
MODULE 2 ORGANIZATIONAL MARKETS

BC: This topic is not highly developed. Experience is a word that is being used in consumer marketing, but in business marketing it is not really developed. I tried to look at what is the customer experience in business markets. ...the more transactional dimension and I use the call for bidding process to look at what is the customer experience in this case. And we will jump totally into the middle, when purchaser, customer experience totally ludicrous. Which is participate to affair to an air exhibition like Le Bourget in Paris. Those are customer experiences in business markets and they are totally different. And difficult to aggregate under one umbrella of customer experience. That's why I propose the following agenda based on my former research:

First to focus on pure transactional episodes in business market. When the customer asked to buy something through bidding process. And this will allow us - thanks to a result of a research - to open some black boxes of business marketing. We will see that behind these words there is reality, but they are much more complex than what we think when we use these words. Then we will jump into the non-purchasing customer experience. We will focus on how buyers and suppliers develop relationship through extra business episodes. We call that parties, business parties etc. And we will see that even if there is an extra business episode they could be really efficient for business.

Just a bit of methodology. From thirty years my work in B2B is a qualitative work, searching to take a kind of ethnographic look to organization and inter-organizational relationship. The basic idea - even if it's not always achieved - is to live with the people doing buying and purchasing and marketing in a business context. So, it is not about data, quantitative data. It's about sharing the experience of the actors. When it's possible to live in a marketing department or in purchasing department, to really live the experience, this is achieved through long, semi-structured interviews. And our favourite theory is grounded theory. We searched to not to rely to already existing theoretical framework to apply them. But to get something from the field to describe what is happening in the reality. So, let me tell you about something because a completely different picture from what we have seen yesterday. Yesterday

we have seen companies, many companies trying to design experiences. For the customers. When we look at what is happening in the business context we look at purchasing department, organising processes for the suppliers. In a nutshell if we use these two axes - when we think about a transaction - the customer is able to anticipate the transaction or he/she is just adapting to what has been developed by the supplier. Or is the supplier able to anticipate the transaction or it's just able to adapt to what has been requested from the customer. Normally the marketing mix model is there. A company think about a customer who have a need for shampoo. You will buy something from Procter&Gamble. You will buy something designed by P&G. The product is on the shelves is Spar in the channel in the retailer shop. The retailer shop is already selected by the company, the product is selected by the company, the price is also selected by the company or the retailer. And the communication is defined by P&G. You, the customer, you are supposed to be the king in consumer markets, but you are just to select between the different offerings, anticipated by the supplier. The majority of a power of decisions is in the hand of the supplier. It defines the terms of what will be provided to you. When we go to business markets, most of the time it's the contrary. The power is in the hand of a customer. The customer defines what type of process he will use to get what he wants. He defines the classifications, explains, what he wants and the supplier – they have to adopt to that, trying to be compliant with the requirements of the customer. So it's a completely different experience. We say that in B2C market there is an asymmetry of information in favour of a supplier. Where else in business markets there is an asymmetry of information in favour of the customer. He is the one who defines what he wants. Just to have an image of that, business markets function as if when you want a shampoo you go to the supermarket, and you say this bottle of shampoo is OK, but I don't want it like this, I want a name, I don't want the name of this brand, I want to change the name of this brand. This is part of the customer experience function in business market. The power of defining the experience is in the hands of the customer. We know that now especially in terms of co-creation we have more and more cases of co-development of the experience in consumer markets between the supplier and the customer. They both define the experience.

But we will focus on that. And you will see that the game, the experience is

totally in the hands of the customer. Just I aggregate a lot of different cases of my research, to produce a kind of big picture. You know that in a lot of bidding, in purchasing processes in business markets there are several steps. One of the major step is to send a request, a customer sends a request for proposal to a dozen of suppliers. Most of the time they answer in the time devoted by the customer to that, and the customer is with twelve different proposal. At the end he has to make the best choice. The experience of the bidding process of a customer is to make the best choice. And to do that, there is another step in many of customer experiences in business market, is the famous shortlist. If you have a chance as a supplier to be shortlisted on the bidding process or purchasing process you are very lucky, because you are among the 2 or 3 suppliers selected to continue the discussion with the customer. Again, most of the time you don't know if you are selected on the shortlist. All the information is in the hands of the customer. He masters his experience in order to have more power. And the aim of the game the consumer experience is to make the best choice. So most of the time at the end of the process on the shortlist it remains only 3 suppliers. The one with the best offer, let's say the most functional, the most exciting technical proposal. The one with a lower price. And the one with the best relation, the supplier with whom we are used to work, we like to work, etc. And the key of the successful customer experience is to ask the usual supplier - we call it the "best relationship supplier" - to improve his offer looking at what is going by one of a competitor and to lower his price. And when the purchaser is able to get that, he has achieved a very satisfactory customer experience internal purchasing process.

So you see that we are thousand years from consumer experience in consumer market. The key term is asymmetry. Asymmetry is in favour of the customer. When even if we have a lot of discussions in marketing saying that the customer is the king, but it's fake. The customer is not a king in consumer markets. The company decide a lot of what is your experience. Think about Microsoft, Apple, etc. they decide for you a lot of things. So to continue on this first kind of customer experience for purchasing experience most of the time when we live with engineers with commercials with project managers, in business companies. They have keywords. Even magic words. The specifications! the SPECS! When they say oh we get the specs of a client, we have to be compliant to the specs of a client. You have the impression that they receive a table and

they have to stick to that. And then there is a keyword the CLIENT. The client wants that. Don't you remember that the client asked for that! etc. When we really lived and had the chance with companies throughout process of call for bidding and then the same time before being a professor I was a sales engineer. You will understand that all this are the reality. For example, specifications. When as the customer I finally able to gather all the needs at the internal level in my entity where I work to request a supplier something, I am able to write the famous specifications. Inside my company everyone is like, everyone says: yeah, but it's not what I want. So the specification you write is a result of an internal negotiation. And no one agree totally with what is written. When you take a while to organize the bidding process then you send the specifications to a client, to a supplier in the meantime the ideas of many internal clients you have in your entities change. They want something different. New technological development. So at the end what you send to supplier as a request for proposal is not really what you want now. When it's complicated purchase, you ask, you give one months-six months to a supplier to answer. Even at that time the development continues, and in the mind of your team the ideas change. So at the end, when the supplier works on the specification is a kind of all picture of what was your needs some months ago, but now you do not agree. And at the same time in the supplier thinks that these are table of a law - so this is a major problem.

The client - it doesn't exist such a thing as a client in business market. Maybe it exists for quantitative researchers but for a researcher when we are inside according to a phrase of a process actors are entering or quitting the so-called buying centre. Which is the group of actors governs inside the so-called client entity to buy something. And you do not have, you do not fit never with the same, you do not deliver with the same actor. Finally one of a major contribution of IMP Group is to say: when you work in business markets not pure economy market that works connected actors that influences each other. So this is really reduces synthetic contraction of a buying process for something a bit complicated not commodities in business markets. And you see about the steps are several, the duration is long and you are in a cycle, it can repeat itself. So when you send, when you define the specification and when you are while at a shortlist and you negotiate, you do not have the same needs, same idea in mind etc.

