

LUT School of Industrial Engineering and Management

Department of Industrial Marketing and International Business

**The roles and tasks of salespeople in Software-as-a-Service
company's value-based sales process**

MASTER'S THESIS

Examiner: Professor Asta Salmi

Instructor: Joonas Luukkonen

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Juho Häyrynen

ABSTRACT

Author: Juho Häyrynen	
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<p>Recent research in relationships marketing and sales and sales management emphasizes companies' ability to create customer value as a core of all business-to-business relationships. The role of individual salespeople in business relationships is commonly acknowledged, but has been largely neglected in extant literature. This study offers especially more detailed perspective on salespeople's roles and tasks in business-to-business value-based sales process. It focuses especially on Software-as-a-Service business environment.</p> <p>The objective of the study is to find out how salespeople can create value in Software-as-a-Service value-based sales process. It determines value-based sales process, salespeople's roles and tasks in it, and combines value assessment in to process. The results indicate that salespeople have to adapt different selling roles and tasks in Software-as-a-Service value-based sales process to be able to support the customer's value-in-use experience. The process itself is highly complex, consisting of multiple facets and selling behaviors, and involves relevant actors from both parties of relationship. The study concludes with a discussion of possibilities that provide interesting aspects for future research.</p>	

TIIVISTELMÄ

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<p>Aikaisemmat asiakassuhdemarkkinointiin ja myyntiin keskittyneet tieteelliset julkaisut ovat korostaneet asiakasarvon merkitystä yritysten välisessä liiketoiminnassa. Vaikka yksittäisen myyjän rooli korostuu liiketoimintasuhteissa, on sen tarkastelu usein sivuutettu. Tämä työ keskittyy nimenomaan myyjän rooleihin ja tehtäviin yritysten välisessä arvopohjaisessa myyntiprosessissa. Se tarkastelee myyntiprosessia pilvipohjaisten ohjelmistojen näkökulmasta.</p> <p>Työn tavoitteena on selvittää, miten myyjät voivat tuottaa arvoa pilvipohjaisen ohjelmiston arvopohjaisessa myyntiprosessissa. Se määrittää ensiksi arvopohjaisen myyntiprosessin lainalaisuudet, myyjien roolit ja tehtävät siinä, ja yhdistää arvon arvioinnin osaksi prosessia. Työn tulokset kuvastavat, että myyjien täytyy omaksua useita erilaisia myyntirooleja ja tehtäviä lisätäkseen asiakkaan kokemaa arvoa ostoprosessissa. Arvopohjainen myyntiprosessi itsessään on monimuotoinen koostuen useista vaiheista, ja pitää sisällään useita myyjästä riippumattomia tekijöitä. Työssä pohditaan lopuksi, miten esille nousseet asiat vaikuttavat käytäntöön, ja mitä näkökulmia tulevaisuudessa kannattaisi selvittää aiheesta enemmän.</p>	

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ABBREVIATIONS

CDL = Customer-dominant logic

CRM = Customer relationship management

KPI = Key performance indicator

NPS = Net promoter score

SaaS = Software-as-a-Service

SME = Small and medium enterprises

SDL = Service-dominant logic

PSA = Professional systems automation

VAR = Value added resellers

1 INTRODUCTION

The process of value creation for the customer as based on the perceived and expected value of the products and services delivered has been one of the most envisioned processes in recent decades (Haas, Snehota & Corsaro, 2012). It is well-known that understanding the creation of value in business-to-business relationships has been a long-standing goal of researchers and managers alike (Ulaga, 2011; Lindgreen, Hingley, Grant & Morgan, 2012). Despite the highlighted importance of creating and delivering customer value to be more successful in rivalry, it seems that only few companies are truly able to demonstrate the actual worth of their products and services to customers nowadays (Keränen & Jalkala, 2014). Especially in business markets, customers can face a number of competitive offerings that claims to save money or enhance customer revenues. Many times these promises lack evidences to back them up, which gives opportunities to capable companies to stand out. (Anderson, Narus & van Rossum, 2006) On the other hand, companies are widely transforming from product-oriented to service-oriented to better respond demanding customer needs. Understanding the meaning of long-term business relationships in value creation offers opportunities to many companies to reinvent their selling strategies and processes to better respond to the changes in markets (Grönroos, 2006).

Although the literature generally emphasizes the importance of creating value for the customer in business-to-business marketing, it still seems to lack of consensus how the actual value is created and measured in practical level. The sales function is thought to be generally a pivotal part of the value-creating processes in business relationships, and the evolving view on creating relationship value clearly has implications for understanding the role of sales and individuals in terms of roles and activities in these processes. As Terho, Haas, Eggert & Ulaga (2012) stated, researchers have called for the need to investigate the salespeople's roles and tasks in customer value creation in the context of companies moving into service and solutions business, to better understand the consequences related to it. It is clear that salespeople and sales units are currently in the process of redefining

their roles and searching new value-based selling frameworks, exactly like the companies they are representing.

Software-as-a-Service (SaaS) business environment makes the value-related reflections worthwhile, since it is one of the business areas that has evolved rapidly mainly because of the nature of quick and easy buying process, and by dramatically transforming the boundaries of software business compared to traditional on-premise solutions. Nevertheless, due the mature of SaaS markets nowadays, also SaaS providers must seek new ways to develop business ideas and gain profits. Though, there are some value-related sales force level studies conducted (e.g. Haas, et al., 2011; Terho, et al., 2012; Hohenschwert, 2012), invariably they have been mainly implemented on global and highly complex industrial offering environment and related companies, whereas more rapidly changing small and medium enterprise's (SME) SaaS business environment has not have a large amount of attention from scholars so far. This underlines the needs for a more precisely attention in this specific area.

Thus, this study is focusing to the perspective of salespeople's roles and tasks in value-based sales process in SaaS business. It also takes into consideration the meaning of customer value in business markets, and the importance of value-assessment as a part of value-based sales process. The study offers new insights for Visma Solutions salespeople and their managers, and finally, proposes value-based sales process for the company and others alike to adapt.

1.1 Background of the study

It is commonly approved that discussion of customer value has its roots in modeling purchase decisions and goes all the way back to the seminal works of Kotler and Levitt (Kotler, 1972; Levitt, 1983). Since then, the discussion has been increasingly boosted and further developed in the organizational buying behavior literature, where customers get some kind of benefits from products or services, and usually analyzed in a relational buyer-seller context (e.g. Eggert, Ulaga & Schultz, 2006; Grönroos, 2006). In recent years, customer value has been stated to

be the fundamental basis for all marketing activities and a key factor, when companies seek ways to differentiate from competitors and look for higher profits (Holbrook, 1994; Landrougez, Castro & Cepeda-Carrión, 2011).

In spite of its importance, the question of how the sales function contributes to creating value in business relationships has been largely neglected in extant literature in many ways. First, the literature investigating business interactions tends to miss out the insights of value creation on the individual level, and focuses more on multiple resources level (Ford, 2011). Second, business marketing literature exploring value focuses mostly on the company level rather than the individual salesperson level (Anderson, Kumar & Narus, 2007; Haas, et al., 2012). But as Töytäri, Alejandro, Parviainen, Ollila & Rosendahl (2011) stated, an organization that is shifting to value-based offering need to actively reshape the salespeople to answer the new demands, which highlights the individual level in value-creation. Company success no longer depends on merely communicating the value of products and services; success in sales processes, activities and acts plays pivotal role in ability to create value to customers (Manning & Reece, 2007).

There are a lot of studies focusing either on providers / sellers side of the perspective in value-creation (e.g. Haas, et al., 2012), or there can be found a few researches that purely analyze relationships value from the customer perspective (e.g. Ulaga, 2003; Ritter & Walter, 2012). Nevertheless, there is identified a growing need to understand the both sides of the parties in relationship and get this valuable information packed together to perceive more accurate analyzes of value-creation in relationships and the common denominators in it (Terho, et al., 2012).

According to Tyrväinen & Selin (2011) there is hardly any previous research literature that would address the challenges of marketing and selling Software-as-a-Service (SaaS) products and services. Thus, there are a lot of blogs and discussions related to the topic in Web (e.g. Mallaya, 2009; Passiak, 2013). Traditionally SaaS is the most commonly known form of cloud applications, and it means that the application is used cross network without installing it into the user device

(Vaquero, Rodero-Merino & Caceres, 2008). SaaS can be characterized as a standard software product operated by the SaaS provider, and usually combines these specific criteria as follows (Tyrväinen & Selin, 2011):

1. Software is used with a Web browser or other thin client making use of standard internet protocol.
2. A standardized software product is provided with no customization.
3. There is no need to install software to the customer site.
4. Deployment requires no major integration or installation.
5. Customers pay for use of the software rather than licenses.
6. The same multitenant installation is provided for several customers.

This study and the Professional Systems Automation software product (Severa PSA) examined in it go along with the most of the criteria listed above. The differences are that Severa PSA usually demands high customization according to the customer processes and may also include some specific integration actions depending on the surrounding software and IT environment, and business needs of customers.

Even though there is a major lack of research on SaaS value creation in business markets, it is practically well-known that personal selling, sales representatives and value-added-resellers (VAR) have been one of the most important sales channel for software service business combined with the effective internet-based marketing “*self-acting*” channels for years now. SaaS providers can also co-produce fairly complex service offerings for customers in process of value co-creation following the idea of the service-dominant logic even though the core business is developing standard products. Against all this background information gathered, more theoretical and practical understanding is needed related to the SaaS value-based sales process and qualities in it.

1.2 Study setting

The study focuses on salespeople's value-based sales process roles and tasks, and will also cover the meaning of customer value in business relationships. It provides a suggestion, how these areas can be implemented especially in SaaS business environment. The study contributes to previous research by complementing the theory of value creation in business relationships, personal selling and value-based selling. Finally, this study offers a more detailed look to SaaS business environment in practice, and helps others to increase our understanding of creating value in business relationships and salespeople's roles and tasks in the entity related to it.

From a managerial perspective, this study identifies key areas, which both customers' and Visma Solutions' (provider's) employees have highlighted in texture of customer value and value-based sales in SaaS business markets. The findings guides and extends the awareness of value-creation for Visma Solutions and its sales unit to asses their current strategy and approach with new insights that are discovered from the results of the study, leading the provider towards better decisions on currently neglected sales activities. The results also inform Visma Solutions about the different manners to re-design or re-organize the sales functions to be more benign for value-based sales process.

In this study approach "*sales*" refers to the set of activities and events of selling, conducted by the provider's sales unit, whereas "*selling*" refers to the concrete actions of conducting sales (Cron & DeCarlo, 2006). Moreover, this study focuses mainly on personal selling. "*Personal selling*" involves person-to-person communication with a customer, and is complicated process which includes activities, e.g. discovering needs, matching the appropriate product with these needs and communicating benefits (Manning & Reece, 2007). This approach and layout is very similar to Gröönroos' (2013) one, but rather than focusing only on the highest level of sales process this study focus more on the sales process itself, which also mean that the study address the process of salespeople's work at a salesperson

level, not higher managerial level. Though, these two cannot or at least should not be separated from each other's in practice.

1.3 Purpose of the study and research questions

The purpose of this study is to advance the current understanding of customer value creation in business-to-business SaaS environment and answer the questions about the sales functions' roles and tasks in creating and communicating value in business relationships, and get more detailed picture how Visma Solutions could utilize the different aspects of the value-based sales process in its daily basis.

Therefore, the objective of this study is to answer to the main research question as follows:

- *How salespeople create value in SaaS value-based sales process?*

To be able to answer the main research question this study will also cover the following research sub-questions:

- *What is SaaS value-based sales process?*
- *What kind of roles and tasks salespeople have in SaaS value-based sales process?*
- *How value-assessment is related to value-based sales process?*

In order to achieve these objectives and to be able to answer the questions above, first, a review of previous research and literature is done. Second, a practical workshop research is conducted to figure out how individual salespeople can derive value proposals from the current product. Third, this study investigates the experiences and thoughts within the case company managerial level, and within pre-selected customers' purchase decisions makers and admin users through the answers based on in-depth interviews.

Along with related recommendations in extant literature, the interviews and practical workshop analyses conducted provides support for the validity and relevance of the comparison of selected frameworks for understanding the role and tasks of salespeople in SaaS value-based sales process.

1.4 Structure of the study

This study is mainly based on key contributions (*inputs* and *outputs*), which are composed from the previous theories and finally processed towards the objectives of the study. The structure of the study and the key contributions of each chapter are presented in the Figure 1.

