , over dependence on key account manager and even failure of the customer sometimes
- The book insists that if any company wants excellence in KAM, internally it ought to be part of entire corporate strategy and Top Management support is must.

- The book has many short references and cases of companies about their experiences on KAM
- Although, the book has few case studies, it does not have these cases in reference to Indian companies. While executing the theories and concepts of KAM, reorientation and amendments will be required for Indian business practices.
- The book will provide lot of useful information for this research. The KAM is not at a much matured stage in India {exceptions of large companies, MNC's and JVC's}. The book focuses more on bringing up effectiveness of already initiated drives may be at a smaller scale.
- The book has reference of specific guidelines for estimating success of KAM processes which can give valuable inputs for understanding their effectiveness.

Global Account Management: 1st Edition

Peter Chevetrton : publisher – kogen Page India Pvt Ltd Year 2010

- The book offers correlations of KAM and GAM. The GAM {Global account Management} has lot of correlations when we study the KAM practices of MNC's and JVC's since many of them operate at International or Global level
- The book advocates taking into consideration the Global Buyers as a critical starting point. They have Ambitions and purpose backed by information, knowledge and clearly laid objectives. Few examples – To improve Purchasing Power, To reduce power of dominant suppliers, generate global access for better pricing and quality, Access the Global brands , overcome undesirable local purchasing practices and build key suppliers.
- The GAM initiatives must bear in mind that the Global Customers have far up Buying Powers {in terms of pricing, terms and leveraging}, but what they want is to fix operational efficiencies, better supply chain management, and they want to adapt flawless supplier management processes.
- The book insists that the Global Account managers must build Leadership. Empowerment is must for them along with professional training to infuse over and above competency.

- The author clarifies that company directors need to know if a client has consistent needs across different country locations, has a global operational footprint, and has the strength to implement global decisions. The author also presents the parameters important for effective administration of an account with global presence. The implications of making the wrong decisions in a global marketplace are enormous. The book *Global Account Management* provides the information and realization they require, to ensure the future success of their companies
- The various concepts mentioned in the book can be used for the research since it incorporate various references of MNC's and JVC's who have Global operations and presence.
- The book has nicely covered the Cultural differences due to internarial locations of the Global accounts. There are many hardships and it is necessary to sense the social as well as work culture with the customer. These issues are predominantly applicable while handling KAM in India where customers are based across a large country having many cultures and languages. The KAM plan needs adaptation of these cultures and move on.

3.3 Literature Review – Indian Publications:

Key Account Management by Preeti H Vyas

Indian Institute of Management–Ahmedabad {India} WP no 2012 -06-08 June 2012

- This Paper tried to explain the 21st century Concepts of KAM, factors responsible for Emerging these New Concepts, benefits to both i.e. Seller and Buyer, Risk faced in KAM implementations and more importantly, the success factors. These explanations are of prime importance in today's competitive business world.
- The paper provides excellent insight of how to identify the key accounts, and explains the concept of Loyalty Ladder. It advises that the by adopting KAM, supplier companies should aim to become Sole or Major supplier.
- The paper makes very useful recommendation to Study the 'Key Account Attractiveness' before initiating the KAM practices. This will enhance the like hood of success

- Most importantly since this is to study Effectiveness of KAM, this paper presents parameters of effectiveness. Few of the Major parameters are Revenue improvement, volume growth, smooth operations, reduction in Risks, and then various cost savings. Most of the Growth oriented companies, MNC's and JVC's will be able to take lot of inputs from this paper. It rightfully covers many segments of KAM
- Being an Indian Research paper, it would have been more effective with few Examples of success and failures of KAM implementations in Indian companies. No such examples or references mentioned. Secondly it does not give any picture or information to what extent KAM is followed in India by professional companies or MNC's.
- The preface of Key Account Attractiveness is very meaningful and will be considered in the Research. To make the KAM impactful, the paper brings up the desired key success factors which need to be incorporated in the plan.
- The paper nicely deals with concepts like Transactional focus and Relational Focus. This comparison gives a clear idea about the changes required in companies approach to move towards professional KAM. It also covers Ladder of customer Loyalty which can be monitored in reference to present Key customers
- Very importantly the paper provides for the real benefits of KAM to the companies as well as to the customers. The paper narrates concept of 'Cost Saving' initiatives which the supplier can take advantage of, when having trustful alliance with the key customers.