Some suppliers are not flexible enough. They say: we are work on a specification and many of a French engineer they say it's unfair, we are not selected, we are compliant with the specification. But the client, the member of the actors inside the client, they have nothing to do this all specification they wrote. Most of them. Then you, actors. This is a real game. Companies fault but it's a real case. The one, the call for tender is Mr. Jan in the south of France from this company called Metaglass. But this plant is dependent from the European headquarters of the company. With your purchasing at Mr. Hauser. And the final decision makers are in the US, but they are also a consulting company. All this is the client. So at the beginning when you are supplier maybe you are in of Mr. Jan. But at the end you discover there are all these people and many more but enter the Buying Center. So what is the client? The site of a plant 0, the European company, the US national, the engineering company – no one! All these. So that's the complication. If you have a project. You know when we have a project pyramid. And you could be a supplier for a customer, who is a supplier for another entity, who is a supplier for the final customer, owner. So where is the customer when you speak about the client in this kind of context? Everything is much more complex than in consumer world.

And then finally if we look at the pure economic view of the market, we have the demand with the customers and the offer with the suppliers. In fact the game is biased by the fact that they have a few suppliers, the have - when they worked for example in the aero industry - we have full suppliers around the world for landing and we have 10 customers around the world. We merge with one of the suppliers we were illegal agreement with them. Many of the customers disappeared. So it's a small game with a small group of actors. Everyone knows everyone. Everyone is in contact with all the actors, for the network - industrial actors, business actors. But at the meantime you are also the blink base of non-business actors. So if you do, if you think about the customer experience in business market - what is the customer? when is the experience? do you take a rule, a purchasing process or do you take just an episode? ...and in what kind of market context this happens? So. For me the concept of customer experience when is comes to transactional episodes in business market is quite tricky to use. Because we don't know where to put the limit. In term of time, in term of period, actors, etc. That's why I

still amazed when I see some papers about customer experience in business market. And when I read the paper, they speak about business markets, SP Hewlett Packard paths, where they said something standout, with a small amount of money. But the rest of the case in the business market customer experience is difficult to define.

Let me go to where it's easier. When you are at relational episodes. Why do we add a relational episode? Because buyers and sellers, customers and suppliers they want to maintain connection between each other in order to gain information. Between business episodes. So they start to develop relationship. Mainly during business episodes. They use what we call extension of business episode like lunches, workshops, trips to develop this human relationship but we all know that business marketing is about extra business episodes. And that may the frame of business marketing. Saying oh yeah the agreement made between this guy and this guy during the golf game or during a football game or in the concert, and this impression, everything that I shown to you during the transaction is fake because the decision is taken during the extra business episode. It is not really that. The extra business episode is there to exchange information. For example if there is an asymmetry of information between the customer and the supplier during the bidding process when they meet during a fair, exhibitions, a party, there are no more asymmetry and I show you why. And there they can exchange information. And one of the best trick of business marketing is to develop relation outside and in business community where there is no more asymmetry of information. So, this is where we can develop ethnographies of customer experience. Business parties. An air show for example is a 2 weeks event where 2 weeks where customer and supplier meet. For the general audience they think it is about presenting technologically new ideas and looking at trials of new solutions. But this is what the public see, and this is where everything is happening. Where they are developing hospitality to host their customer or supplier they have dinner, they have parties during the 2 weeks of the air show. And then they develop relationship, human relationship. I will not tell you about this case, I will tell you about the smaller case. Which is a case of Marseille, in a city where we lived. There is a tennis tournament, which is not a big one, it is not a small one. If you think about tennis, most of the winners are very famous like Federer, Wawrinka etc. It is a 25 years old event. At the

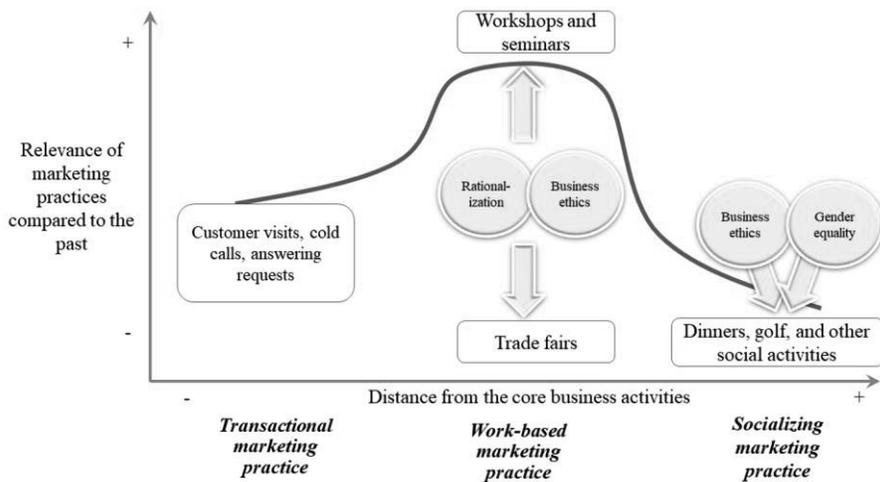
same time the sport event and a party event are held. People go there to see a game and to party during the evening. That's maybe specific for the French, I know some tournament less oriented to lots of things. But in Marseille there are even people who are going to the opening of the tournament just for the party not to look at the game. This is one of the major event of the city in south of France, so it's supported by the city, the mayor of the city, they participate. IT's supported by the metropole, which is the agglomeration of town around the city of Marseille etc. and it's supported by the Conseil General of a region. And always people they don't just give money they come for a week all the major decision makers of these 3 entities they participate to the parties. To organize this event public money is not enough so the organizer of the event they ask for companies – not one – to sponsor the event. Look at that. Bombardier - which is doing rail vehicles - was one of the partners when we made the ethnography. Oh! There was a renewal of the rail vehicles of the tram of Marseille forecast some years after. VEOLIA is in charge of waste management, know that maybe its way a big problem in the city of Marseille. SODEXO is a catering company, ONET is a cleaning company – they are master partners. They don't support the event to influence the public bodies. They just participate to be there with them. So these are some of the contact we get from these people. The number of political decision makers and future partners to met in the five days totally partnership with the open 30 tournament. They come to meet people. By going to the open 30. I know that during the week of the tournament I will make unexpected meeting, *but all in a relaxed atmosphere*. And the end of the sentence is the most important. We changed the rules. And there is developed, and this will be the end of my presentation. The specific case, what we are call "Village". Hospitality inside the partying section of the event, which is made for these partners to host the people they want. So we call that following a liminoid zone. A zone where the status of the people is changed. There is a section called the Village, which is designs around thematic stages and we come back the end of the theme and experiences. The theme of the Village changes. And the Village is only accessible to the ones who all the specific part. The public the audience is not able to come. Just the people invited by the partners. And they in order to show that this is something different from usual life, they elect a mayor of this small Village. Who is a member of one of the companies of the public body. They exchange business cards. Everyone is coming with his