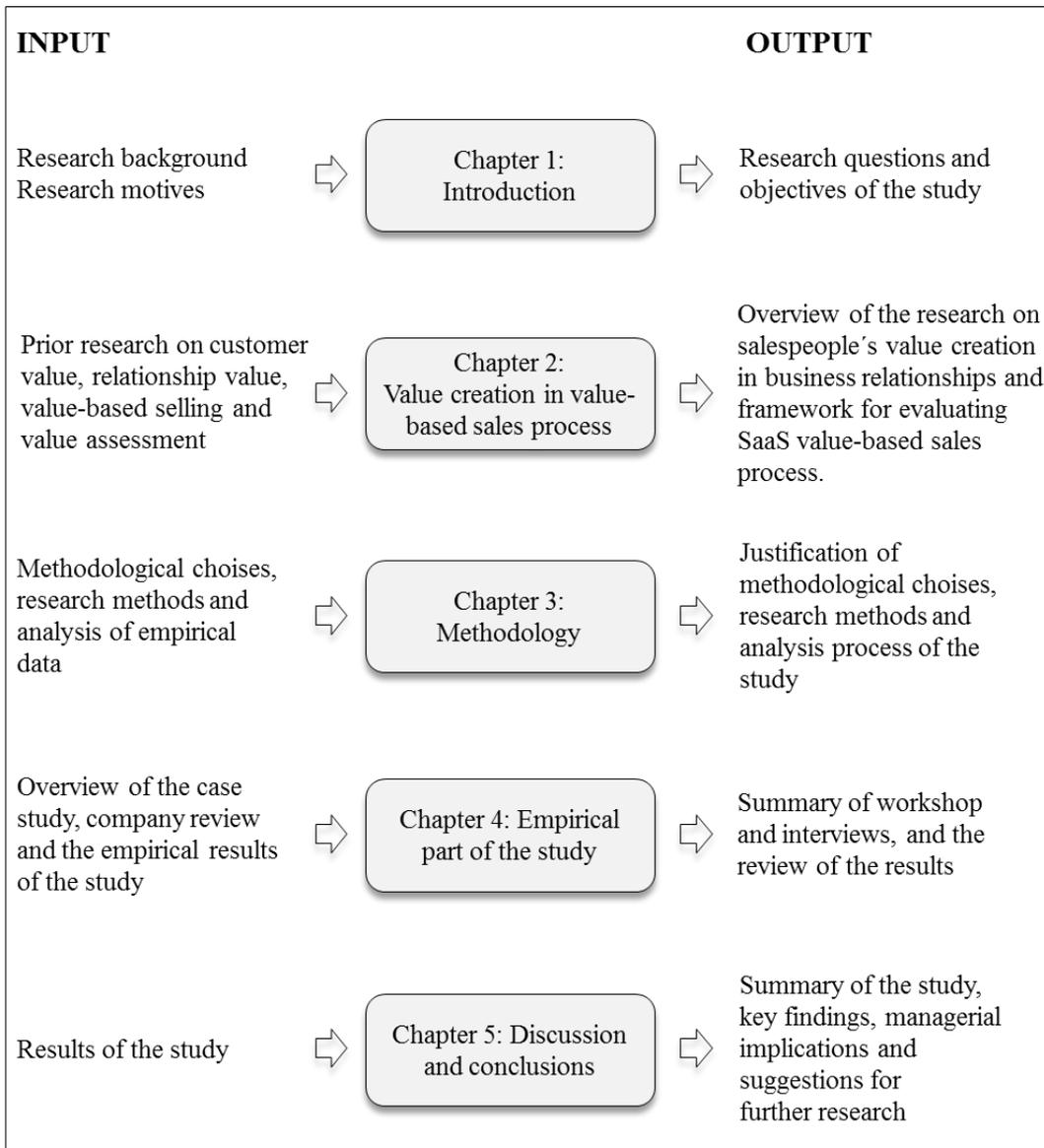


Figure 1. The inputs and outputs of the study

Chapter 1 begins with an overview of the extant research in the selected areas. It primarily provides identified gaps in the light of the previous research, the purpose of the study, the main research question and the selected sub-questions related to it, and the theoretical and contextual background of the study. Also, the key contributions are presented in this chapter. Second chapter provides the concept of customer value in prior literature, and covers the area of value in business relationships and discourses more deeply on prior research of salespeople's roles and tasks in the value creation and value-based sales process commonly. It also pre-

sents the service logic concept. Finally, it proposes theoretical framework based on the selected theories, to better respond the empirical needs of the study.

Chapter 3 discusses the methodological choices and research methods of the study, evaluates the validity and reliability of the study, and explains the analysis process of the study. Chapter 4 presents the case study setting, introduces case company's background and product related overview shortly, and eventually differentiates the key results of the workshop and the in-depth interviews related to the proposed framework presented in the end of chapter 2. Also the value-based sales process in SaaS business is proposed for Visma Solutions and companies alike in this chapter. Finally, in chapter 5 the results are summarized and the managerial implications and suggestions for further research are concluded.

2 VALUE CREATION IN VALUE-BASED SALES PROCESS

Nowadays the competition is harder between the software companies than it has ever been. Developing a great product for the customer is not just enough. Software providers (later: providers) must concentrate on their customers instead of products, to be successful (Grönroos, 2008). The relationships that providers have with other actors and the embedded knowledge related in those are increasingly vital sources of competitive advantage when operating in turbulent business environments (Eggert, et al., 2006). Providers must co-produce value with customers; otherwise someone else will do it. As a part of being successful in business relationships, Manning & Reece (2007) emphasize the role of salespeople in discovering the hidden value of products for customers in co-operation.

While approaching customer value from the perspective of salespeople and value-based sales process, this chapter will briefly review the literature surrounding the concept of customer value, its definition and sources. Then it examines value-perspective in business relationships; concentrating on value co-creation from service logic perspective and different facets of value-creation in business relationships. To be able to provide a more applied and managerially focused direction, the chapter presents a review of salespeople's roles, tasks and possibilities in co-creating value with customers and enhancing the value of products (e.g. potential product) transacted with customers. Finally, this study emphasizes that value assessment is related to salespeople's value propositions and perceived value-in-use experiences, which is why this study also examines different value assessment strategies providers may have.

2.1 Concept of customer value

Customer value is a key constituent in all areas of business (Ulaga, 2011; Lindgreen, et al., 2012). It has been studied for decades both conceptually and empirically (e.g. Woodruff, 1997; Anderson & Narus, 1998) and is widely regarded as a cornerstone of business market management for years now (Anderson & Narus, 2004). What seems to be the most important thing in practice, customer value has a certified impact to a provider's long-term survival and growth

(Woodruff, 1997; Anderson & Narus, 1998) and the related high levels of satisfaction in business-to-business relationships are linked with lower costs, higher profitability and increased shareholder value creation (Heinz, Matzler & Hinterhuber, 2003). Besides these provider related perspectives, customers have become better informed and have taken control of their destinies, and the most of providers just cannot afford to overlook the ongoing power shift of value (Manning & Reece, 2007). Thus, more both provider and customer related positive impacts must be co-produced.

The very scope of business-to-business marketing has been traditionally conceived broadly as to produce and deliver goods and services that people want and value (Levitt, 1983). To describe the complexity of customer value, Keränen (2014) found and systematically combined together thirteen different definitions of the customer value that were used in the previous literally. Although it is not unequivocal to definite it, seems the term customer value is most typically defined simply as a trade-off between benefits (input) and costs (output) of an exchange in relationship, taking into consideration the available alternative relationships (Ulaga & Eggert, 2006) According to Woodruff (1997) benefits and sacrifices arise from all product, service, and relational dimensions that customers believe are facilitating or blocking their goals when making the purchase.

There are at least two different ways to start dividing the benefits and costs in different sections. First, the benefits can be divided as monetary and non-monetary benefits (Heinz, et al., 2003; Kumar, Sriram, Luo & Chintaguna, 2011). Typical monetary benefits are e.g. direct cost savings, increased revenue or profits gained through the purchase. Non-monetary benefits can be seen e.g. as increased trust, comfort or energy and time savings (Grönroos, 2011).

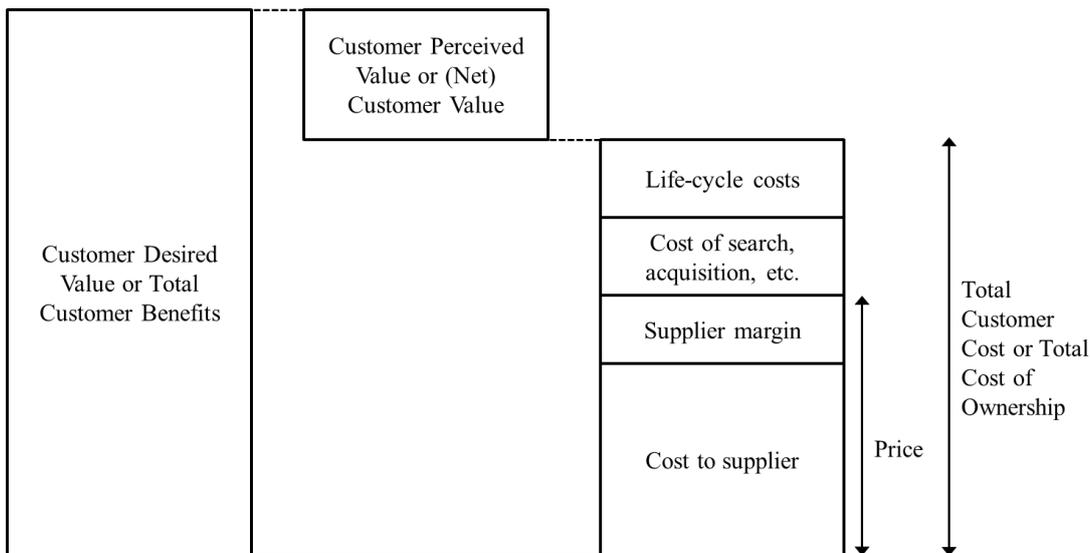


Figure 2. Customer desired and customer perceived value (Töytäri, et al., 2011)

Second, the benefits can be divided to core and to add-on benefits related to purchase (Menon, Homburg & Beutin, 2005). The costs are traditionally seen as a purchase price, but should be divided to acquisition costs and operations or life-cycle costs (Menon, et al., 2005). There are also many intangible dimensions, such as knowledge and personal interaction that cannot be broken down to money or price itself (Ulaga, 2003; Helkkula, Kelleher & Pihlström, 2012) but should definitely be taken into account when researching customer value in business relationships.

Theory emphasize that benefits have usually greater impact on perceived customer value than sacrifices (price and costs) and that the element of trust can be fairly strong driver when customer is evaluating benefits and sacrifices (Menon, et al., 2005). If customer trusts that the provider can enhance the value in relationship, the benefits can be seen actually in even more greater way than the related sacrifices (Graf & Maas, 2008). Töytäri et al. (2011) have classified customer value more precisely as either desired or perceived value as seen in Figure 2. Customer perceived value is the net value achieved considering all benefits and sacrifices in the search, purchase and use of the offering (e.g. Graf & Maas, 2008). However, desired value and perceived value are not mutual, as the two concepts complete

each other and overlap in many cases, which makes it difficult to unequivocally define them (Töytäri, et al., 2011).

Since it is well-known that the different elements of benefits and sacrifices for certain customer can change and evolve over time (Anderson & Narus, 1998; Corsaro & Snehota, 2010; Helkkula, et al., 2012), and the defining the value-in-use, always determined by customer may vary, being able to evaluate what customers value in a particular business case and time, has been recognized as crucial part for provider's competitive advantage regarding to its competitors (Landrougez, et al., 2011; Grönroos, 2008). In addition, a business transaction (e.g. products and related services) must create value for both parties involved in order to be satisfactory in either the short run, i.e., in relation to the individual transaction, or in the long run, i.e., in the overall relationship (Grönroos, 2008). Moreover, while the value can be intangible, it seems to be the trend that providers are under greater pressure to deliver value in the form of profits or other benefits (Blocker, Cannon, Panagopoulos & Sager, 2013). Thus, recognizing the source of value can be seen as a crucial part of provider's ability to quantify value propositions and offer value-in-use for customers.