Key Account Management Strategy at Tata Motors get Enhanced IT edge
Anil Patrick R, Chief Editor Article Published at the TechTarget network of technology specific websites Jan 2012

- This article is an Interview with Mr. Jagdish Belawal Chief Information Officer, Vinod Sahay Head Sales and Marketing of Medium and heavy trucks and Anurag Dubey Head key account management and sales of Prima Truck range { All from Tata motors Limited } . Imp Points of the Interview are as follows

- Tata Motors Limited {TML} decided to have a Key Account Manager for each large account {having fleet of 100 to 2000+ trucks} and these large accounts have their operations across India. These large fleet owners wanted the Key account manager's interface with all the operation teams and not just head of the purchase departments and service departments.
- TML then built powerful IT systems, centralized dealer management systems, CRM for dealers and key accounts. These systems capture all the transactions for sales, service, spares etc. The KAM IT systems were linked with key customers IT systems for faster communication and control.
- TML had two main objectives here. First to increase the share of business with each customer's fleet. Second build CEI {Customer engagement Index} . This is by offering value propositions in terms of IT support. According to TML better CEI then better customer satisfaction.
- With this KAM portals TML can manage 660 Key Accounts which is a large no to manage.
- TML gave lot of focus on mapping the key accounts. Their dealer management systems played crucial role. Every key customer's entire fleet of commercial vehicles was mapped. This was a big challenge and took sufficient time.
- TML will continue their offerings and value propositions to key accounts in near future like Deployment of E-payments for all transactions , GPS visibility etc.
- The important point to note here is the participation, motivation and training to dealers to execute entire program. This is because TML does not deal with customers directly
- This paper gives an excellent insight as how important is to keep offering Value propositions to key accounts. Paper is Useful only for large companies having many Kay accounts and advanced IT set up. TML is developing a key account portal which will make various offerings of services and save time to get these services available to key customers.

{Tata Motors Ltd {TML} is the largest commercial and Passenger vehicle manufactures in India having a global presence}.

Why B2B marketers should adopt Key account Management strategy?

*Preeta H Vyas . Associate professor, Adani Institute of Infrastructure management
Ahmadabad Published at IIM Ahmedabad in April 2014*

- This article specifies need of KAM for B2B Marketers { Marketers servicing in Industrial markets supplying products and services to Organizational buyers}
- According to the article the key to success is to identifying right key accounts and shape up wide spread relations. The focus need to be on long drawn attachment rather than on going transactions. Instead of paying attention only at current volume of business, future volume, profitability etc. need to be targeted.
- Article has given Hierarchy of Relations since the focus needs to be on sprouting Relationships along with sharpening each transaction.
- Basic ➡ Co-operational ➡ Interdependence ➡ Integrated
- As per the article it is important to target the integrated stage with special key accounts. Your customer relations at this stage can be leveraged to get additional Key Customers. This can also help for better trust , better transparency and flow of information, financial and other benefits to key customer
- An important point mentioned here is that at integrated stage, Exit Barriers are high for both parties. Not easy to switch since both invested in costs like economical, physical and even psychological over a long period. The paper also mentions the benefits the key customers can have in established KAM, like stable pricing, loyalty discounts, smooth supply, streamlined systems of procurements, more value from suppliers and transparency in dealings
- Lastly the article promotes systematic approach to KAM, measure and monitor progress, recruit appropriate people, and must focus on profitability with the selected few accounts. The paper further promotes that the performance measures must be determined and communicated to all the

concerned. The KA manager should be recognized as higher level position and company must install 'Performance Reporting system'.