/ her pass, number pass, there is only name and surname or nickname. There is one called “Mitch” for example – only his nickname. So everything is organized to allow business people not to feel in a business situation. Speaking about contract is prohibited. But we don’t care. It’s a kind of politeness. But they speak the best is to develop relationship and to call people after. So this is the sponsorship manager, SODEXO say *“It reminds me of summer holiday camps or sports’ training courses when we were impatient to meet up again with our friends”*. Because they are not partners of the event just not for a year, but several years. And for example you have people from SODEXO and people from the public body. The major of one of the districts of Marseille also came. And she’s proud, there is no problem, she is proud to be on the picture with these people because it’s not business oriented. But look at that! Everything is done to let forget these people about the company. This is a small village. They exchange gifts to develop their relations. They play some game. In between them sometime they have chance to have tennis players like Djokovic who will play pétanque, the sport of south of France – very difficult sport. Globally what we have seen is a liminoid zone, so the zone of the limit of the reality according to Victor Turner. A special place where time is out of time and business experience is the feeling of communities. We are no more clients, competitors, suppliers etc., it’s a kind of neutral territory.

So this is what could be named “customer experience” in business markets. So party time is not empty time. It’s something really important. But! There is a BUT! And our last research that we publish something next month in the Journal of Business & Industrial Marketing maybe France and Sweden show that there is a change in the last 10 years in doing that in business markets. Going out and partying with customer – that’s history. There are 3 major drivers that are changing the behaviour and the customer experience our purchasing. First – gender equality between people in Europe. That’s not allowed now men go outside to do to party with other men, to have a dinner at a restaurant. They must stay at home with their woman or they must be really equal with a woman. Second – ethics. If you look at the code of ethics of a company for example, it’s impossible to party with potential customer or potential supplier. It’s impossible to receive a gift. It’s impossible even to be invited at a lunch. They are cleaning up the customer experience outside business in that case. Most of the people are afraid of now to invite someone at a restaurant.

Because if I am a customer and Andy is a customer and someone takes a picture of us together at a restaurant, we are dead. Both of us. The carrier is finished. People would be sure that he is bribing me. So my slide is this one:

Building B2B relationships today



Cova, Skalen and Pace, 2019



If we look at the kind of experience that people are living in B2B transactional experience, it remains at the same level compared to the past. Work based experience idea. OK, we have a workshop and we go out to lunch together, but not something special. Just a few staff-member, that's OK, that's the way to develop relation. But we have this "not to go outside at night" - and why? Because ethics forbid that. And there is a rationalization of money of the spending of money. Lot of company do not pay anymore for lot of lunches, dinners etc. for the clients and suppliers. And what is going down really? The business parties. Because business ethics say: NO. Now you can't participate to that. And gender equality pression say: NO. I'm better to stay at home with my wife, with my kids and not to party with these kind of stupid colleagues

all around the world. So no more IMP conference. That's it.

So these are the two proposals. And this is not at all a synthesis of customer experience in business markets. They are just to flashes showing two examples of what a research can do and what that will shift.

Thank you very much.

ZV: OK. So any comments? Presentations?

KVT: I can validate this kind of “cleaning up the customer relationship” from business, especially in banks, where I have the business experience. So what is actually happening in a tender you are in? With the name of “project team event” you can do such kind of things but the compliance is absolutely against these kinds of activities with the client. But once you are in, you can do develop such relationships on behalf of the project team “teambuilding staff” and things like that. That's why I do believe, that once you are in, you always will have the chance to win another tender and that's why it's really-really difficult for a new company to enter. Because they do not have such tools in their hands. I absolutely can validate it from the business, from the bank side.

BC: Well that's interesting, I have no experience with banks.

KVT: That's how we do it, in my qualitative research also said, that we like working with people, I like taking a beer with. We like the one I'm happy to go out, and you have to convince the customer that you are a good human being not just a good partner. So yes, absolutely. I can validate it from the business, this is the reality.

FP: Yeah it's very real. So while you were presenting that and we have the impression that...I'm going back during my practice experience. And one thing which was very difficult to develop, a very provocative project and I never found anything in theory about, it was this very specific situation: I was working in oil&gas industry, and we worked very hard since 2007 to introduce buses on natural gas in Romania. Which was provocative because in Romania buses are mostly on classic gas, normal gas. And at the same time there is this tendency to take into consideration, that maybe invest more in electrical buses. Nev-

ertheless you cannot introduce those buses on natural gas unless NGV (Natural Gas Vehicles) there is at least 2 big city to invest from the mayor into fleets.

BC: Kind of pilot?

FP: Exactly. So it's not economically viral. Otherwise. Mozambique for instance had a success story in it, Brazil has another success story but every time it was a cooperation with the public authorities. As there is a huge debate and a huge fight against corruption in Romania, we tried pretty much everything to make people meet from the public authorities with those from this multinational company - by the way it's French - and not to be taken it as some trial of corruption. This is how they manage to launch the first "roadshow" to show public authorities some real buses only by now in 2019. Twelve years after starting the project. So this is really something very difficult to do in B2B marketing and I remember that I was reading at the time pretty much everything I found out B2B and I never found anything. And yes it was amazing time when they have parties and so we invited mayors, but they didn't come of course! We tried everything and it was just impossible to start those pilot projects because of this huge limitation of not being taken as corrupting mayors.

BC: Yeah. things are changing fast now. The most developed is the workshop. The workshop where you work together with lot of different actors and you have a kind of small lunch where you have to try to develop more relations.

FP: I tried to...my team that time B2B conference we just called Oxygen so it had 100 from the most prominent business customers of the company. It worked amazingly well. But again, the public authorities didn't come. So it was amazing in order to develop the business relationships with business partners and it is still working but not with the public authorities.

BC: OPEC 30 - it was developed by the public authority. Than the commercial partners came. So mainly that's for.

KVT: Maybe B2G is completely different scenario. We have to take under consideration that we have to develop new future.

FP: Anyway in energy it's very funny, because you have so many actors as you said and one of the most interesting part is they have very different cultural background, which really makes the dialog with all these actors from the customer so difficult. When you speak with the engineer they can care of the plan and then with the marketer from there with a policy manager. So it was difficult.

BC: Could be marketing with all of the major of some companies?

FP: Yes it is.

BC: Project manager but it's not all for marketers.

FP: But the end of the day all these guys came to me, I was a marketing communication manager and they said, Florina, we need all these written materials. And I had to master those engineering vocabulary marketing vocabulary the guidelines of the brand which coming from Paris. It's very difficult experience, I would say.