2.2 Value creation in business relationships

Today's customers want both a quality product and a quality relationship - high-quality and long-term relationships with customers will reward companies related to the transaction process (Manning & Reece, 2007). Keränen (2014) emphasizes that customer value research is typically divided into two related streams: 1) the *value of offerings* and 2) the *value of buyer-seller relationships* (Lindgreen & Wynstra, 2005; Lindgreen, et al., 2012), which have been steadily evolving towards a combined and more holistic perspective on relationship value. Whereas customer value benefits and sacrifices were sometimes problematic to define, relationship value usually takes account both tangible and intangible value realized by customers (Ulaga & Eggert, 2006; Corsaro & Snehota, 2010). Ulaga & Eggert (2006) have defined value in business relationship as "*the trade-off between product, service, know-how, time-to-market and social benefits, as well as price and*

process costs in a supplier relationship, as perceived by key decision-makers in the customer's organization, and taking into consideration the available alternative supplier relationships". SaaS business has traditionally been seen as a product business, but there are a lot of intangible elements (e.g. services related to a software deployment project) related in it, which makes it interesting to examine it in terms of relationship value.

Meanwhile the focus of the sales process in sales and sales management has shifted from transaction orientation to relationship orientation, this simultaneously results change of focus from products and exchange to service and relationships (Grönroos, 2006; Grönroos, 2008; Vargo & Lusch, 2004; Vargo & Lusch, 2008). Service-dominant logic (SDL) positions the service, or the interaction related to service, in the center and co-creating value between parties plays crucial role in it, whereas customer-dominant logic (CDL) takes it a bit further and positions customer to center of all; instead of what providers are doing with the service offered, the focus should be what the customer should do with the service to reach the goals (Vargo & Lusch, 2004; Heinonen, Strandvik & Mickelsson 2010). In SaaS business, CDL related approach offers more suitable approach, whereas SDL can be seen a great approach for agile software development companies with more permanent relationships with limited amount of customers, and with more custom-made solutions related in it.

2.2.1 Value and service logic

Grönroos have stated that a product represents potential value for the customer and service can be seen as an activity, which can transform the potential value for the customer into real value for him. Service as a business logic means "*a process that consists of a set of activities which take place in interactions between a customer and people, goods and other physical resources, systems and/or infrastructures representing the service provide and possibly involving other customers, which aim at assisting the customer's everyday practices.*" and it can be divided in to three different aspects: 1) service as an activity, 2) service as a perspective on the customer's value creation, and 3) service as a perspective on the provider's

activities. The core idea of service logic is that customers don't buy products or services for basically different purposes. They are always bought for some reason - usually to provide input resources that would create value for the customer. (Grönroos, 2008)

Grönroos separated two different service models: a self-service process and a full-service process. Traditionally, SaaS providers have offered a self-service process to their customers, but providers could potentially cooperate as a full-service provider with customers, engaging themselves to the customers' practices and adjusting their possible preferences that go beyond what was originally expected. Being able to offer full-services give providers a possibility to actively influence the flow and outcome of the consumption process, and the customers have an opportunity to influence the activities of the service provider. (Grönroos, 2008)

Service logic also highlights the role of value-in-use, instead of value-in-exchange. Providers can offer value resources for customers, but customer is as a matter of fact the value creator and determines the value-in-use. Therefore, providers should not be distracted by existing products or services in their market offerings, but focus on understanding their customer's everyday practices and value-generating processes - where those products and services are used. Service logic for a provider means as follows:

- provider focuses on well-defined customer practices (activities and processes)
- provider focuses on assisting those practices in a value-supporting way
- provider develops existing products and services towards those practices
- interactions between parties in relationship, which enables provider to engage itself in its customers' consumption and value-generating process, and influence these processes
- by engaging itself in the customers' value creation the provider creates opportunities to co-create value

- provider can engage itself in customers' value fulfillment, and not just make value propositions. (Grönroos, 2008)

Service logic approach is one of the key elements in this study. But instead of focusing it on strategical level, this study examines service logic in perspective of sales force level of provider. Though, it is important to recognize the roots of service logic and value related relationship regularities generally, to be able to find the differences between traditional SaaS provider and service-oriented SaaS provider that utilize the concept in its processes.

2.2.2 Intertwined facets of value creation in business relationships

The business marketing literature emphasized the creation of customer value as necessary to build profitable relationships with satisfied and loyal customers. There are multiple ways to utilize great relationships, e.g. satisfied customers can represent an auxiliary sales force - a group of people who recommend customer-driven organization to others. If they are pleased with the service they receive, they will more probably tell other people of it. (Manning & Reece, 2007) It has been studied that there are certain features that can be recognized in value creation related to the business relationships. Haas et al. (2012) propose four intertwined facets that characterize value-creating process in business relationships as follows:

1. jointness
2. balanced initiative
3. interacted value
4. socio-cognitive construction

First, *jointness* is the feature that characterizes the value producing in business relationships between the parties (provider and customer) and the resources, activities and actors related to it (Haas, et al., 2012). Service logic stream of research and the service marketing research overall describes it well (e.g. Vargo & Lusch, 2008; Grönroos, 2008). Second, *balanced initiative* means that both parties in relationship tend to be active initiating the process and solutions in it when pursu-

ing desired results, whereas the traditional view has assumed customers to be passive price and offering taker in relationships (Haas, et al., 2012). Third, Haas et al. (2012) determine *interacted value* as interactions that continuously produce emergent, novel solutions of value which have not been anticipated, but can be temporarily stabilized, by the interaction parties. Finally, *socio-cognitive construction* describes how the different parties will develop its own ideas about which are the key dimensions of the perceived value, and makes it impossible to determine the value from the features of the relationship or of the actors (Haas, et al., 2012).

2.3 Value-based sales process

The business relationship proceeds in an interaction process where various types of contacts between parties, provider and customers occur, and some of them are between people and some between systems, respectively (Grönroos, 2004). Töytäri et al. (2011) identified multiple key practices, such as finding the right customer, salesperson-centricity, reciprocal quantification and iteration, credible referencing and verification of commitment, which can help both provider, its salespeople and customers to constantly create more value through value-based sales process.

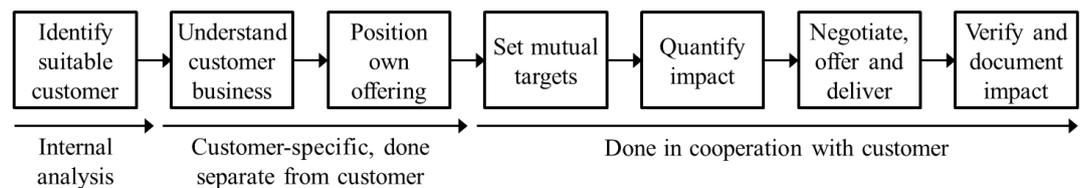


Figure 3. Suggested process framework for a value-based sales process in industrial environment (Töytäri, et al., 2011)

Figure 3 describes the seven key elements and activities of successful value-based sales efforts and how companies and their salespeople can implement customer value in practice, and what the actions should be to genuinely benefit from customer value (Töytäri, et al., 2011). Elements vary from internal analysis (identifying customers) to customer-specific actions (understanding customer business and positioning offering), and finally actions which are done in cooperation with cus-

tomers (setting mutual targets, quantifying impact, negotiating, offering and delivering, and verifying and documenting the impact). The suggested process for industrial environment can be seen as a great basis to start implementing value-based sales process to SaaS environment.

Though, to be able to adapt any sales process at all, salespeople must generally know and understand what and what for they are adapting. As Grönroos and Voima (2013) stated the informal sales process can be of limited use, and the purpose of the process may not be reached. Properly defined value-based sales process enables providers to 1) understand customer value more precisely 2) quantify customer value and finally, 3) communicate customer value more effectively, and it usually stands out with more detailed information of customer segments specific needs, calculations of value and incorporate sales tactics to profit from customer value (Töytäri, et al., 2011). These typical value-based sales process behaviors are discussed later in this study in terms of salespeople's related activities in it.

2.3.1 Value-based selling

The scholars have acknowledged that the role of sales has to reflect the relational nature of sales processes, and it is the salespeople that are generally tasked with role of translating the customer's voice back into company (e.g. Woodruff, 1997). The sales role is changing dramatically in this information era, and there is a great pressure to salespeople to deliver value in different forms, instead of just continue the stereotypical handshake perspective (Blocker, et al., 2013). Töytäri et al. (2011) emphasized that value-based selling and solution selling diverge so much from traditional salesmanship that it is unclear for managers how to deal and what to require from their salespeople to get more customer value created. Therefore, more understanding on customer value implementation at sales force level is needed.

Value presentation in the sales function varies by the selected selling strategy (Töytäri, et al., 2011). Product and services selling addresses customer needs and should be viewed in parallel to the customer purchasing process, whereas solution

selling addresses more the challenges customers are facing and runs in parallel with the customer use processes (Tuli, Kohli & Bharadwaj, 2007). Value-based selling can be viewed in contrast to product and solution selling in terms of what the company is addressing to the customer as well as what customer process(es) the sales process focuses on. On the other hand, Manning & Reece (2007) have defined value-added sales as “*a series of creative improvements within the sales process that enhance the customer experience*”. Value-based selling can be defined as “*understanding and improving the customer’s business in a proactive manner*” (Töytäri, et al., 2011). The selling of value is all about selling, not products, services or solutions, but it consists for example from true business impacts that result in increased profits for the customer (Kaario, Pennanen, Storbacka & Mäkinen, 2009). Terho et al. (2012) founded that value-based selling is a highly relevant sales approach in business markets, especially in the context of complex and service-intensive solution offerings, into which also SaaS business can be classified.

Recently, as business environments have become more sophisticated, salespeople’s roles and tasks have dramatically extended and they must now satisfy both customers’ expressed needs and also to be able to smoothly handle the latent needs of a customer (Vargo & Lusch, 2004). However, creating value for the customer, in this customer-service-dominant context, depends on the acquisition of in-depth customer knowledge and the ability to adapt and customize resources to the customer’s usage situation every time (Grönroos, 2008). Customer value is also central to the service-dominant logic, which articulates how value, by nature, is co-created with customers. Thus, value accumulates throughout the customer’s value-creating process (Grönroos & Voima, 2013) and that is why solutions must often be customized to the needs of customers through systematic and patient relational processes (Haas, et al., 2012).

Previous research and practice also emphasize the role salespeople play in communicating value propositions to customers (e.g. Anderson, et al., 2007; Terho, et al., 2012; Eggert, et al., 2006). The sales function, however it is usually difficult

to define and locate in a business organization, is a boundary spanning function with a more or less explicit role in producing value in business relationships with customer (Haas, et al., 2012). Salespeople operate at the boundaries of their companies with potential buyers and are in the best position, to not only adapt to initial and ongoing changes in customer needs, but also to anticipate customers' future designs and processes. Therefore, successful salespeople stay close to the customers and constantly search for new ways to add value to their businesses (Manning & Reece, 2007) and helps provider to sense ongoing trends and needs.

To be effective, salespeople must work and communicate both inside and outside of the company (Blocker, et al., 2013; Hohenschwert, 2012), and they must be able to engage in cross-functional integration and collaboration to ensure that the customer value intelligence generated within their interactions can be developed and enacted through company-level capabilities and strategies (Esper, et al., 2010; Hollenbeck, Zinkhan, French & Song, 2009) as well as the product capabilities. Regarding all this, the sales literature exploring individual salesperson behavior usually concentrates only aspects of customer value, such as customer satisfaction, information and advice, profitable solutions, as well as long-term relationships.