- The reference of 'Activity Based' costing to determine the Profitability of each account is very helpful for all companies especially the engineering companies. Detail study of Pre sales costs, material costs, production costs and post sales service costs need to be identified with accuracy and then relate it to the volumes or value of business. The paper nicely advises to develop the 'Financial Insight' to measure the True Profitability.

The article does not give information on challenges in today's business scenario but covers few important practical considerations. The importance of Relations will be part of this research to study effectiveness of KAM

3.4 Literature related to Dissertation.

Understanding Key Account Management

Diana Woodburn – Submission for Degree of Doctor of Philosophy by Portfolio 2011. University of Glamorgan

- In this thesis the Researcher has mentioned her contributions in *Five Subsections*
- A} The Key customer Portfolio : The author says the company interested in KAM must find out Scale of business potential , Business size and Growth , Appropriate customer needs , Business sustainability , customer attributes and behavior , lastly Business quality and profitability . The Portfolio of Key customer then needs further enhancement and remodeling to align to organization structure.
- B} KAM and Key Customers Profitability: KAM is an Investment in many resources. Many times companies keep servicing low profit customers under pressure and may ignore the potential profitable Key Account. Suppliers should be able to collect real costs, should have a good data of business, ready actions plans for low profitability or loss making Key accounts etc.
- C} Key Account Strategies: These should be related to Scope, Relationships, strategic benefits {perceived and operational}, quality of transactions and defects. The author recommends to have detail Key account action plan

development process before rolling out of KAM. It recommends STEEP analysis of customers macro business environment, Five forces analysis of competition at customers place, SWOT analysis of supplier, and value chain analysis of business with customers

- D} Transition to KAM: The author has recommended Five stages for this transition Scooping of KAM → Introducing of KAM → Embedding KAM → Optimizing → Best Practices of KAM
- E} Further contribution: The Author has added notes on Key Account Managers competencies, Performance and Rewards and KAM organization.
- This thesis does not have enough cases and has too many references. It is not giving details of actual offerings made by companies to their Key accounts. The research paper does not cover other areas like higher level managements engagement, measuring effectiveness of these initiatives etc. The research is focused on mostly very large MNC's where these initiatives are well defined, very critical and complex in nature.
- The information on profitability and transition will be useful for research. The research paper excellently covers concepts like Establishing KAM basics, Developing KAM understanding and Enabling KAM. The paper also covers key account selection criteria and also its portfolio building. These actions will help any company to prepare such business plan with minute details.

Unpicking the Meaning of Value in Key Account Management

*Catherine Pardo, Stephan C. Henneberg , Stefanos Mouzas and Peter Naude
University of Bath – School of Management : Working paper series 2005: 02*

- The paper explores the meaning of Value within the Key Account Management. Value is absolutely fundamental for business exchange. The marketing literatures point out values which are something Created by Suppliers and benefitted by Customers. The paper describes primary elements of this value like economical, technical, functional, service, ethical and social received by the customer in terms of benefits. In KAM all these are perceived worth that a product or service has in the mind of the consumer while buying.

- The paper brings out a powerful thought. Unless the supplier makes some ‘Sacrifices’, he cannot pass values to key customer. Book even advises ‘Value Ratio’ analysis wherever possible Benefits divided by Sacrifices
- Offering with distinguished and specialized ‘values’ is nucleus in getting leverage over competitor. Over and above this companies need strong communication on the ‘Value offering’ till customer understands and accepts as much as possible. The paper gives few example of values- benefits in terms of price reduction, additional after sales service, flexible payment terms, priority ordering, maintaining stocks and having dedicating Key account managers.
- In today’s competitive business scenario, the companies in KAM have to take large number of costs in to account. Investments in hiring, training and compensating the managers and modifications of organization structures to support KAM etc. are few examples.
- Companies and their senior managers will need a deep knowledge of KAM and only then there is a better formulation of ‘Value offerings”. In the next stage ‘Value Proposition’ and Delivering Values are the foot holds. The paper nicely includes all these view points of the author

3.5: Papers submitted in Conferences and Journals:

From Key Account Selling to Key Account Management

By Tony Milman – Cranfield School of Management – UK Kevin Wilson – Sheffield Hallam University Business School –UK .This paper was submitted at the 10th Annual IMP conference Groningen University Netherlands 1994

- Because of hard-bitten International competition, rapid fire technological up gradations and growing complexities, many companies are seeking to achieve Competitive edge by structuring strategic alliance with customer and hence KAM essential in twentieth century ways of making businesses.
- The paper mentions that irrespective of the drive by the company, the successful adaption of KAM heavily relies on Ability and Willingness of Individuals to build close and Long Term relations. This in an important area to keep an eye on.

- The paper explicitly observed that in case of Engineering and Manufacturing companies, 'Customization' of products is decisive and it carries a 'Cost'. Key Account Managers need to be careful in giving promises and commitments.
- The book highlights on 'Receptivity' as the central point of relation building in this development initiative. The seller company must closely watch the realities, and not just depend on Interest and Intension, to have KAM meaningful from both sides
- The paper specifies the Role and Responsibilities of Key account manager which matter a lot in today's hard breaking competition. Few important ones are coordination, tailoring the total offering to key accounts, facilitating multi-level and multi functions exchange programs. He is responsible of Growth , Profit/ Loss in KAM
- This paper highlights the importance of Organizational Integration for setting up dedicated activities to support the important accounts. The paper gives attention to building better organizational structure and also communication processes in support of the strategies
- The paper is more inclined towards the KAM of engineering / technology based companies. It does not mention anything about the importance of Local Business conditions which are vital in the research. However the above mentioned instances and the note about consideration of background costs for engineering companies, will help the research process
- The paper has covered very nicely the Key account profitability for Engineering and manufacturing companies. It is very important to know the 'Real Costs' of many sales related activities like customization, technical services, project services, maintenance services. Unless the companies make these costs viable, very often loose promises and concessions given to customers will erode the profitability. The paper describes these as 'Incremental costs' and it is very important to capture these costs which are above and beyond routine product or material costs and costs of order processing .

Towards an Integrated Framework of Key Account Management:

Dirk Zupancic : University of St.Gallen – Switzerland

Published in The Journal of Business and Industrial Marketing Vol.23 2008

- This paper was written and Published with a purpose to Identify the elements of Professional KAM and understand the success factors and to create Intergrade framework
- The paper has shared an interesting information about the evolution of KAM. In1970{ Genesis},in 1980 { Professionalisms} in 1990 { Internationalization} and year 2000 onwards { Specialization }
- The paper came out with a finding that in today's competitive business scenario the KAM is more complex and if it has to be effective, two groups must pay attention throughout 1. The key Account team 2. Senior Management.
- These two teams must provide attention to Five Dimensions of KAM .These are Strategy, Solutions, People, Management and Screening .These Five dimensions together make the required integrated framework . The Company must monitor the KAM movement with following
- Analyze 2.Realize 3. Integrate 4. Align
 - Analyze and realize are described as Operational KAM .Integrate and Align are described as Corporate KAM. The book puts forward an important concept of Framework in KAM. It assumes That Fully trained KAM team is in Place.