ZV: A short comment for socializing practice to confirm it. Before the crisis in 2008 in Hungary I worked since a year for an Australian consulting company. Their service was to offer informal network building. Series of events. So the practice was to organize network building lunches. With not more than 5 or 6 person together around the roundtable and the conditions was that no former business relationship or not relationship with the participants...on these lunches. They were out of the existing network. They were new future role-players. And the last condition was that they have to come from different parts of the society. Not only from a company but from public field, higher education and so on. It was a very fascinating practice.

BC: Did it changed after the crisis?

ZV: After the crisis they gave up marketing everywhere in Hungary.

KVT: Yes.

ZV: Now it's increasing again. PR, marketing, market research.

FP: It's funny to see how things are different in one market to another. The only 2 associations of this kind that are still out very well in Romania. One is the Association of French Companies Managers, but actually this is because Chamber of Commerce is very active. And the Association of the Women Managers. But all the others are pretty much like that.

KVT: Yes, the same in the Hungarian market. You do a kind of meetup, small events in pubs actually, you can go and just have a drink and then just chat. And it's absolutely nonbusiness, but everybody know that it's absolutely business.

FP: So this is called "meetups"? Some market researchers come together even from the client side. It's good.

BC: To speak about business. This one of the major original company in the world, you may know Bechtel.

FP: Oh, we know it very well in Romania!

BC: They govern all their clients from the Pentagon from the public bodies, from the customer etc. and theywith there, to see it's prohibited to speak about business.

AZ: Your presentation was a very great overview. I'm not into, this I'm not teaching. And I'll limit myself, just to comment. So the entire presentation I was thinking about subjectivity. This is very present in any kind of the process developing a relationship, and make a contract - all the processes are so. B2B relationships at marketing and I don't know it's kind of surprising you think that customers - physical customers, individuals - are subjecting by nature. So I wouldn't be surprised that the subjectivity has to be taken into consideration from a marketing perspective. But talking about B2B you would feel that organization are more rational. And in front of the rationality you know the financial impact and this is not like that.

FP: Look Alexandra, I would have never admitted while I was working at the corporation but the reality was that when I had to choose between 2 advertising agencies and I knew very well who were the key accountants I remembered that I was thinking but never recognized it... this key accountant is horrible, I don't want to work with him.

AZ: This is an important lesson. That in big businesses actually persons count more than the business model. The rational of the business and things like that. And the second fault was related to my personal experience, you know, my friends experience and so on. Which is ... the small organizations, either non-profit or small enterprises. And you presented the 3 points to consider relationships costs and technology, the characteristics of the offer. And when it comes to small organizations – as I observed around – it's actually relationships. Doesn't count so much the costs, the specifications but the relationships and the trust is the most important.

BC: People think, that the relationship is important in business market, because we are all liars in business markets. In fact not. It's rational to base your decision on a relation on business markets. When you buy something technologically complex there is high risk, if you buy the best technological system that provided by the supplier but it's not reliable, you may get into trouble in 2-3 years. It's better to buy something from the supplier you know that is totally reliable. But you will be followed over 10 years by a supplier. And then you have to do a trade-off, thinking, OK, maybe this offer is a little bit less interesting but I secure the long term. The call for bidding for the customer experience of purchasing is to buy the best now into the best relationship for the next 10 years. And this is the rational, that's why we make relations, to be sure of our partners. And this is not just because we are buyers or we like people etc.

ZV: I worked as a project manager for 13 years. The dimensions for this non-rational dimensions are very culture-dependent. Take an international team, so in Algeria for example or in the Middle East. The relational dimensions are very important. Perhaps it's more important than technology – of course, but they think, without strong emotional affection, emotional relationship the success is risky. So they need to build up emotional relationship. And we

worked together with French companies, German companies, American companies - for example German specialists were very nervous about it. So they didn't understand, they were like "don't waste our time with the relationship. There's a task, we have to do the task. No time for that." American colleagues were also like "time is money". So it was complicated.

BC: Yeah, yeah. They all do relationship. But not at the same way, not at the same time. Remember a research we made with Schneider, and they said that - for them the customers from Netherland, they are very strong, very odd during the whole bidding process and the negotiation. And they really hate the guy from the purchasing department of the Dutch company.

DJK: It's good! **laughing**

BC: As soon as the date was signed, the guy from Netherland grabbed the other and said "Oh, now let's have a good dinner now!" and then he started the relationship. The relationship starts after the contract. In China you cannot sign a contract if you don't develop relationship first. And then it depends. But the relationship is still present.



From left to right: Florina Pinzaru, Alexandra Zbucea, Mihály Görög, Véronique Cova, Bernard Cova, Andrew Gross, Judit Simon, Dirk-Jan Kamann and Zoltán Veres

ZV: Yes, we suffered a lot with the guys from the Netherland.

DJK: I'm sorry about that. **laughing**

AG: I like to talk about specific topics that Bernard raised and I really liked two parts toward the end. So one is this tennis tournament in Marseille. There were Bombardier, SODEXO as sponsors. And I'm really wondering why and how would they sponsor, especially I would think for Bombardier. And then you mentioned the Paris Le Bourget the Air Show. And to me the two are so different, because we're talking about multi million dollars project with the ones of physical product and then over in Marseille there's only a tennis tournament and I'm curious why would Bombardier and the others sponsor? What's the point of that?

BC: Oh, it's about totally show business in the area. In the area and it's the only way to meet the decision maker, the public bodies.

AG: OK. And the other one you mentioned, and I has a picture from somebody and old business are #meetoo etc. and all these harassment. I know that but I never object by any picture that I willing to do and even if it's shown tomorrow on TV it's OK. What is not OK probably, today you should be caring your phone if you are trying to romance a certain person. Then drop your phone and leave it behind. Otherwise they can really track you.

BC: And this is connected to the public social media. Most of the people in business marketing department, they are afraid of SM.

DJK: I'd like to host a small presentation. Every *transaction* we observe is in fact embedded in a *relation*. Hence, these are two sides of the same coin. In addition, we can say that a relationship implies *contacts* and interaction between the participants involved, while any transaction involves a type of *contract*. The outcome of any interaction of the individual behaviour in the relation, leads to a particular type of transaction. From literature we know that relations are governed by "Social Governance". Here, according to Pierre Bourdieu, the French anthropologist, *habitus* plays an important role: the structured structuring structure. The social environment, the networks people

pass through and/or participate in, like their family, kindergarten, secondary school, higher education – private, public, religious – dormitory, friends, peers, country and so on. It conditions people to do things a certain way, to share cognitive maps about selectively seeing certain things and selecting particular actions. Socialisation up to brainwashing: it means that people are being part of different environments that mould their thinking and behaviour. At the same time, transactions are determined by “Economic Governance”, reflected by the particular Task Environment or Selection Environment according to the standard strategic management literature like Johnson and Scholes. Next, the question is: which theories are relevant here? For ‘contacts’ Social Embeddedness plays a role, for ‘contracts’ Transaction Cost Economics (TCE). This theory describes in fact “the cost of running the contractual relation”.