2.3.2 Value-based sales roles and tasks

The initial idea in salespeople's value creation is that they can add value for the customer and for the company. Customers usually get value by augmenting a product through services or by finding a solution in the form of combined products and services. (Tanner, et al., 2008) The added value can be either action that increases the customer's benefits (e.g. profits) or decreases the sacrifices (e.g. costs) related to purchase (Anderson, et al., 2007). Salespeople can act as resources of providers' tool pack that customers can use to better receive value-in-use (Grönroos, 2008). As mentioned before, relationship value usually embraces strongly less tangible values such as trust (Eggert, et al., 2006) and customers perceive value when they feel comfortable with the relationship they have with salespeople (Manning & Reece, 2007). Hohenschwert (2012) identified four different

roles in which the salespeople tries to co-create value and support the customer in their decision making:

1. The advisor
2. The broker
3. The secretary
4. The friend

Hohenschwert (2012) stated that as an *advisor* salespeople's advice their customers to more clearly understand what the opportunities are and how things are generally done in their business. It differs a lot depending on how far the customer is in the buying process. The advisor role tends to be more important especially with existing customers, and is applicable to internal interactions, respectively. The role of *broker* drives salespeople to integrate the needs of customers and the resources of provider, so that common goal is attained. When acting as a *secretary*, salespeople try to make customers lives easier by making small favours or services for customers'. Finally, being a *friend* means that salespeople are available and flexible for the customers. There can be recognized to aspects: salespeople should be there when customer needs help and they should indicate personal dedication towards customers. (Hohenschwert, 2012)

The key findings were that the salespeople's activities during and outside the different selling interaction are versatile and can therefore not be described by one role only (Hohenschwert, 2012). While value creation is mostly discussed as an interactive phenomena (Grönroos, 2006; Vargo & Lusch, 2004), Hohenschwert (2012) identified that crucial resources, knowledge, network, time, labor and dedication are the salesperson's individual resources and so are most of the customer values distinct at an individual level, such as knowledge or advice, decreased workload and the feeling of being valued. Manning & Reece (2007) stated that customers want to partner with salespeople who are well organized, well informed, and able to adapt and use strategic thinking to add value to them in some sort of way. No matter what the role is, salespeople must be able to move from selling

products to supporting customer's business or goals (Manning & Reece, 2007; Hohenschwert, 2012) to be able to succeed.

Based on the four previously described value-based sales process facets in relationships, Haas et al. (2012) developed an interaction-based framework of sales' key tasks in the creation of relationship value. *Jointness* requires seller to identify key relational processes and the most important resource interfaces, and to connect the actors, activities and resources of both organizations that form the parties in relationship. *Balanced initiative* is related to identifying and activating relevant actors, fostering two-way-communications, enabling and facilitating mutual learning, and establishing co-leadership in value-creating processes. *Interacted value* translated in four tasks for sellers, which are: facilitate interactions, manage emergent situations, recognize value-related patterns, and freeze the value-providing solutions. Finally, *socio-cognitive construction* emphasize that salespeople must occasionally disclose actors' perceptions of value, enable mutual understanding and create collective meaning so that value-based sales process can evolve further. (Haas, et al., 2012)

2.3.3 Value-based sales behavior and consequences

As Terho et al. (2012) found, the current selling behavior constructs are explicitly or implicitly related to customer value, but neither systematically nor sufficiently covers the whole domain of customer value creation, which aims to be the main idea of value-based selling and providers' service logic. The sales research has given the most attention to adaptive selling and customer-oriented selling behaviors, but there are also some progress made with consultative, relationship, partnering oriented and agility selling behaviors, but value-based selling is fairly lightly discovered. Thus, salespeople's value-based selling behavior is conceptualized as follows in Figure 4 (Terho, et al., 2012).

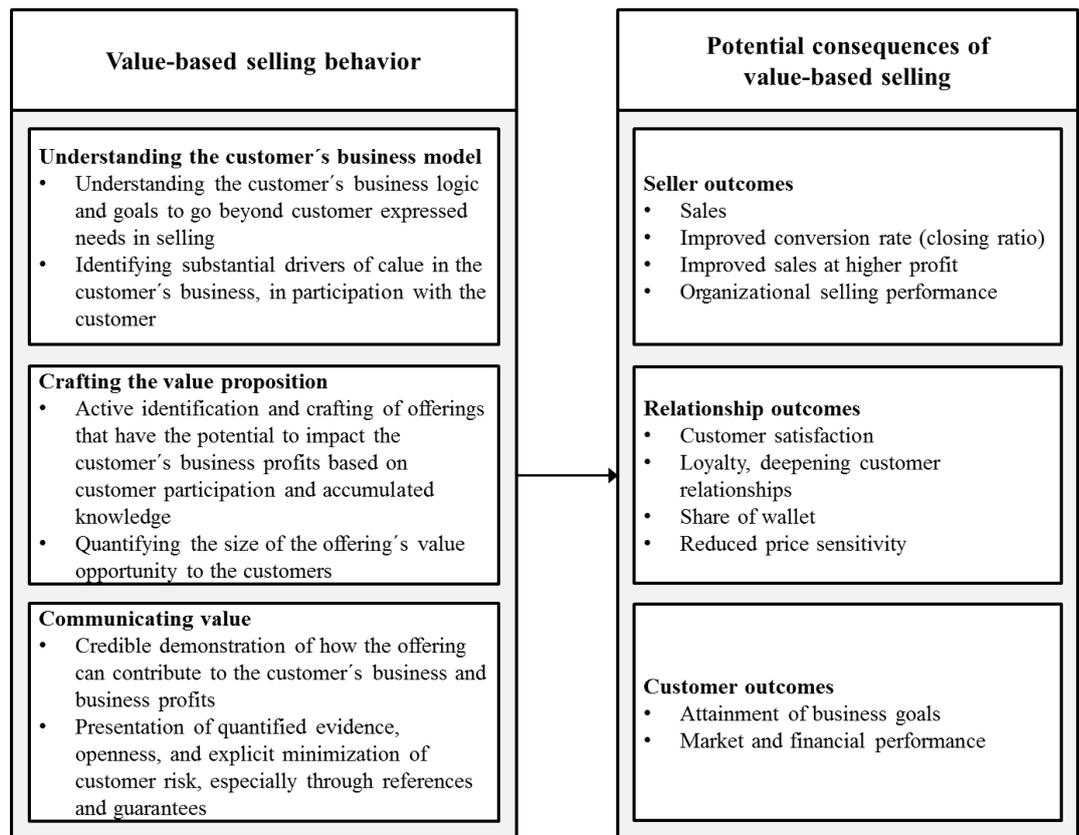


Figure 4. Conceptualization of value-based selling and its potential consequences (Terho, et al., 2012)

Based on the in-depth interviews, Terho et al (2012) revealed three salient dimensions: 1) understanding the customer's business model, 2) crafting the value proposition, and 3) communicating the value. First, salespeople must identify the key drivers of customers' earning logic to be able to aim proactive value creation for customer's business and deeply understand customer's business model (Terho, et al., 2012). This can be very challenging since customers themselves cannot always explicate their business needs, and the needs today can be different than the needs of tomorrow - generally future need of customers may differ a lot (Tuli, et al., 2007). If succeeded this can be a very effective way to differentiate from the competition (Anderson, et al., 2006). If not succeeded, customers tend to focus more on price, instead of the value the product would offer (Manning & Reece, 2007).

The second dimension of value-based selling is about crafting the right value proposition for the specific need of the customer determined in the first phase. Terho et al (2012) stressed that value-oriented salespeople can identify and craft offerings based on multiple customer specific techniques, e.g. value calculations and return-on-investment studies. Since the seller can't frequently force customer to do this or do it by himself, crafting the value proposition goes back to beyond the relationship and value co-creation. There is not always need to precisely quantify the value of offering, since the most worthwhile aspects for customer value should be stressed for the best results (Anderson, et al., 2006). Finally, value-based sellers are capable to provide persuasive evidence for their value claims, and there are a strong base of credible communication and guarantees behind all this (Terho, et al., 2012). Prior research states that for example references are effective way to create trust and to demonstrate the provider's ability to claim the promises.

The value-based sales behavior resulted as a seller-relationships-customer related positive outcomes as seen in figure 4. According to Terho et al. (2012) assimilating the dimensions can highly affect to salesperson's essential performance, e.g sales, conversion rate and selling at a higher profit, since it seems to be the only way to turn discussion towards the best long-term solution instead of just concentrating the most cost-efficient purchase decision making. The consequences of value-based sales turn out to potentially be very satisfying also for the customers; value-based sales behavior facilitated value creation with customers, and helped them better to achieve their business goals and the performance desired (Terho, et al., 2012). Finally, there was seen many relationship related outcomes, which related to customer satisfaction, loyalty and deepened customer relationship between provider and customers (Terho, et al., 2012).

2.3.4 Selling value-added products

Manning & Reece (2007) emphasize that there are one or more tactics to how companies can add value to their products or offerings from the product perspective. These intangibles, such as better-trained salespeople, increased levels of

courtesy, more dependable product deliveries, better service after the sales, and innovations that truly augment the product's value when it comes to customers convictions. These intangibles and value-added benefits can be the key for the company to stand out from the rivalry against the competitors, if accepted, and enhance the value-in-use experience for customers. (Manning & Reece, 2007)

Figure 5 visualize the four key elements of value-added product concept. To fully understand the value-added concept and how to apply it in variety of sales situations, Manning & Reece (2007) suggested salespeople to divide product in four different stages: 1) *the generic product*, 2) *the expected product*, 3) *the value-added product*, and 4) *the potential product*.

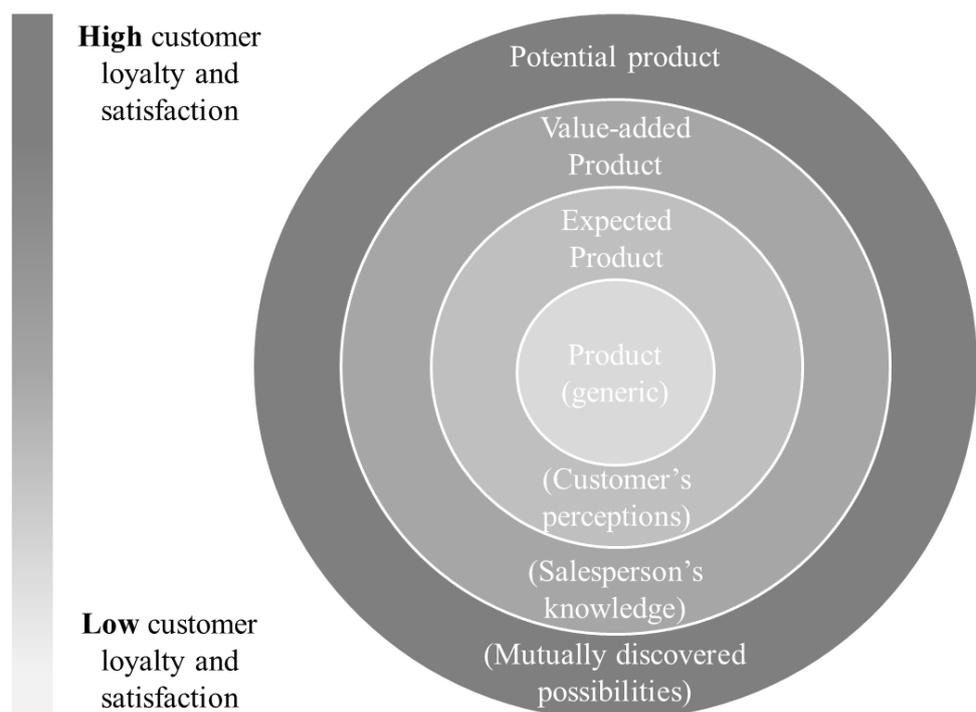


Figure 5. The value-added product concept (Manning & Reece, 2007)

The *generic product* is the basic, substantive product that provider develops and sells, and it describes only the specific product category. It simply gives provider the right to be part of the rivalry - kind of a ticket to participate the race. Providers staying in the generic product element, compared to the second element - the ex-

pected product - usually cannot compete against the value-added competitors, because every customer tend to has minimal purchase expectations that exceed the generic product. The *expected product* can be seen everything that represents the customer's minimal expectations of the product, and thus can be sold by salespeople only if those expectations are met and fulfilled. Every customer perceives the product in individualized terms, which makes it important for salespeople to make observations, background checks, and listen to what the customers are saying. To be able to transfer customer's attention from the expected product towards *value-added product*, salespeople's must be able to keep customer focused on solutions. (Manning & Reece, 2007)

Salespeople must encourage the customer to think more deeply, and eventually to let the customer think and decide the value of solution. The value-added product can be exists when salespeople offer customer more than they expect, in a positive manner. Finally, if succeeded, salespeople should begin to conceptualize the potential product. The potential product refers to what may remain to be done after all the procedures, and is usually a key for salespeople to look for the future and explore new possibilities to create more value-in-use for the customers. There are multiple personal qualities, which help salespeople to more likely to develop the potential product, e.g. imagination, creativity and capability to close relationship with their customers. (Manning & Reece, 2007)

Manning & Reece (2012) emphasize that every indication points out that value-adding strategy and capabilities are becoming more important in the future, because new product life cycles are shrinking. The SaaS business makes no different in this, which is why the value-based sales orientation makes it fruitful to study.