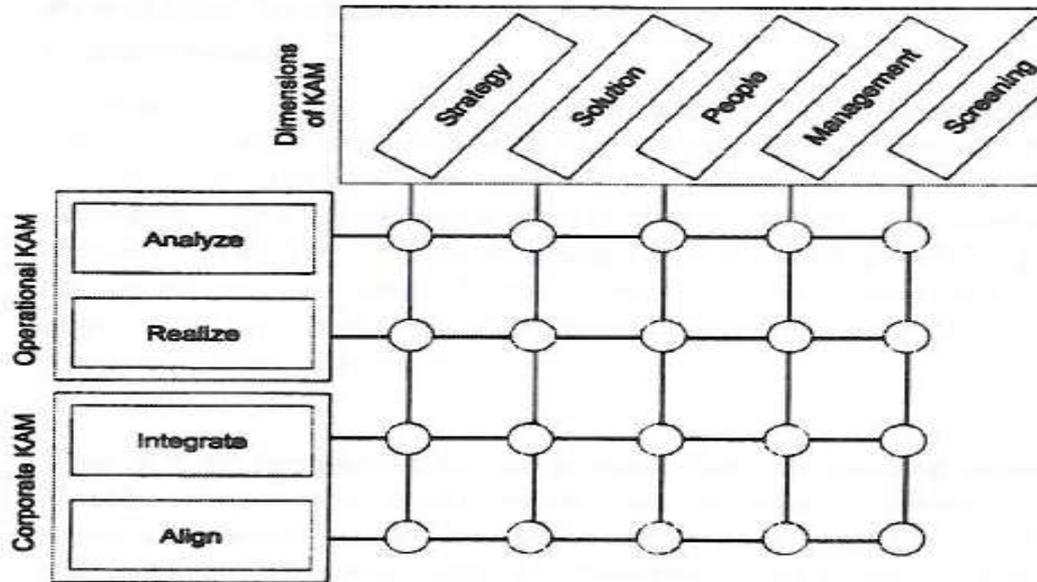


Chart 3.1 Analyze, Realize, Integrate and Align in KAM

Key Account Management in an International Context_{KAM as a tool for sustaining and Improving competitive Position – Case study of Volvo CE {Construction Equipment}

By Dragan Krznaric & Goran Popovski ,Graduate Business School , Goteborg University International Business : Master Thesis no 2011 : 46

- This Research is based on the fact that the business environment is changing with rapid pace. Consequently the MNC’s have to steadily upgrade their core competence, resources and capabilities to gain and maintain the competitive advantages to move forward towards leadership position.
- The Research paper has very properly outlined sections like Background , Research problems, Purpose , Research design , Data collection { Primary and secondary} , Data analysis , Reliability , sources of error, Conclusion and limitations . This offers lot of learning for writing research papers.
- The research endorses deep down considerations for the Local as well as Global issues related to business while moving KAM at Global level.
- The research paper draws your attention to the role of distributors in the KAM procedures. The recognition of distributors is growing since there are many companies engage large distributors having sales and marketing team of their own. The distributors can play supreme role in thickening of customer relationships which is the essence of such drives to be more adequate.

- The research paper has presented excellent analysis of the construction equipment industry as an example which nicely covers main players, substitutes, minor suppliers of spares, trends in this industry, and types of buyers
- The research paper mentions to estimate the results of KAM in terms of increase in share and revenue with Key Customers and also by receiving competitive advantages over competitors in the business with Key Account
- The research is centered only on European nation market and APAC countries .It is related only to capital equipment industry and not industrial consumable or other interconnected businesses. The case study is related to business of MNC hence useful in this research. The paper subscribes to a very useful concept ‘Positioning of KAM within the organization’ to be more effective while implementing with the customer. It also presented how Interactions at various levels and between the two companies make a pitch for building effectiveness of these initiatives. The paper advises to have the ideas of KAM and business development centralized, than having the KA managers their own ideas and practice with their key accounts. This will provide uniformity as well as flexibilities on case to case basis,

3.6 Research papers published in websites and various blogs:

Key Account Management in Industrial Field – The account team for an efficient Reconfiguration of Supplier Customer relations:

Cathedrine Pardo: Assistant Professor EM Lyon

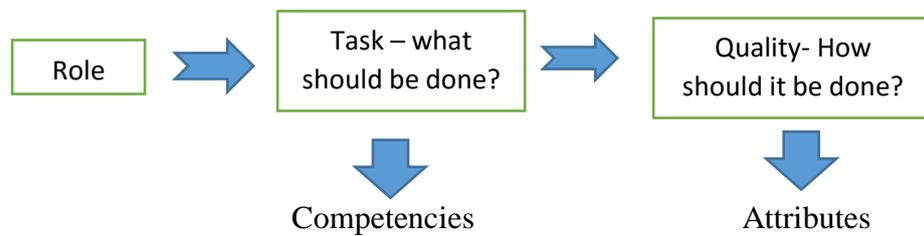
- This paper makes narrow focus on main resources i.e. Individuals, who are most valuable component of KAM. It states that the Key Account team members and managers ought to be the well-framed interface between the customer and the sellers support teams. They should take interest to reconfigure the Supplier customer intimacy time to time depending on relations and business conditions.
- The authors took about 40 interviews of people from key account team and support team. It was concluded that they together form an Account team as a whole to make the fruitful interactions with the customer.