Social Embeddedness in fact substitutes the contract. It typically plays a role in long-term relations, and the behaviour of the participants is conditioned – socialised – through all contact patterns of an individual and all institutionalised relations with outside actors. The conditioning results in a mental map and goal congruency among the participants. People prefer to select people they like to become part of their inner circle or network. Through a process of contagion, these selected persons will increasingly ‘synchronise’ their mental maps and will increase similarity in mental maps, attitudes, values and goal congruency. The obvious trap is here to end up with a locked-in mental map or a type of Group Think. But what is important in Social Embeddedness is the *temporal embeddedness*: the shadow of the past and the shadow of the future. The first tells us if we can ‘trust’ the other person, or where we should be careful. The second should dampen opportunistic behaviour. If the other person knows we have to deal with each other for a long term – several to many years *if all goes well* – (s)he will not cheat or show opportunistic behaviour. For, the punishment for such behaviour would be the termination of the contract or relationship. Of course, the prisoner’s dilemma of game theory will tell us that the best strategy still is not to put in all your efforts in the relationship, but still, a clear shadow of the future will dampen straightforward opportunism that is lurking behind each and every one-off deal.

According to TCE – taking bounded rationality and possible opportunism into account – typically knows two different sets of contracts:

A set of *discrete contracts* with two subsets, one labelled Market Governance with a Classical discrete contract and a subset labelled Latent Governance with Neo-Classical discrete contracts; typical example a deal on the spot market. And a set of *relational contracts* with two subsets, one labelled Bilateral Governance relational contracts and one labelled Unified Governance relational contracts. Typical examples are standard labour contracts.

For discrete contracts, it is assumed that

- ‘things’ being delivered simultaneously
- no prior experiences
- no relations from the past
- no meeting in the future
- social relations between actors not allowed
- free competition
- neo-classical equilibrium models
- identity actors irrelevant

This clearly represents the virtual world of naïve economists and regulators who still live in a non-existing dream world... Ignoring the Real World, unequal power distributions and the human factor. But, they seem to be in the driver’s seat of regulatory institutions. For relational contracts, TCE assumes

- generally infinite length of time
- focus on continuity
- durable contracts like labour contracts
- rules expected to be required to regulate relations
- after some time: total relationship and norms developed within the relationship instead of contract .

Typically, discrete contracts are part of one-off deals, relational contracts meant for long-term relations. However, one-off deals are inducing opportunism – on both sides of the deal - because of lack of any temporal embeddedness. Since there will be no possibility for “tit-for-tat”, the reward is for *not* delivering the best, on the contrary.

Summarising: organisation man (M/F) stands with one leg in a world, governed by social behaviour – moulded by a particular habitus – and with the other leg in a world of economic governance. The first determines for instance the *propensity* to cheat – as a personal characteristic – the second determines the *need* to cheat and the *room* to cheat, determined by the nature of the firm

one works and for instance the profit margins available. Hence, people have to balance these two worlds, and the outcome determines the occurrence of problems in cooperation or not. When reading studies on cooperation and behaviour, the empirical evidence is divided and we observed that a possible cause could be that many studies look at cooperation at an organisational or company level: company A cooperating or having a relation with company B. But, we observed that even in the case where companies had a relationship for over 15 years, suppliers were complaining that each time they came to their – large – client, they met other buyers, managers. And each time the buyer was just looking for a nice discount and was not interested in anything else. For, he wanted to “score” his bonus and would move on in half a year so why worry about the consequences? Several of these observations made us conclude that companies may often meet and have a long history together, but each time with different individuals. And where originates opportunism? It is driven by individuals. So we will make a difference between relations at organisational level and individual level: the same individuals dealing with each other. Based on the concept of temporal embeddedness we observed four different situations:

1. “Stable”: Stable long-term relationship between companies and between individuals
2. “Seemingly stable”: Stable long-term relationship between company but dynamic emerging personal relationship
3. “Seemingly dynamic”: dynamic emerging relationship between companies but with the same people involved in a stable personal relationship (Mr. X moved to Company B and took the customer with him)
4. “Dynamic or entropic”: dynamic emerging relationships between companies and individuals

The expected degree of consummate cooperation is expected to be high in the first case, medium in the third case, low in the second case and non-existent in the last case. We can make this argument for both the shadow of the future and the shadow of the past, ending up with 4 times 4 equals 16 situations.

The next step is to add the factor of *opportunism* to the 16 cells matrix. We do this by creating a matrix with “Room for opportunism” (‘small’ versus ‘large’) on one scale and “Propensity to behave opportunistically” (‘strong’ versus ‘weak’) on the other scale. We combine this matrix with the 16 cell

situation of temporal embeddedness of organisational and individual contacts we just described above. We state that in the cases of non-existent and low consummate cooperation, there is an increased need to regulate by (discrete) contract. On the other hand, when there is high consummate cooperation, increased influence of social governance occurs, and there is less need for discrete contracts. To conclude in situations where individuals meet often, social embeddedness will do the job. In situations where they do not frequently meet – or in a worse situation, never meet face-to-face at all – contracts have to guard against opportunistic behaviour.

AG: Let me comment, I really enjoyed your comments and the whole structure, the points you have made. So let me just say that my stance can be summarised in one sentence. *Industry does matters*. 3 words. Industry does matters. What sector you are talking about is extremely important. So in B2B at the very least, first have to be distinguished among companies that sells mostly products, tangible goods. And I have studied many industries over the years including industrial machineries specific kinds, agriculture, construction, mining and so on. And things are changing. Technology changes for example mining – the big thing is robotics. In agriculture and construction had to do with the usage of trucks, bulldozers and alike. And later on the equipment maker of trucks, bulldozers and alike, had to adjust because in addition to cost efficiency and saving fuel whatever, there was another important factor that is to say comfort to the driver of the equipment. In other words air conditioning possibly in the little cab where the driver sits for hours. ...and then some of the construction and agricultural firm make those happy adjusts to the driver..... In Japan people started eating less meat and more rice after WW2 and they have grown in .. So companies which have adjusted to that because the driver s... is changed, so there are all kinds of complexities with these products.

Next to talk about service sector I looked at several professional service sectors. Accounting, law, engineering, and then management consulting. And one we see just like in the industry there are differences to sector to sector to sector. I said industry does matter. So these sectors can differ. In accounting and engineering we have many countries and in the US we have 50 state boards and in Canada we have 10 provincial boards to licence engineers. So

before you can have - which I did - the professional engineer licence in Ohio, you have to pass an exam and lately you have to continue education. Same in accounting. For management consulting I can be fired from a job today and tomorrow I can hang out the licence in England and everywhere else in the world, hey, I'm a management consultant, can I offer service to you?!