2.4 Customer value assessment

Evidence shows that frontline employees' ability to accurately perceive customers' needs is a key driver of satisfaction and value (Grönroos, 2008). To be able to create value salespeople need support from the company, all the units must support value process. This is crucial, since the value of final offering is not only de-

livered through products and services related to it (Tuli, et al., 2007), but also sharing and integrating other available resources that will help customer in creating value (e.g. Payne & Frow, 2005; Grönroos, 2008). The relationship between provider and customer is a process over time, which is why also the value for customer is emerging in a process over time (Grönroos, 2004). Menon et al. (2005) and Ulaga & Eggert (2006) emphasizes that effective business market management requires customer value management and in the meantime a distinct understanding of how customers perceive value. Understanding how customer perceived value is considered a competitive advance in value creation process (Woodruff, 1997; Ulaga & Eggert, 2006). However, the actual value potential that customer might realize from provider's offering is often difficult to seize, even though previous research has unveiled multiple methods to assess the value in use (e.g. Anderson, et al., 2006). Finally, customer value assessment can be determined as *“a longitudinal and cross-functional process that involves several organizational functions, and is intertwined with pre- and post-delivery activities in the customer-provider relational process.”* (Keränen & Jalkala, 2014)

Provider's offering related activities can lead only to the generation of potential value and is mainly perceived at the point of sale or usually prior to delivery, i.e. value-in-use (Grönroos & Voima, 2013; Grönroos, 2008). Unexpectedly, in spite of all the research done with customer value, quantifying and communicating the value is often left on salespeople's responsibility even though they might not always be able to communicate with customer after selling the offering (Anderson, et al., 2007; Terho, et al., 2012) Not to mention, that customer value assessment obviously requires multiple functions from provider and cannot be delegated to salespeople only (Storbacka & Lehtinen, 2001; Töytäri, et al., 2011), at least if wanted to be succeeded and utilized the results in upcoming customer cases.

Keränen & Jalkala (2014) emphasized how crucial it is that providers re-define the roles and responsibilities for customer value assessment between the units along the value delivery process so that long-term value-in-use could be captured and then used as a relevant value-proposition (business case or reference) with

new customers. To be able to designate the sales role in customer value assessment, providers must be aware of the assessment strategy in use, and actively develop it to better response to face the value-based sales process and resources related to it.

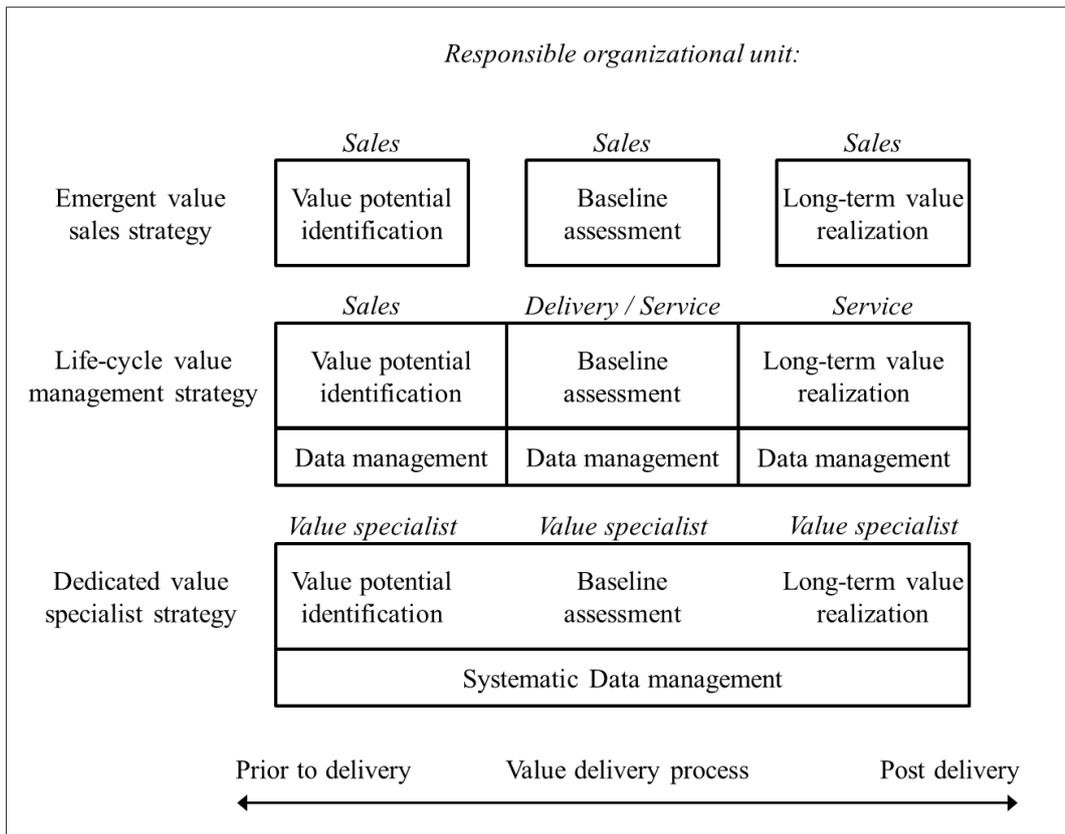


Figure 6. Three strategies for customer value assessment (Keränen & Jalkala, 2014)

Figure 6 illustrates the three different value assessment strategies and in which phase the sales in each one is situated and how it is relates to the other phases. Keränen & Jalkala (2004) identified these three strategies: 1) Emergent value sales strategy, 2) Life-cycle value management strategy and 3) Dedicated value specialist strategy. Finally, Keränen & Jalkala (2014) emphasize that companies should have a proactive organization-wide approach to maximize customer value throughout the sales delivery and post-deployment support phases by handling the responsibility with organized manner from one organizational unit to another. A proper value assessment strategy support also the service logic ideology and pro-

viders must assess the customer value-in-use throughout the organization to get the benefits out of assessments (Grönroos, 2008).

2.5 Framework for evaluating salespeople's roles and tasks in SaaS value-based sales process

To summarize the theoretical findings in this study, Figure 7 illustrates how value-based sales process in SaaS business environment is consisted in terms of salespeople's roles and tasks in it. The proposed framework offers a perspective, which takes into account the elements of value creation in business relationships, value-based sales process and customer value assessment strategies. These elements are highlighted by salespeople's related roles, tasks and selling behaviors.

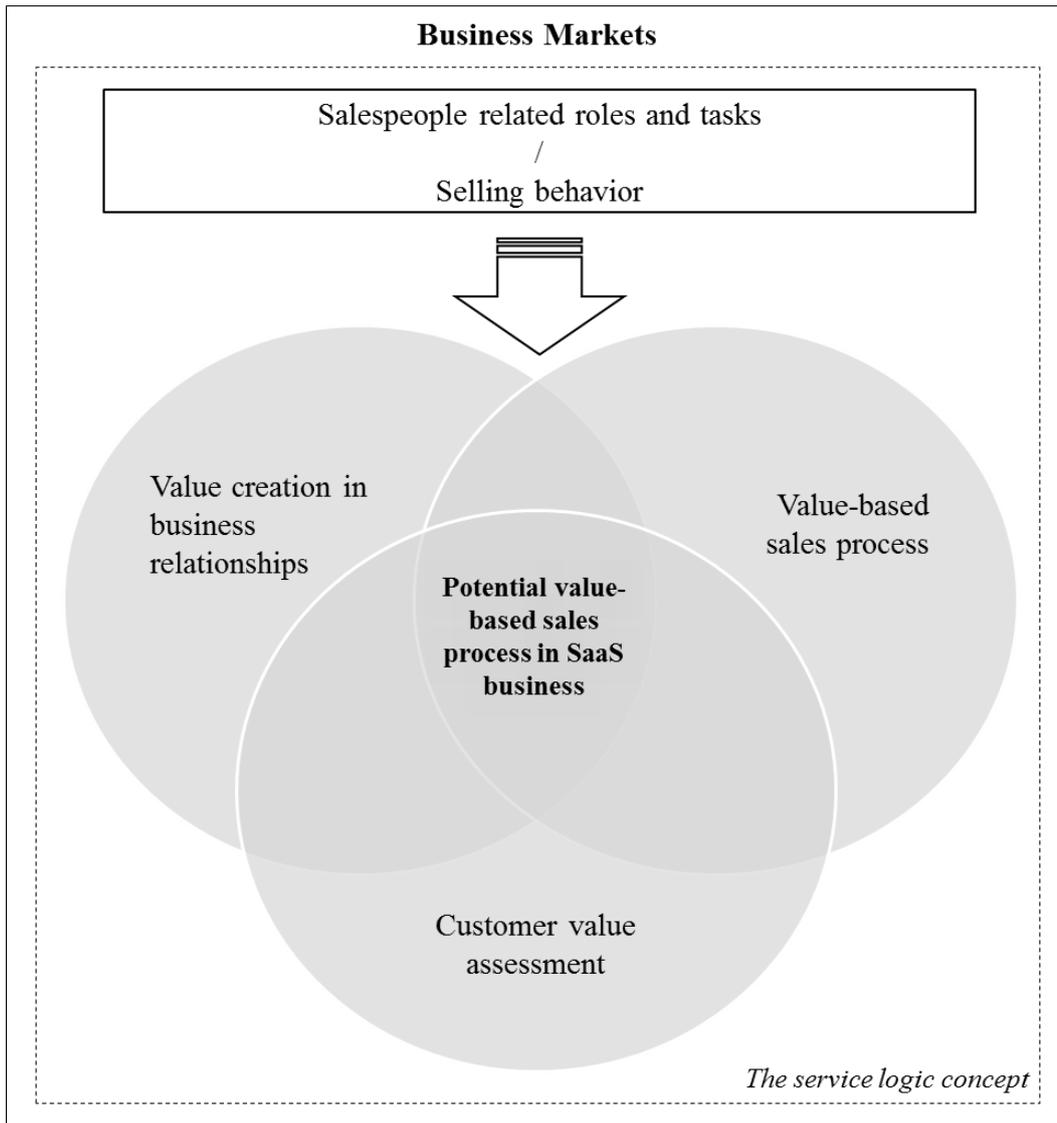


Figure 7. A proposed framework for value-based sales process in SaaS business in terms of salespeople related roles, tasks and selling behaviors.

In addition, the proposed framework assimilates the service logic concept as the core of all selling activities in business relationships, which highlights the meaning of customers' experiences and viewpoints even though the most elements in framework are traditionally originated from the activities of provider side. Overall, framework suggests that all three elements (value creation in business relationships, basics of value-based sales process and customer value assessment) are important when the sales related roles and tasks are examined more closely.

3 METHODOLOGY

The general aim of the study was to research the roles and tasks of salespeople in SaaS business relationship related value-based sales process. That is why a qualitative research method was implemented in this study. Qualitative research means any kind of research that produces findings not arrived at by means of statistical procedures or other means of quantification (Patton, 2002). The research design of this study, an embedded single case study, enables one to grasp the depths and complexity of salespeople in their context with customers and within their own company (Yin, 2013). Case study is a qualitative research approach that is focused on exploring a contemporary phenomenon in a bounded system and desires to derive a close or otherwise in-depth understanding of a single case, set in a real-world context. Case study design is one of the most popular formats within industrial marketing research, since it allows the study of real-life situations, or interactions, and references back to previous findings or theoretical assumptions (Hohenschwert, 2012). Case study, as a qualitative research method, is useful when a phenomenon is broad and complex. It is also useful when a phenomenon is impossible to study outside the context in which it naturally occurs.

Single case settings, as the one in this study, seek particularly revelatory cases, extreme exemplars, or opportunities for unusual research access to study research questions. In this sense, case study research can go far beyond the study of isolated variables, and the data in it are likely to come from multiple and not singular sources of evidence. That is why good case studies benefit from having multiple sources of evidence. (Yin, 2013) Following chapters examine validity and reliability of the case study, present the research process more precisely and describe how the data was analyzed.

3.1 The research process

In practice, the data collection for the study proceeded in three different sub-phases as seen in Figure 7. In the first phase the entire Severa PSA sales unit (5 salespeople) from Visma Solutions gathered in one place for the practical workshop day. The purpose of the workshop was to discover the different value-

aspects and value-propositions that the product was able to offer for different customers from salespeople's perspective.