- The relations between the key account team and support team are formal and Informal both. Even the key account teams need to respond positively to improve interactions between them and suppliers teams.
- The paper has put across an interesting point. It says that the Account team represent a 'cost' themselves but it is their responsibility to reduce the cost in KAM transactions with innovative ideas.
- The book comments ' Effective KAM is no longer the sole responsibility of few specialists , rather everyone in the firm must be charged with responsibility of understanding customers and contributing to developing and deliveries 'Values' to customer. In today's stiff competitive world, this is highly constructive.
- The businesses conditions are dynamic, new competitors arise, customer want more for less. All this calls for Reconfiguration of Supplier – Customer relations time to time and account team need to do drive this all through.
- The author has linked the role of KA manager with marketing specialist. This is in reference to description of marketing {Webster 1992 page 14}. It says responsibility is far more than just sales. It is a management function, responsible for making sure that every aspect of business is focused at delivering superior value to customer in the competitive market place.
- The author at the end wrote that this subject is very functional and there is a room for further research. The paper does not make any comment on KAM from customer's point of view. The Author makes a stress on Team Work in KAM which is very critical especially for companies selling highly technical products. The author has touched a practical point about the support teams. Though they are responsible to their superiors in their day to day work, there exists a coordination between them and KA manager which facilitates team work to support the key customer as a group.

Competencies of Key Account Managers

Diana Woodburn of Warwick Business School in Strategic Sales and Customer Management Network Oct 2006

- This paper deals with the stages to decide competencies, Role and Objectives of KAM for the Entire organization, Role and Responsibilities of Key Account manager and then Competencies of key A/C Manager.
- The paper Recommends to study Roles , Competencies and attributes of the Key account mangers



- Competencies are the behaviors that the Employee must have or must acquire to achieve performance while attributes are traits and qualities which may differ from competencies in challenging conditions. These can be measured with different tests.
- The paper highlights the importance of defining the roles of KAM, Roles of the Company and Roles of Key Account manager. It has given a detail table giving different roles.
- Few of the examples of Competencies mentioned are Knowledge {product, applications, and industry}, Negotiation skills, IT literacy, financials awareness, project management, experience, and Analytical / networking / delegation .etc.
- The paper attends to three fold role of KA manager for effective implementation. These are with respect to Delivering strategies, working with customers and implementing of KAM effectively. Most of the times senior management insists for good sales background for KA managers but along with that it is equally or more important to have competencies described in this paper.
- The paper very nicely described Litmus tests for organizations who wants these actions to be effective. These organizations should take decisions and follow them through, give authority to KAM team members, build good communication internally about issues related to

implementation, provide resources, make information and expertise available to customers, remove organizational barriers and promote team work and sharing.

- This paper has lot of relevance in the Research. The course of actions by the businesses to strengthen the competencies of Key Account Managers for betterment of performance and deliveries can be researched. The paper also contains what is required to do for making these actions well founded.

Top Five Reasons why Key accounts Programs fail:

An article by John Staples in blog by SBI {sales Benchmark Index} which is a sales and marketing consultancy – December 2011

- This small article gives very well-connected statements that every company must remember during all phases of KAM. In fact these reference points should be kept in mind when companies finalize action plan, well in advance. If the company starts these programs as wire drawn of sales, it will lose out. This is a clear message given in this paper.
- **1. Lack of segmentations within existing accounts:** Not all accounts should be key accounts. Lot of information about the customer need to know like , Is it growing? , is there a match or mismatch of cultures? , do they have potential to contribute substantial for revenue in future? Will they respond to KAM? Etc.
- **2. No executive backing across the company:** This is very important and common reason. Selling companies many times take this as an elongated sales program. The support teams have to understand that they need to unite for creating and delivering ‘Value’ to customer. Ideally the companies require to align entire organization with KAM implementation.
- **3. Failing to introduce program agreement with each member in the team who contribute.** This is the setup which outlines what each team member needs to provide and participate. Turbulences occur because of no clarity initially. Lack of homework before such initiatives also the reason. KAM should not be started in hurry without ground work.