So let me come to the last point. There is a very specific English phrase which really has 3 variations. The key word is *occupancy*. The second variation of that term is *load factor*. And the third term is *yield management*. So let me just say what do we mean by that. Occupancy, load factor, yield management. If we go back to the early year of airline reservation there was a system which I believe was called "Erasmus" then others taken over. And what is it meant by yield management, how far can we fill an empty space on that aircraft today at 2 o'clock. If we didn't sell, it cannot be sold tomorrow. So this occupancy is extremely important. For hotels, for airlines, for health care, for motels or Airbnb etc. You get the picture. On Wall Street they like to use the term yield management. How much occupancy can we do? And the thing is in the hotel industry and in the airline industry they were able to increase the load 60% to about 80-85%. And now I would say that healthcare even world-famous clinic like my own town Cleveland Clinic, they ...or they don't want to build more. That's why I'm saying industry does matter. And thank you!

BC: I have a comment to Andy. I really appreciate because this, we cannot say that every B2B market function the same way and at the same time we are as researchers overcome the limit of one industry. Some of us working on projects is a kind of very complex aggregate of product, technology, services, works etc., some of us working on selling, some of us on products, some of us solutions which is a new buzzword etc. So there are different types of business marketing. And every industry is specific, but it's our job to find some communality between not all the industries, but some industries. By working on the same project bases for example.

ZV: I asked Judit to present something, what are her ideas about B2B marketing.

JS: Thank you very much for this opportunity! I hope I will not mislead you

from your original topic. But I wanted to show the results of our previous research we did. And it's a brand new material. And where the focus was is the construction industry. And as we joined to this project we tried to find business where we can apply the relationship with the construction industry and so one issue was the healthcare system. And maybe because my previous research we chose the healthcare and the construction. Here I only want to summarize both networks, using the network approach. The healthcare system / network and the construction network. Both are very complex networks. And not only very complex but they have their own rules, and therefore either combine or to cooperate for these two very complex networks it's a challenge for the research as that. What I wanted to share with you is that what could be the theoretical framework for such and such. If you have two very complex networks with different operational mechanisms. And you can choose project approach, you can choose network approach and if you want to combine these two approaches it took for us very long time to find the applicable theory or the theoretical base for our research. Then we chose this approach of extensive network where the network includes all the possible actors or the possible stakeholders like public organizations, regulators, policy makers that is very important in the healthcare and in the governmental business. And therefore we chose this approach this extensive network. In this ... of the hospital construction project is fundamentally influenced by relationship between construction and healthcare network. By the mechanism not only of the internet networks but of the interconnection with these two networks. As we know the 2 networks are very different in their values and operation and mechanism as I mentioned. And then maybe this is not so very interesting to speak about the healthcare system in Hungary but only that it is state-owned, the hospitals are mainly public hospitals. And what we investigated there were 2 investments in the healthcare sector 2 public investments. And the university hospitals are at highest level of service. Our 2 cases were university hospital construction and what is important maybe that the Hungarian healthcare development, the healthcare policy want to solve the organizational problems not all the problems, but once to achieve organizational innovation through hospital constructions, and its way maybe the most important question for us – whether it is possible? Whether you can reach an organizational innovation for example to change the patient journey, where patient should be in the focus of the service. Whether you can reach it with building

a new construction of a university hospital building in the middle of the other hospital building of the other clinics. It was the Budapest case. And then we formulated our research questions and then whether the construction projects can function as vehicle for innovation and how can we identify the conflicts in these 2 networks. We focused on other conflicts. There are so many issues, you can focus on, but before...the conflicts between networks...within the network. And we investigated to last scale investment in Budapest and in Szege. We had the opportunity to compare in some extent these 2 projects. And OK, case study method. Regarding the actors the in the network, we have a public network and we have a private network. Because the construction industry is dominated by the private players, and the companies are private. And not only the architect and the designer but the general contractor and some contractors all are private companies. And on the other side we had the public network. Like the regulators until local or on the country level or EU level. Both investments were financed not only by the EU but mainly by EU money. And you have the university, where it is a special network as well. It is what we found and we did this figure for describing these networks. And it tries to show that the limitation of these networks are not very well-defined. That they have links to many actors and these boundaries are not always well-defined. And then we have in these 2 networks the project and the seller and buyer side if you want to find it. And the actors and the relationships. And what we did here, we analysed these 2 projects from the project approach as well, according to the thesis negotiation, implementation, operation and use. And we tried to identify the supporting factors and the supporting events and the hindering events of the factor of the project. And then we analysed from the network side as well. Which were the main events in the project and the main conflicts and then we tried to compare it. And then what were the main conclusions that the most important conclusion was the authorities to the very original question whether it's possible to achieve an organizational innovation through a construction project. And the answer is NO. Because I don't want to go into details, but the problem for example was in the operation and use. That the actors, the healthcare actors, the clinics who,...the initial phase it was planned that they go to the new building (this department or the other department) and the end of the project they could do it, they didn't want to go there. And if a building was designed for example for a clinic of rheumatism or some other topic or role. And other department goes there. Then it is a quite

confusing situation. It was planned that the patient journey could be improved through these new distribution of these department, but if it is not done according to the plans and as it was designed then it means that the organizational innovation couldn't be achieved through these new building. Then if you don't involve the partners, the participants of the healthcare projects or if you don't have the power to oblige them to go there, then it can't be achieved what your major goal was.

DJK: You talked about networks. What kind of software did you used to visualize the networks. Did you see the shift in time?

JS: We didn't use a software.

DJK: To visualize the networks.

JS: We did it manually. It's good. We didn't visualized the networks. Maybe there theories are a bit misleading, but it is a theoretical framework. Our research was totally qualitative, it was a case study method with interviews. We didn't have any quantitative research in this.

DJK: My only question would be from what I know from the Hungarian hospitality system. People just have to wait for 6 months before they get an appointment.

JS: I didn't want to go into the Hungarian healthcare system, but it is true. When we started with this research it was – you know - the client system was not so like the system of today. We focused only on the official healthcare system.

MG: As far as I understood – please correct me if I'm wrong – the underlying aim of the project was not achieved.

JS: Yes.

MG: The project outcome was just hospital building – if I'm right. I'm wondering to know whether you have tried to highlight what are those reasons that could say force this project to realize this outcome. Which is different

from the desired. Just ideas of course, I didn't do research in this field, but I'm wondering whether you have some idea. OK, shall I share my ideas? If we take into consideration the potential market positions. There is one buyer and a few supplier and typically the buyer is not a business-related organization in such a case the buyer - the client - was the government. Represented by 2 ministries.

JS: And universities.