During the workshop day salespeople had an opportunity to first individually think of five customer-related questions: 1) who are the potential customers (segments), 2) what are the topic-related challenges and problems that customers face today, 3) how can salespeople act as a resource to more effectively help customer to perceive value-in-use, 4) what makes the offering (Severa PSA) valuable for customer's than the competitors' offers, and 5) how to communicate value related resources to customers. In the end of the day all the answers were collectively posited to a Kanban board. Finally, the most relevant responses were highlighted and documented to be used in forming the theme interviews.

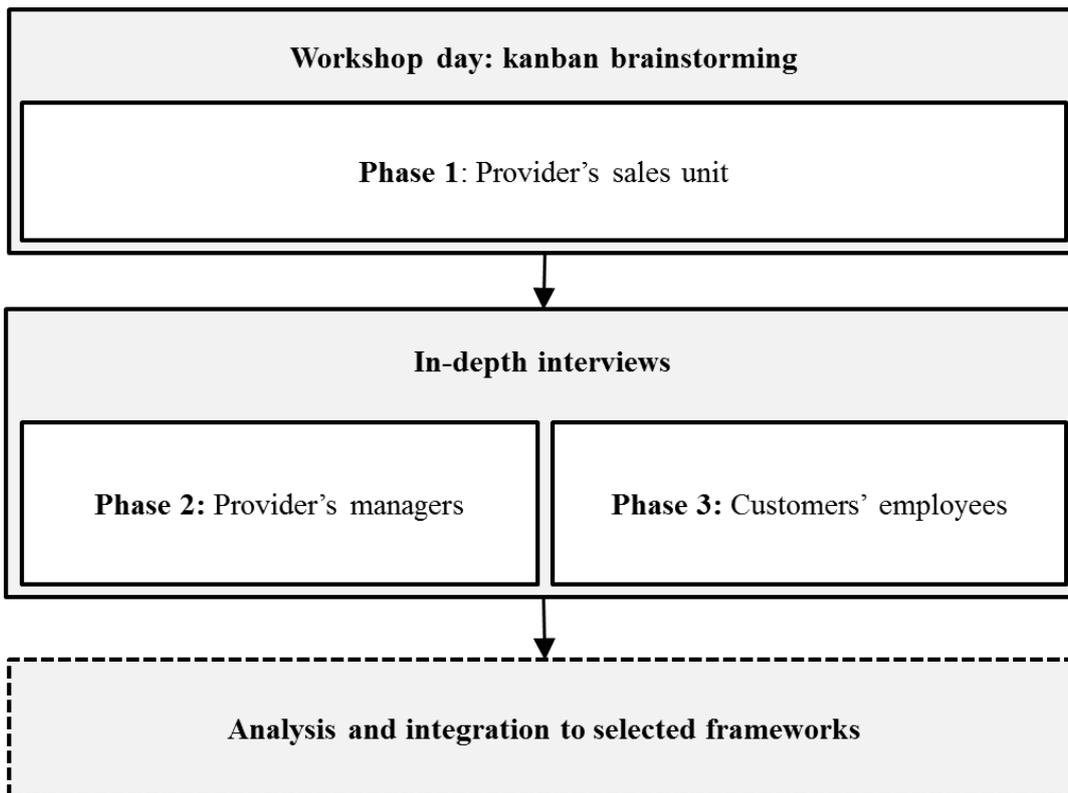


Figure 8. The research process of the study

The second phase conducted of four theme interviews with provider's managers and finally, the third phase three theme interviews with pre-selected customers' product admin users. One customer interview was cancelled at the last moment.

The theme interviews with managers and customers were the primary data collection method in this study whereas the workshop day was important pre-phase for the right question selection for the theme interviews. The study relied on open questions and structured the interviews around the selected themes. The themes were selected based on the theoretical framework selected in previous section (Figure 8), and also the results of the workshop day were used when selecting the questions. The themes were as follows: 1) *value creation in SaaS business relationship*, 2) *salespeople roles and tasks in value creation process*, 3) *salespeople as a resource to enhance the value-in-use*, and 4) *assessing customer value-in-use in SaaS relationships*.

The interviewees were carefully selected so that 1) customers interviewed represented a variety of industries and markets to gain as rich picture of phenomena as possible, 2) customers had a successful track record, and 3) all the interviewees (both managers and customers) had a long background with a great experience of dealing with both provider's offering and diverse set of salespeople from companies alike due the intensive rivalry in Finnish software markets. The interviewees from Visma Solutions (Table 2) were a diverse group of managers in different roles in the organization, but a common factor was that they had all experience of selling and managing Severa PSA sales unit in their previous or current positions, and respectively long experience in the company.

Table 1. Profiles of provider's managers in this study

Symbol	Job title	Focus	Experience
Alpha	Sales and marketing Director	Sales and marketing	> 10 years
Beta	Sales manager	Sales	> 5 years
Gamma	Product development manager	Delivery / Support	> 4 years
Delta	Customer support manager	Support	> 5 years

All the customers interviewed in this study (Table 3) have a relatively strong knowledge of their company needs and processes. They also have a deep experience how the Severa PSA was originally adapted to the company and in its processes. They were all admin users of the product, and very familiar with different user experiences inside the companies.

Table 2. Profiles of customers' employees in this study

Organization	Job title	Industry	Turnover	Employees
Epsilon	Business Controller	Consulting	8 M€	65
Digamma	Executive Vice President	IT	2 M€	15
Stigma	Chief Technology Officer	Marketing	14 M€	146

Interviewed customer companies had number of employees ranging from 15 to 150, and they mainly operated in three of the five main target business-to-business segments of Severa PSA, e.g. consulting, IT and marketing. All these companies had a well-known brand and broad customer base at least in Finland, some of them in Nordics also. All the interviews have been conducted in Finland during years 2015 and 2016. The interviews were conducted in a discussion mode and typically lasted from three quarters to one and a half hours. To create a deep understanding in related subject, the interviewees were encouraged to speak freely by using fairly open theme questions presented earlier. Finally, each interview was digitally recorded and manually transcribed afterwards for further analysis in this study.

The mitigation of interviewer bias was done by using interviewees from both provider and customer organizations. Also different levels of hierarchy and functional areas were selected. This generally allows a greater change to build a more complete picture of the answers. There is an ability to verify statements made by individual interviewees when done so. Also the anonymity was offered to all in-

interviewees, which is an act that usually increases the trust between the interviewer and interviewees.

Since the author have been in work relationship, as a product specialist, for 8 months with Visma Solutions, the knowledge of Severa PSA, the current sales process in Visma Solutions and the state of value-based thinking inside the company affected naturally to the study setting compared to outside researcher, who would have not been able to study the processes in practice. Due this, instead of focusing the current sales process and tasks in it, the purpose in this study was to strongly challenge participants to evaluate the possibilities of value-based selling.

3.2 Analysis of the data

The data analysis in this study started early in the iteration process between theory and empirical findings, since the concepts were allowed to emerge from each informants. The analysis consisted of three steps: 1) analysis and the results of the workshop day 2) analysis of the provider's managers' interviews and 3) analysis of the customers' interviews. In addition, a quantitative method was used for analyzing the qualitative data by simply investigating and counting which observations concerning certain actions or factors appeared in the documents most frequently. The purpose was to look for similar sub-themes across the interviews, analyze the differences and similarities as well as the reasons behind the answers. The common sub-themes and types were marked across the interviews both provider's and customers' side. The aim of the analysis was to be able to find the most significant and effective salespeople's related tasks and activities in value-based sales process. During the analyzing process the results of interviews were combined to be able to find compared understandings between the parties, and finally, partially connected with the main findings from practical workshop day. As the analysis progressed, the data was revisited, and finally integrated to the selected framework.

The data was triangulated throughout the process, to make the results as robust as possible, and the themes were tracked to give guidance to saturation. This, as seen

previously, affects also positively to creditability of the study, since it is not depending one information source.

3.3 Validity and reliability

The reliability, validity and generalizability are the most common criteria which can be used to evaluate the quality of academic research, and which should be concerned while designing a study and analyzing the results (Patton, 2002). A good qualitative study can help to understand the situations that could otherwise be enigmatic or confusing (Eisner, 1991). Qualitative research is often based on theoretical or convenience sampling, instead of random sampling. Conducting strict or objective generalizations from qualitative data is usually highly difficult, if not impossible. Reliability describes the potential of the research to be more than a one-off finding and be inherently repeatable.

The concept of validity is described by a wide range of terms in qualitative studies, and even though it is argued terms in qualitative research, there is clearly a need for a qualifying check or measure for research (Golafshani, 2003). Validity encompasses the entire experimental concept and establishes whether the results obtained meet all of the requirements of the scientific research method.

Table 1 presents the criteria employed to assess the reliability and validity of the study more accurately. The model was partially adapted from Töytäri et al (2011).

Table 3. Assessing reliability and validity of the study (partially adapted from Töytäri et al 2011).

Criteria	Explanation	Method of assessing in this study
Creditability	Extent to which the results appear to be acceptable representations of the data.	One month conducting interviews in the field. Preliminary results were discussed with key informants inside the provider's organization. Triangulating the results from three different sources - workshop, managers' interviews and customers' interviews.
Transferability	Extent to which findings from one study in one context will apply to other contexts.	Sampling across different units and roles in one organization. Three completely different customer industries studied.
Dependability	Extent to which the findings are unique to time and place; the stability or consistency of explanations.	Two customer companies have been in relationship with provider more than two years. One of the companies had just a few months customer relationship with provider. Finnish economic down-turn may bias results.
Confirmability	Extent to which interpretations are the result of the participants and the phenomenon as opposed to researcher biases.	The researcher has worked in provider's sales unit for 8 months, and was involved in one of the customer cases. The results of the interviews were audited by a person not included to the study.
Integrity	Extent to which interpretations are influenced by misinformation or evasions by participants.	Most of salespeople that participated in workshop were partially unexperienced and fairly new in their roles. Interviews were professional and anonymous.

4 EMPIRICAL STUDY

The empirical research of this study was conducted in the Finnish software industry. The case company, Visma Solution, has previously deployed a solution selling approach in its sales processes. Nevertheless, the tighten competition between local and global rivals demands ongoing development of selling skills, sales strategies and approaches to maintain the leading position it has succeed to get in the markets.

This part of the study presents at first Visma Solutions and its software-as-a-service tool Severa PSA shortly. Then it emphasizes and unties the meaning of value-based sales process in SaaS business in the lights of interviewees, and seizes the roles and tasks of salespeople in it. Finally, this part suggests a adaptable value-based sales process for Visma Solutions and other companies alike.

4.1 Visma Solutions

Visma Solutions is one of the seven subsidiaries of Visma Group, Norwegian multinational software, large account and business process outsourcing partner, in Finland. Visma Solutions is the leading provider of financial management, invoicing, PSA and financial planning SaaS products for the SME's in Finland, Nordics and Dutch with overall 50 000 customers. Company head office is located in East-Southern part of Finland, in Lappeenranta city. Visma Solutions currently has over 130 employees and its revenue for the full fiscal year 2014 was 20,4 M€.

Visma Solutions has grown rapidly year by year and it is one of the most successful and most profitable software companies in Finland of this decade. The implementing of SaaS strategy and the offerings related to it has been very fruitful management decision so far. Visma Solutions uses a great effort to maintain its leader position in the business markets by constantly creating and investing in new research and development ideas in practice, and by educating the employees to be able to achieve the business goals applied.

The author's experience of Visma Solutions indicated that value-based sales process somewhat is a viable and utilized sales approach in the company, but is sometimes intervened with faults. Many of Severa PSA sales unit salespeople are relatively new in their positions and the aspect of value-based sales process needs updating, so that the service logic of value creation would enhance customer satisfaction and seen positively in revenue growth.

4.2 Severa PSA

Severa Professional services automation software-as-a-service tool is designed to assist all professional service-oriented organizations, e.g. IT, engineering, advertising, marketing and consulting companies. Severa PSA optimizes service-oriented business customers' core activities from sales activities to invoicing the projects. It includes different modules, e.g. CRM, project management and expenses, resource handling, time tracking and quickly invoicing abilities in one interface, which can be customized to every customer based on the specific business needs. Severa PSA can be integrated with multiple accounting, issue and project tracking, marketing automation or customer-service software via application programming interface.

Severa PSA can be seen purely as a single product, which in theory every company could purchase with only a minimum buyer-seller transactional relationship and decide the value-in-use through a self-service process. In this kind of situations Visma Solutions passively support the customer to co-create value with Severa PSA by 1) salespeople remind the possibilities to use the software, and 2) customer service unit send update information related to the software. Though, due the nature of customized features of Severa PSA, usually the buyer-seller relationship is relatively complex from the first contact to long-term commitment of both parties. Then the process is actively supported by Visma Solutions by 1) salespeople offer their professional insights and resources available in the beginning of relationship, and 2) delivery and service units help customers to implement the software in their processes. In this perspective it can be seen as a full-service concept.