- 4. Shifting the Existing Sales Representatives in Key Account management roles: This is very common observation. This is done without them knowing their new roles, training, skill development, building competencies etc.
- 5. Not building the infrastructure required to support the program. These drives need hiring of good talents. If the company does not have resources to measure the impact regularly after implementation, the effect is less. The customer should recognize and accept its status of key account for that supplier.
- All these points are very valid for research on effectiveness of KAM practices and these points will be significant segments of the research. The article has covered only five main reasons of failures of KAM from authors prospective. This is a small paper and does not talk about any other points related to raising Relationships with key accounts. But all the five reason are well connected and practical.

Factors Affecting Key Account Manager Performance:

Mahlamiki Tommi and Uusitalo Olavi – Both from Tampere University of Technology–Finland A work-in Progress Paper

- This article prescribes the relevance of Special set of skills and calibre that the Key Account Manager and his team need to obtain. Overall Financial performance of large organizations, MNC’s and JVC’s to a great extend depend on KAM performance.

Skill /qualities	Description
Personal Qualities	Integrity, Resilience / Persistence, Selling, Negotiating , organizational
Subject Knowledge	Product knowledge, Financial knowledge, Legal , IT , Language , business culture, Understanding of business environment and markets
Thinking skills	Creativity , Flexibility , strategic thinking , planning ability , importantly ability to look from different perspective and work under pressures
Managerial skills	Communication , Leadership, Managing people , credibly, administrative

Table 3.1 Skills and Qualities of Ideal Key Account Manager

Therefore KAM team member need to be professional and capable of delivering what is expected. The paper was written after survey of 180 KA – managers. The book puts forward that the Effectiveness of KAM operations in a big way depend on Interaction and Participation capabilities of those involved in KAM. Therefor efforts should be made by management to enhance the above set of skills. All the information given in the paper rolls around the user, however the paper would have been more beneficial with selective examples of KAM initiatives, which did not succeed for the reason of absence of certain skills or qualities

The paper is prepared with samples only from Finland and with the help from an outside agency for sampling. The outcomes can be used as guidelines while recruiting the KA managers. In many instances there are ‘Outside’ factors having substantial effect on the KA manager’s performance but those are not part of this paper.

Rethinking of KAM: Adapting and Refining Your Sales organization Response to new Realities:

Fabrice Morque and Mahfound Chebboub : Both are Sr. Management official at Accenture . Published in 2011 in Accenture

- This paper takes us through the existing KAM process and pinpoints at rethinking required to adopt changes, new realities, changing dynamics of businesses.

	Accenture's Inputs on success factors of KAM
Strategy	Start with customer based segmentation strategy
	Align the sales Processes with the key Accounts processes
Organization	Align the support depts. like Marketing, Logistic etc.
	Proper selection of Key Account Team
Process	Define clear process of handling Key accounts
	Regular review of KAM plan
	Have a Partnership approach with the Customer
Technology	Have a common access to business data, relation map etc.
	The KAM team should have access to progress/ monitoring

Table 3.2 Accenture's Inputs on success factors of KAM

- This paper also gives some inputs for speeding up and refining companies' responses to key clients .Companies need to predict variations in customers approach, focus on new and valuable opportunities, build momentum, Increase customer Intimacy and customer satisfaction Index, Reduce competitors influence by identification innovative support offerings and use technology in these process.
- The view point is that most of the KAM implemented companies recognize ground realities for instance they need to improve their selection process of Key Accounts, and if their competitors have better relations with the customer then there is a necessity of taking steps forward to upgrade Key Account plan.
- This paper advises to increase the customer intimacy and start moving upwards in overall satisfaction index from average to high. It is important to reduce competitor's customer influence by identification of innovative ways of providing service and support. The paper mentions the worth of quick responses and faster time to market, for effective KAM. Further to this paper advises to conduct key accounts plan review meetings regularly to keep a track of sales and other results outlined earlier. This paper suggests the organizations to ascertain the increasing buying powers of the large companies, then accept this fact and remold strategies for effective KA plan.