MG: In such a case according to my experience the client suffers from lacking. Strategic knowledge in strategic management, knowledge in project management. Consequently not able to define based on the underlying strategic objective the desired project outcome. On the other hand according to an earlier approach the potential suppliers know this situation very well, and they are in relational position and the associated creative offer. And finally they prepared based on such a project result, which could be created... from that point of view which not necessarily is in line with the ...instantly defined of not defined desired project outcome. So that is the primary problem, I think. Anyway, according to my research and the paper what I mentioned, this is the ethical concern of the project market. In terms of number of projects - it is a few percentage only - it is not a B2B transaction. It is a B2G or G2B transaction. 95-96% of the projects are initiated and completed in a real B2B situation. And in terms of market position the typical market position, perfect competition, oligopoly or sometimes monopoly. In case of a real B2B project transaction the client is a business-related organization, defines the project outcome in detail based on a certain strategic objective, all the client request in a tender documentation and no way to neglect the requirements. And – of course – in case of the professional project management, the project outcome is more or less in line with the desired project outcome. So that is the difference, I think. This is an atypical project business, it's not a real B2B. It is a B2G something like that. And due to the problems, characteristic due to the different lacks, characteristic to the project client in such a case the outcome generally is different from the desired outcome. So that is my view.

BC: Do you think that in this case some actors twist the original project set up by the government in order to appropriate it and make their own idea with



From left to right: Bernard Cova, Katalin Varga-Toldi, Florina Pinzaru, Alexandra Zbucnea and Mihály Görög

MG: So, at the very beginning of the project, if a client doesn't have the required knowledge to define the project outcome the client should hire a professional consultant.

KVT: Yeah. And we will score. We will score the proposals. Exactly.

ZV: I worked for many years for public buyers, B2G market. Very interesting situation, sometime the problem is that buyer is in a higher position, because it belongs to the government. For political reason they think that the negotiating power is much higher. They've got the money in the pocket, but it's not all about that, it's a political problem. Sometime the problem is that they have a so called presumed competence. The presume competence is that they think they know, what to do. Sometimes they don't. OR sometimes the consultant is not the best consultant. They want to save money, and they have experts within the system.

MG: That's why pre-qualification is very decisive step in project management.

DJK: In this case not clean who is the principle, who is the agent. Confusing.

MG: It need to be made clear, anyway. At the very beginning of the project. And the roles. All the roles need to be made clear. Otherwise no potential or there's no real potential for success.

JS: Yes, you are absolutely right that it is not a typical B2B case, because it is B2G or governmental. Therefore you can find here 2 networks the private and the public. And of course the buyer is the representant of the public network in this case the medical university. It is very important that not a technical university but a medical university. But OK, you can say that you don't have enough knowledge to evaluate the construction offer. And you can ask for a consultant from these field, a professional consultant but you have to manage, you have to contact the project, who has a medical university. And for example in the Budapest case the solution was that they formulated a new unit within the university, it was the responsible project management unit and this project management unit was led or was regulated of course by the university and by the government, by the ministries. But these project management unit had to be more flexible as the total university. Because all of you know that the decision process within a university is not a business-like decision process. And but they have to cooperate in a business-like way, in the business decision process, with the business partners. And therefore they had this project management team so evolving about to twenty people from different professions. And they had to be the interface between the university management processes and the rules of the university decision system and between the business.

MG: OK Judit, I'm not against you, since your researching was different from my approach. You looked at this project and associated programs with marketing glasses. I approached your presentation with project management glasses. Which is, anyway, different. Unfortunately most of the project marketers come from the marketing side. There are very few project marketer who come from project management side. And there is no common vocabu-

lary, no common language. We speak beside each other.

KVT: You run two communication systems.

MG: No real transaction of knowledge and information.

JS: It was the Semmelweis Medical University, medical school, and in Szeged, the Szeged University but they have medical faculty.

AZ: If I may, I have to add another issue. ...the presentation before was the relation between organization been involved into this process. No matter if they are private or public. But what are actually the relationship inside each organization. Those unit, the 2 you mentioned. I think that they are also extremely relevant and they have probably important impact on how the entire project works and on the relationships between organizations. So maybe I don't know if the research is concerned I'm not meaning necessary. It's also interesting, the inner processes of which organization I think would be important. And another aspect that I was thinking is that I believe that your studies are quite interesting for me, also from a personal perspective, because I believe that the health system in Hungary is quite similar that the one in Romania, considering you know, ...story and all this background.

JS: The socialist healthcare system.

AZ: Exactly. So I have a personal curiosity of which are actually the most influential actors try to identify in this case, I mean, the names of the actors. Which organizations or units are influencing the most this type of projects.

JS: Within the university you think?

AZ: Overall. I mean for instance is the university more important than the financier – meaning the ministry. Or among the private bodies which are the most relevant.

JS: What we found, that the university was the most important because they conducted the project. Maybe at the very beginning or at the decision whether

the project will be done or not or it is in these decision phase the ministry of course more important than the university. But the university did the application and so on. For the project, for the whole process, the university was the most important actor in this project. And what we saw for example, that the responsible person who was at the rector's level it was not the rector and not the chancellor of the university but it was a very professional doctor and the head of one of the university's clinics and his personal competences - not only medical competences, but managerial - fortunately he had a lot of managerial competences and it was very important. And it worked well.

ZV: Now I propose you to listen to Katalin.

KVT: If we try to understand customer experience in the management consulting business market, first we have to look at how the consulting literature has changed in the last 30 years. According to Nikolova and Devinney there are three main perspectives on management consulting literature based the basis of the position of the customer within the client-consultant relationship. The *functional perspective* regards consulting as contractual, time-limited temporary helping service, where consultants are independent experts with specific functions and roles. Clients are acting as buyers. According to the *participative learning process* theory consultants may have superior knowledge in relation to the client and final solution is co-created by the consultant and the customer, thus client is in a partner position. *Critical and social constructivist perspective* theories highlights that clients are lack of the scientific knowledge to evaluate the quality of the proposals and even the transaction quality of the implemented service. Thus, clients became victims, and what is actually happening in such relationships is that consultants may grab the contractual power from the customer. In reality in many cases clients even rely on external partners who help them in scoring the consulting proposals. Some researchers agree that clients and consultants run two separate and closed communication systems which never meet. Thus, this type of B2B relationship is automatically a failing relationship, which is quite disappointing if we are talking about B2B customer experience. My empiric research also prove this critical approach, because I found that what is actually happening when purchasing a consulting project is that customers have no clear specification about their problems at all. They need an advice, however they are not able to

specify what they need. What they can do is defining the business problem, yet they have no idea how to solve this problem. That is why they use RFI - request for information - and discuss with the potential consulting partners together, what the task would be and write the project specification together with the consultants. What is more interesting is that they do not have stable preferences about consulting service, and actually their preferences are created during the purchasing process and perceived as set of values that should be constructed. The more tendering presentations they see the clearer their problem becomes and they may modify the scoring templates, much to the procurement department's distress. However, there is a formal procurement process and scoring sheets must be finalized before the tendering process, but in reality these scoring templates are modified usually during the selection procedure. The question is how we can score consulting projects? There is no ultimate solution, giving advice and consuming consulting service is absolutely subjective phenomenon, you can solve a business problem in many ways, several alternative methods can be defined.