In full-service relationships there are usually strong demands to understand what the business goals are the customer is trying to achieve by purchasing the software, just like Grönroos (2008) emphasized. Customers' decisions making unit(s) may consist of business leaders and project managers, and Visma Solutions salespeople usually lean also on internal delivery and service units during the process to be able to fulfill the expectations and be assured of giving the resources enough for the customers to perceive the value-in-use desired. The buying process can typically take from weeks to several months, depending on the entire policy agreement. This all makes it kind of fruitful to research in the light of service logic and value-based sales process, and the skills that salespeople need to control vary quite a lot.

4.3 Value-based sales process in SaaS business

Based on the in-depth interviews with business managers and customers, and sales unit interactions, basic concept of customer value in SaaS business was seen as described earlier in this study: a trade-off between benefits and sacrifices included in to the transaction. Customers tend to estimate carefully the value-in-use compared to actual price they pay for Severa PSA every month. Salespeople can affect considerably to the estimation with their skills. Thus, there were some interesting findings how the value is being co-created in SaaS business relationships and what are the salespeople's roles and tasks in this entity. The results strongly agree with the one's Terho et al. (2012) discovered while conceptualizing the value-based selling for the industrial sales processes, and are connected with the service logic of Grönroos' (2008).

Although, there were also some differences, which revealed after triangulation process. Firstly, customers didn't highlight the monetary (e.g. cost estimations) aspects as high as provider's managers. However, it still was a strong part of value-based sales process and salespeople's ability to produce reliable financial propositions was seen affecting positively to the evolving relationship. Secondly, the trust between salespeople and buyer in personal level, and the trust between

the customer and the provider in organizational level was seen extremely important by both provider's managers and customers' interviews. The main factor affecting the trust in SaaS relationship was ability to transparently produce long-lasting value. Finally, due the rapidly developing business environment, the salespeople's reactivity was seen one of the most important attribute in value-based sales process.

The study revealed several factors that need to be taken account when practicing value-based selling, so that it is profitable for parties involving the process, and the value-in-use can emerge. In fact, some of the answer emphasized that it can be risky, and may even misguide salespeople to waste their valuable time (and provider's resources) with inappropriate customers in terms of Severa PSA. The results indicated that the three dimensions of value-based selling (Terho, et al., 2012) were usable, but needed to be slightly modified based on the framework selected and used in this study as follows: 1) *understanding the customer's business models*, 2) *offering the resources* and 3) *communicating value*. These dimensions are examined more detailed in next sections. In order to consider the SaaS business environment and its singularity, also the fourth dimension, *SaaS value assessment process*, was implemented to be part of the entity in this study.

4.3.1 Understanding the customer's business model

Almost every interviewee highlighted that to be able to create value, or even describe the possible value-in-use, one must know how the customers' business model is composed, what kind of processes there are related to the entity, which the sources of frustration (i.e. motivators to seek for change and value-resources) are, and which are the business goals the customer is trying to achieve. Provider's managers argued whether the benefits of the value-proposition would be monetary or non-monetary, but the consensus was that value-based selling should always focus on resolving the question; how Severa PSA could help the customers to achieve their business goals. This was seen important mainly because Severa PSA is not the cheapest solution in the markets, and relying only on *expected product* strategy, or purely lowest-price of the software markets usually leads to losing the

business to more simple, but not as comprehensive products offered by competitors. There are simply multiple both monetary and non-monetary terms included in Severa PSA purchase, but understanding the customers' business models helps salespeople's to select an appropriate approach and the most meaningful arguments in specific cases.

Provider's managers emphasized that to be able to co-create value salespeople need to, like Terho et al. (2012) stated, be under the skin of customer constantly. Surprisingly, customer interviews pointed out that the interviewees did not find it very significant that salespeople needed to immediately go beyond customer needs when selling value, more like they felt step-by-step guidance towards the *potential product* and needed carefully selected evidences of potential value-in-use.

“When we talk about PSA software, the most valuable thing is how it manages to fulfill our specific needs. That is why we are paying for it. [...] It really doesn't help if someone else [other company] is utilizing it in some sort of manner - we still have our specific needs.” -Epsilon

“What we are always trying to do, is that we try to help our customers to achieve their business goals. Our ultimate goal is to support our customers - that is why we need know their business purposes better than they do. [...] Salespeople cannot create the value, if they do not know where the customers are going.” -Alfa

The differences between provider's managers' and customers' comments can results from the business backgrounds: provider's managers emphasized the need to understand the entity of the business segment in generally and present it to customer, whereas customers usually start investigating from the individual part of an entity, and slowly adapt the bigger picture or the entity and realize the potential

value-in-use with delay compared to provider. Too straightforward analyzes of the alleged customer's business logic was seen to even make harm for the relationship between salespeople and customer personnel. Somehow, salespeople must be able to time the activities and resources related to the offering correctly to implement effectively the value-based sales process for customers. Though, it is known that many customers seek help for defining needs and solutions, but when it comes to buying decisions, they tend to avoid dealing with salespeople who simply want to sell a product (value-in-transaction) instead of value-in-use (Manning & Reece, 2007). All this emphasize the ability to really co-create value, and not to fictively present and concentrate on the benefits of products with a traditional selling approach.

“In the end the most valuable thing for us is how well Severa PSA supports our current needs and processes, so that we are able to increase the performance of our business.” -Stigma

Even though understanding the customer's business models, processes and needs was emphasized in every phase of the study, it was the same time the one part that salespeople felt most difficult to conduct in real-life situations, based on the workshop analysis. There are few main reasons for this: 1) sometimes salespeople were overwhelmed by the amount of different kind of service-oriented organizations in Finland, which all were somehow potential prospects for Severa PSA, and their capability to concentrate on and face every new prospect as an individual case was limited, and 2) salespeople did not always get enough feedback from the realized and potential sources of value-in-use from the ongoing customer relationships, so that they would have been able to utilize these sources in following encounters e.g. learn how to recognize effectively the most potential customers' business models, because the focus had transferred to customer service unit and more closely to the supportive phase of the process.

Some usable practices to avoid these kinds of barriers would be to make the value-based sales process more iterative, so that salespeople would easily get the

results and feedback from the previous customer relationship activities from the support unit. This would also help the salespeople to better offer the right resources that truly have potential to help customers to co-create the value-in-use, once identified a potential customer.

4.3.2 Offering the resources

As seen in the previous phase, being able to treat every customer as an individual and effectively understand the customers' businesses are the key elements of succeeds in value-based sales process. Being able to find and recognize specific and relevant product-related resources is also very important for salespeople's ability to succeed in sales interactions. It is usually the phase were offering the available (and the most useful) resources for selected customer starts from.

It is not rare that mid-size customer companies search for just a new CRM software, or look for an agile way to automate the invoicing process so that they don't have to spend time doing it manually every time, without having no idea how to do it. On the other hand, large-size companies may search for fully-automated, but still high-demanding software networks consisting of different modules and integrations, such as accounting office, ISV partners, customer communicating channels, and all the related actors in the network. Visma Solutions' salespeople should be able to recognize this kind of situations and adapt the scale of customer needs in to a specific framework, which determines the different ways to utilize resources available to start co-creating value with the customer. If the customer is looking for CRM software, there is a possible to surprise the customer by informing the decisions makers' that it could be worthwhile to think about the entire process from selling to invoicing before making the purchase decision, since many times CRM software is just a software which helps to lead prospects into customers and billable projects, and then companies tend to forget what happens next in their process or it could be usefully to take into consider also the project management. Or, if the customer's demands are over scaled compared to the needs, Visma Solutions' salespeople should be able to tell the customer that it might be good idea to concentrate on the main triggers of software before scaling-up the

entire solution. These are salespeople's actions that can actually prevent overreactions and thereby co-create value, and were mainly highlighted by managers.

Previous research has emphasized that relationship marketing involves the adaptation of both parties to each other; in particular, the salespeople adapt his offering to the need of customer (Viio & Grönroos, 2014). The adaption between actors was seen as significantly important for both provider and customers, because Severa PSA has some limitations and if customers could not see the value-in-use despite the active guidance, both salespeople and customers actors wasted their resources, and relationships tended to fail rather quickly. It is commonly known fact that some relationships are arguably more important or valuable than others and companies with limited resources need to build fewer relationships with greater outcome than vice versa (Westerlund & Svahn, 2008). Realizing this and finding the most valuable relationships was seen crucial in this point of value-based sales process. Salespeople must be able to say "no", and it can be as valuable offering to customers than "yes".

Both customers and provider's managers highlighted that adapting the "*advisor*" role was a key point when offering the resources for customers. Mainly this was seen important because there are many challenges in crafting the correct value proposition for both customers and salespeople, especially in this era of information overload (Manning & Reece, 2007). It is crucial for salespeople to know their products, internal business structures and partners' solutions, to be able to prepare the filtered offering for customers' behalf of them. This is one the reasons why there is no single best way to sell, and therefore salespeople have to always adapt to the situation and potential customer (Román & Iacobucci, 2010). Selling Severa PSA makes no exception in terms of salespeople's ability to make circum-spect decisions with customers.

Terho et al (2012) emphasized the role of quantification effort in terms of different methods such as value calculations, value studies, simulations and return-on-investment calculations. Quantifying solutions is a process, which determines

whether or not the proposal adds value to customer (Manning & Reece, 2007). In this study, there were surprisingly no such indications of such efforts at first when interviewees were asked about the value quantification. Both customers and provider's managers pointed out that being able to produce some quantification efforts would definitely be convincing, but it usually demands a lot from the relationship, and actors seemed not to be too anxious to put effort in it instantly, even though some salespeople offered their skills to quantify the value-in-use.

Provider's managers and salespeople doubted that without co-producing these quantifications and involving customer's willingness to participate in, it would be impossible to calculate reliable return-on-investment or value calculations. This was mainly seen typical for impulsive SaaS business, and for PSA software, because the potential value-in-use is usually perceived after 6, 12 or some cases 18 months of use experiences of the software. Other reason that came up in interviews was that there are currently no proper tools to measure or quantify the impact for every business case from the beginning. Similar results have been seen in other studies too e.g. (Töytäri, et al., 2011). These results highlight the meaning of value-in-use instead of value-in-transaction, and the efforts should be targeted to possible value-in-use proposals. Salespeople have to propose resources that help customers realize the potential of product in the long-term perspective. Nevertheless, inquiring the potential of principle of quantifications there were a lot of hype in it. The use of e.g. ROI selling requires more work upfront, but lacking the ability to do it may be serious disadvantage for the provider (Manning & Reece, 2007). In this point, salespeople must adapt above all the "secretary" role and actively work for both actors to succeed in quantification activities. Forced quantification activities by salespeople didn't increase the ability co-create value because customers aren't necessarily committed to receiving them.

"It is impossible to make value propositions if we don't even see that there would be entire business case in it. But when there is the need, personal contacting and crafting the individual offering helps a lot salespeople to succeed."

[...] There is not a single way to do this, it depends a lot who is it the salespeople tries to do business with.” - Epsilon

“Listening your customers’ needs is just as important as trying to push your own value propositions and references to your customers. [...] There can be different decision makers and they have their specific needs - seller must be able to listen them all and then propose how it is possible to customize the solution for the customer.” -Digamma

“Every customer has so specific needs, and if we are not able to fulfill those needs, customer won’t get the value that we are usually promising. Our value propositions change dramatically depending are there 500 or 5 Severa PSA users in the customer company, because the needs change so dramatically” -Delta

“I like to see the pros and also the cons of the offering before buying it. Then I need to see the visualized solution. If the salespeople can provide all this, it makes me feel good about the offering.” -Digamma

“Proactive reactions and quantification efforts, e.g. KPIs, in the beginning of relationships can potentially bring some value for us. [...] It could have been something that would have helped us to evaluate the perceived-value when we purchased Severa PSA.” -Epsilon

“The proper value proposition should include both monetary, e.g. return-on-investment calculations, and non-

monetary terms, such as tangible benefits from time saving to more straightforward processes.” -Stigma

According to the interviewees, every one emphasized the meaning of as complete sales offering as possible in this phase of process. Salespeople must be digging every hint and a piece of information available, and doing the so called dirty work courteously for the customer, when crafting the value propositions and presenting the resources available for customers, so that customers would realize the potential value of product. Surprisingly products, names and brands tend to be meaningless when customers' assessed the ecosystems and its extensions with salespeople. If salespeople are not able to go deeper than the basics, the potential customer will more probably select the competitor, who can represent the value of entire ecosystem to the customer. This emphasizes once more the fact that SaaS business environment is actually very similar than complex industrial business environment in many ways, and needs similar kind of preparation work from salespeople.