The Challenges of Key Account Management:

Paul Newsom: An expert in KAM and Editor of NZ Sales manager e – Magazine Article Posted on Business Blogs on October 22, 2012

- This paper highlights significance of KAM in today's business conditions. A few major accounts can contribute up to 60-80 % of companies' turnover. These are hard to retain and harder to replace. The retention and growth in these accounts often makes the difference between successes of companies.
- Lack of Senior Management support: Senior Management must spend enough time to support these practices. Expectations for a quick return on Investment is unrealistic.
- Too Many Accounts: Keep the accounts in Limits as per capacity and resources. The best solution here is to select the Key Accounts very carefully. Revenue considerations are important in making this selection but other

factors like buying procedures, growth potential, criticality of timely supply, national and international coverage, competition etc. are equally important

- The chosen key customer do not want it: From customers prospective, many sellers are not key suppliers. Do not use resources in such cases. It is important to accept the fact as there is a limitation for suppliers to have no of key accounts. Even the customer will have similar limitations to have no of key suppliers. Selecting such customers will yield in poor results in KAM
- Lack of organizational alignment: The Entire organization needs to get align to KAM programs. The support groups need to be part of these activity as planned. The paper strongly advises that if the organization is not able to see that all the departments have objectives to help the customer succeed then perhaps it is better not to start this practices
- Customer facing people struggle: many times only Key Account teams are active. The customer does not get desired participation from support groups. The paper highlights the growing importance of skills, credentials knowledge of customer facing official of Supplier Company. Such persons can drive the whole initiatives in the direction of companies objectives and if they fail, then it will give a wrong message to important customers
- The paper is useful but covers very basic parameters. Not supported with any charts, diagrams or examples. The point no II and III mentioned above are very practical
- This is a small paper which provides insight of most segments pertaining to this research. It does not give any specific examples or case studies. It brings out few but very relevant points. The paper would have been much better if it had covered other challenges like measuring outcomes, presence of cutting edge competition, Local business conditions need of training etc.

How Key Account Management Can Truly Help Your Firm:

Mary Breuer – President Breuer Consulting Group San Francisco

- This paper describes Key Accounts as Clients which are ‘Highly Valued’ and are expected to generate Work overtime period. Large companies like Xerox , IBM , AT&T , Sun Microsystems ,Oracle and others have accepted KAM as a critical part of their Overall Marketing Strategy

- KAM is not just a Marketing Role. It can't be force Fit and viable only if Benefits to both Parties.
- The book provides some specific Features as a part of Systematic Approach to Position Defining, Formal agreements, specialized communication approach, Training, Account leadership, different way of doing business, benchmarking and periodical account review.
- The book also gives following Tables which are self-explanatory.

Benefits for Service Providers	Benefits for clients
Upgraded Knowledge of Key Account's objective & requirements	one Point contact for supply and service
Higher costs to customer in finding new supplier	Enhanced service and value from supplier as a Trusted Adviser
Increased capability to Manage any complicated situations.	Assured supplies and services in difficulties and short capacities

Table 3.3 Benefits and Cautions of KAM

Caution on KAM to service Provider and the customer
Too many eggs in one basket. Pose risk sometimes
Limitation on benefits sometimes due to competition and options
Limitation on new opportunities
Bureaucracy

- The paper gives good general information and special mentions which can be used in the research. In actual implementation, these special mentions will have to undergo changes taking into account the local business conditions and complexities.