I conducted 22 explorative in-depth interviews with top managers of consumer banks and senior consultants to understand how clients purchase management consulting projects - time and material consulting method is excluded from the research - and how they perceive the quality of the service. The reason for asking them about perceived quality was to check whether these dimensions appear during the selection process. I found that these dimensions do not appear at all and there is a gap between how clients select and how clients evaluate consultant services. This gap may root in the difference between what the customer want and what the customer is able of doing. In consulting industry it is a very important issue, because consulting service is such a complex, multidimensional and intangible product, and clients are usually unable to identify precisely what contributions they exactly want to gain from the intervention. Most of the time we can hear consultants are experts, so we need some kind of knowledge, however in reality there is a decreasing trend of "specific expertise buying". Today's organizations do possess expertise and experienced human resource, yet what they do not know is how to implement such knowledge, because they have never done such things before. Organizations do not need experts in a traditional way anymore. They need guides, they need catalyst, mediators, project managers, judges. Thus,

consulting roles are changing rapidly and based on my research expert role is only one of the eight defined roles. What is interesting is that the scoring logic behind the procurement process is still focusing on the expert role and unable to deal with the other roles, cannot measure or bring such soft skills into the scope of proposal evaluation. I also analyzed the utility dimensions of clients at different hierarchy level of the organization and found out that diverse and very different utility dimensions can be defined. However, during the purchasing process most of the time top managers, project managers participate and what they score is completely different layer of the service from that layer, where the consulting service may take place in reality. Consultants most of the time work with the people behind, and despite the fact that they report to project committees and executive level, they actually deliver the service at functional and operation level, and these employees will evaluate the consultants end of the day. That is why it is important to analyze utility dimensions at different organizational levels.

So the main question is what makes a proposal to a best offer? Does best offer exist at all? I think, it does not. In consulting industry I believe the best offer as a term does not exist. Because can we really translate human factors into pure financial or technical indicators? I think we cannot. „90% of top managers are not working with consulting firm. They are working with consultants.” – stated one participant and I do think that this sentence characterize the situation very well, where clients are not able to compare different consulting services, even if procurement require them to do so. As another participant supposed: *Procurement is trying to compare apple to apple, however consulting services are hardly comparable.*” The main issue here is not whether we have individual preferences during the purchasing process or not but how participants of the buying center express their personal preferences and how brave they are to articulate such thing. That is the real psychological question behind. What I found in my research is that in relation to expressing personal preferences there are two types of managers: *Direct managers* are willing to express their personal preferences and has a dominant position in the internal and external environment with high reputation. They are not afraid of making decision and taking responsibility. Therefore, they support subjective scoring and take advantage of „last-call” option, which is a semi-formal procedure where the manager favors a consulting company and call them to change

their offer in order to win the tender (lower price, change scope, modify timing etc.). *Secondly indirect managers* are not willing to express their personal preferences in order to avoid future reckoning. The reason for this careful behaviour is that they may have a weak position in the upper management or have less internal power and reputation. They are somehow very afraid of the personal aspects of the purchase and they are more confident when the decision is based on the procurement scoring template. In this case they can defend themselves that the selection of consulting firm was based on an organizational decision.

Considering that management consulting service is a very complex product, selecting a reliable management consulting partner is quite uncertain and risky purchase. The outcomes are unpredictable, even in the end. That is why it is crucial for the consulting firms to understand their clients' organization, especially the internal position of their potential project sponsor. It may have an effect on the perceived quality of the service as well.

Based on my research I designed the *ERIP model*, which is the perceived service quality model of management consulting projects. There are four quality dimensions: Expertise, Relations, Involvement, and Performance. "Expertise" and "Performance" are more tangible quality dimensions and appear in scoring sheets and materialized in the content of the proposal. It is about the competence and delivered work that the consulting firm promise. However, "Relation" and "Involvement" dimensions reflect to a less tangible, more informal layer of the proposal and usually these aspects are not part of the scoring template. It is about the people who will work in the buyer organization. It is about how the consulting firm is able to make the client organization believe that they are capable of delivering those expertise and performance they have promised in their proposal. Clients may perceive these dimensions only during bid presentation and through face to face communication. However, in reality these dimensions are hidden during the selection process, because for example consulting style, influencing power, adaption of corporate culture, or resource allocation skills are experienced by the client during the transaction and the consuming of the consulting service. Drawing the main conclusions of my study: firstly, there is a requirement uncertainty. Call for proposals covers only the planned scope of the project, often the scope is "moving".

Secondly, there is an evaluation uncertainty, because customers are unable to confidently evaluate the quality of proposals. Thirdly, it is rare to find precisely defined scoring sheet set in advance, because clients construct their preferences through the purchasing process as the requirements are getting fine-tuned. In relation to expressing personal preferences there are two types of managers: indirect or direct communicators. Finally, there is a gap between perceived service quality dimensions and buying preference attributes: proposals are formally scored based on tangible project elements - Expertise and Performance quality dimensions -, however, an informal evaluation layer also exists which tries to grab soft skills of consulting firms - Relations and Involvement quality dimensions - and indirectly may influence the final scoring.

BC: Let me draw your attention to a very old paper of Anderson on ambiguity versus clarity in project management. I think consulting is not an isolated case, there are many sectors where it is possible to redefine specifications and project management and project marketing have the task to treat ambiguity. Anderson showed that ambiguity can be profited by the actors.

AG: I have studied the consulting industry for decades, and first of all I suggest you to make distinction between the different fields of consulting. And the central point here is, if you want to study the psychology, the asymmetry of information, confirmation of underlying thinking, level of consultancy and so on.

MG: When you are speaking of ranking of bids as a very difficult question, your interviewees tried to cope with a twofold issue. Evaluating capability and reliability of potential consultants is the first step. By this ranking is much easier after prequalification. It is well known in project management literature as selective tendering.

ZV: At the end let me present you one of my models which is interesting from psychological point of view. Starting with the risk situation of the transactional diad from the starting date of the project up to the completion perceived risk is increasing day by day. It is because the project is a continuous

investment from both sides without an immediate return. From the supplier side it means a technological performance and a financial one from the buyer side. But the underlying reason for the risk perception lies in the extended identification of the good performance. It is definitely proved sometimes in months following the preliminary handing over. And the more complex the construction project is the more longer the period to realize the quality of the performance. And financial protection is not sufficient to compensate the lost time. That is why due to the increasing risk range in the so called risk funnel needs a systematic relationship management in order to smooth risk perception. That is why trust is in the focus of research for long time.

Thank you for your activity in this discussion module.