“If we are able to understand the customers' business goals, we will succeed to deliver the value they are waiting for. Though, it is not enough that we know our customers, we also have to know where the business markets generally are going to.” -Alfa

“We should be able to provide multiple best-practice models to our customers.” -Beta

“It should be quite clearly expressed how the entire ecosystems serve our needs. Provider has to have completed offering when it comes to ecosystem and entity, otherwise we would have to look for the competitors.” -Stigma

“We were not looking for software or bundles of software - we were looking for a solution for our business. [...] In this case the seller was able to compress our needs in one offering, which can be considered as a major value for us, even though it was not easy thing to do.” -Digamma

Even though salespeople can rarely quantify value in terms of exact calculations, the sales role was highlighted as a crucial part of guiding customers to the right path from the very beginning of the relationship. Well-informed customers tend to choose the product that offers the most value for them in the long run (Manning & Reece, 2007). The interviewees pointed out that even though salespeople cannot always create value with their interactions; unfortunately, they are able to negatively reduce the perceived customer value by not guiding them. The value-based sales process in SaaS environment strongly demands that salespeople should communicate both ways with customer and with provider's delivery and service units, concurrently transparently to achieve the best results. If the internal hand-over-take-over phase fails, the perceived value, even correctively quantified, can always vanish and the results are no good.

Although, SaaS salespeople have to be able to lead customers towards the provider's offering, *“the friend”* role of salespeople was seen unable to actualize in the value-based sales process. This originated mainly because salespeople had to do immediate actions to find new prospect after guiding the former ones towards the provider's delivery unit's actors. Both customers and provider's managers recognized it, and felt that it was functionality that reduced the perceived value in relationship between the customer and provider in the first hand. Although, it was at same time seen as understandable maneuver due to nature of SaaS environment. Consequently, it is not always like Blocker et al. (2013) are saying that within business markets, salespeople are in a prime position to recognize and manage the costs and profitability of individual customer, *influence repeat purchasing*, increase share-of-spending, and shape other strategic outcomes that could help their companies appropriate greater value. In this case, salespeople were unable to in-

fluence customers' actions, once they had assigned the deal with them, at least in current set up.

“If the perceived service is not on the standard level in the beginning of relationship, customer will not probably get all the benefits out from Severa PSA. It is the seller who can guide our customer to right directions in the beginning of the relationship.” -Gamma

*“We would not have been able to handle this by ourselves. It is really important that there is someone from the provider side who to trust, and who to talk with when facing challenges. It is two-way relationship and it has to work.”
-Digamma*

“Salespeople must know what the customers want. Salespeople must guide customer to avoid the possible pitfalls during the buying journey. [...] We must do the value proposition every time. If we will not do it, the customer will do it anyway; then we might be out of the competition, because it may not support ours perspectives.” -Beta

In sum, there are methods for salespeople to gather the resources for the proper value propositions, but it demands fairly a lot capability to 1) guide and constantly to activate customers to participate in process, 2) collaborate with customers and internal units or other actors related to the case, so that the entire ecosystem is harnessed for the customer, and 3) act as a professional, because this kind of customer relationship in SaaS business tend to end quickly after signing contracts, and salespeople have fairly short period of time to convenience customers. The key finding were that presenting bare value proposition is just not enough, salespeople must utilize every possible resources that could potentially help customers to gain value.

4.3.3 Communicating value

Communicating the selected resources that will help customers to co-create the value is maybe the most important phase in SaaS value-based sales process. This is the phase when salespeople can nail deals, lead customers to the right direction and sharpen the trust between customer and provider. The trust and the transparency were the most used phrases that stood up in the interviews. Also salespeople recognized the value of building trustworthy relationship with customer during the workshop. This is not the first study that indicates same kind of results since it is supported by many previous studies (e.g. Doney & Cannon, 1997; Menon, et al., 2005). In this study, even though the customers could potentially just buy a monthly billing product and abandon it fairly easily, if not satisfied with it, customers were prominently conscious about the provider's ability to continuously develop Severa PSA and entire ecosystem surrounded by it. The provider's ability to create value-in-use instantly and subsequently was the key point that helps salespeople to build relationship with customers. The key for salespeople were to learn how to communicate this to customers.

“The best way that our salespeople can create value is to help clients to understand how Severa PSA could potentially help them to achieve their business goals. Customers must trust that we can develop and deliver this software also in the future, and so can they achieve their business goals.” -Beta

“Proactive communicating and predictable actions from provider give us a lot of value in this relationship. Being honest, transparent and opened is important from the start to beyond.” -Stigma

“Our customers want us to be predictable and reliable.” -Alfa

Terho et al. (2012) emphasized the meaning of reference stories and bearing some of customer's risk in value-based sales process. In this study there were similar kinds of observations. Customers felt that being able to identify in some reference cases increased the trust between actors. But it was important that the reference cases were close to customers businesses, other ways it was once again seen as negative misleading information causing just disorder between the parties and increasing the information colic. According to Manning & Reece (2007) trust exists when there is a strong believe in integrity, ability, and character of a person or an organization, and although trust is an intangible, it is the core of all meaningful relationships. The results in this study underline this as an important factor in SaaS relationships as well when salespeople are communicating value.

Provider's managers also pointed out the importance of proper reference cases as an internal communication method. The reference cases, if available at all, increased the experience and knowledge of salespeople, since salespeople seemed to each time lost the connection to customers after handing them over to delivery or service units. The reference cases did not just create the value for the customers; they also created mutual value to salespeople.

Even though intangible features, e.g. brands and names of products were not interesting for the customers when estimating the value propositions and evaluating the entity at first, customers interviewees' reviled that reference stories, business cases and proof-of-concepts did bring a lot of value in the value-based sales process, in forms of proving provider's reliability and capability of being a long-term business partner in the later phase of the process. The anonymous business cases were seen as interesting as real reference cases in minds of customers. They tend to clarify the entity of offering and create possibilities for salespeople to portray the possible value-in-use for the customers, and this could be compared to storytelling as well.

“The reference cases are quite strong message to our customers, and it helps our sales to succeed [...] and creates trust.” -Delta

“The more customers the provider has, the more safety and reliable I feel. It means that provider has more money to use on R&D and that makes it better. I recognized Visma brand and it made me feel trustworthy. Successful brand take care of their customers.” -Digamma

“It would be quite convincing, if the seller could promise monetary guarantees in addition to the non-monetary value propositions. [...] ‘If these goals are not achieved, you would get 50 % of your money back’.” -Digamma

“Personalized story telling works well enough to get the attention of customer. But secret is the personalized, not every generic story interest customers.” -Gamma

The idea of communicating some kind of monetary or non-monetary guarantees was seen very interesting, but not highlighted independently very strongly. It was seen more likely as a surplus kind of promise rather than a deal breaker. The main reason for it was since there were not any reasonable way to measure the current state of customers with some tangible metrics, guiding customers to improve their business toward some simple goal was seen as irrelevant topic. In fact, both parties denied that it would be possible in practice at the moment.

“It is not how to communicate; it is more like what to communicate. Customers want that the message is always for them - always.” -Alfa

“We get a lot of different messages from provider, but some of them are so irrelevant for us that it kind of makes us become exhausted. The messages should always be targeted for us - if it is not for us, then it simply is not interesting.” -Epsilon

“I want personalized messages, reliable business cases and references - not any kind of references but the ones that matters for our business. When the seller is able to provide the entire offering in our perspective of view, that is really something what makes the different.” -Stigma

“Smart seller can help the customer to understand the true value of Severa PSA. [...] and when it happens, then the relationship begins.” -Gamma

Finally, both customers and provider’s managers emphasize the role of the salespeople in being able to provide the best possible proof-of-value according the customer specific business purposes. Because there are relatively a lot of potential customers for salespeople to attract in SaaS environment, it was seen important that the entire provider’s internal organization should support salespeople by automating internal processes and providing valuable business cases for salespeople to utilize with their new customers. Salespeople’s ability to adapt information and react fast when recognizing and communicating the value for the customers was seen the one of the key elements of succeed in SaaS value-based sales process.

On the other hand, also salespeople’s ability to listen actively the needs and issues of customers got remarkably attention and were consistently stressed one of the basic elements of successful two-way communication relationship between actors involving the process. According Manning & Reece (2007) being able to actively listen to customers, salespeople need ability to focus, paraphrase and create decent notes. Listening is one of the most traditional skills for salespeople, and remains

important even though the selling will go through remarkable changes in the future.

4.3.4 Assessing value-in-use in SaaS value-based sales process

Since many of needs related to the customers arise after long-period of relationship with provider, provider's managers stressed that salespeople must be able to articulate the reality of relationship (e.g. value-in-use, challenges, ongoing development related to Severa PSA, and possible risks related to the future) to customers, which increases transparency and thus creates more value to them in the beginning of relationship. The concept for succeed in this was seen as committing the customer to actively communicate and seek for different ways to co-create value with salespeople and other resources provider offered during the process. Without committing the customer to participate in the process, it was seen very difficult to articulate the long-period impacts for customer.

One of the interviewees stated that the customers, who were active and self-driven, were more likely to perceive more value-in-use from the relationship than the ones that were passive in the relationship. Surprisingly, customer interviewees emphasized some Severa PSA related issues that provider's interviewees recognized not actually issues at all, but definitely misconception or lack of motivation to actively seek for solutions available, or simply ask for help from provider's actors to correct the misconception. One of the key elements to be able avoid this kind of situations would be two-way value assessment process, where salespeople would offer the needed resources for customer to create value-in-use, and receive constant feedback from the internal delivery and service units to be able to encourage other customers be more active in the relationship from the very beginning, and not to be left alone with possible pitfalls in the relationship.

*“To those customers, who we are able to offer the entire of-
fering repertoire from product to consulting services, and
flavored with great customer service, are usually more satis-
fied than the ones that don't receive these..” -Delta*

“Customers must commit to the [deployment] process; otherwise the outcome is not what it supposed to be, and it is likelihood that they won’t perceive the value they are waiting for.” -Gamma

“There are times when it seems that the provider can’t recognize some of our needs. If we are not able to send invoices, it is really difficult situation for us. [...] The speed and ability to react fast is valuable for us in any sense.” - Epsilon

“It is definitely not only the salespeople who should provide value. Customer service unit must create value too to our current customers. We should be more predictable, and listen to our customer more carefully.” -Beta

Even though interviewees emphasized the role of value-based sales process in SaaS business, it was incoherent, that both customers and provider’s managers admitted that actual value assessment was irrelevant or disregarding in terms of the value-based process. It was more or less salespeople’s responsibility to assess the value, and in the long run the entire value assessment process seemed to fade remarkable, or didn’t even exist at all eventually. Entire value-based sales process converted back to more generic product related communication and updating new features by provider’s actors. This reflected quite well with the results theory revealed about the salespeople’s perceptions when it comes to value assessment. If salespeople did not make any effort for the value assessment in the beginning, it was possible that there were no clue about the perceived value of certain customers inside the provider’s organization.

Though, there was some process made with Net Promoter Score (NPS) targeted queries, which were sent once a year to Several PSA admin users in every compa-

ny. Although, NPS merely measures the quality of a company's relationships with customers, it is not exactly the query of a perceived value-in-use by customers (Reichheld, 2008). All the interviewees felt that NPS is effective way to measure the satisfaction of the customers quickly and smoothly, and with it provider was able to react to responses proactively, if customers tended to answer the query with low scores. NPS generally got a very good feedback from the interviewees, but there were seen a lot of unused potential in the results of the queries.

Despite the progress in this, the information or results of perceived value customer tend to gain, rarely seemed to reach back to salespeople. It should be important to understand that customer value assessment aids provider to generate demonstrable value to customers in the long run. As the only concrete evidence on a provider's ability to deliver customer value resides in its portfolio of prior and existing customers, provider needs to treat customer deliveries as an opportunity to create evidence on their value delivery ability (Keränen & Jalkala, 2014). In this study this was one of the major issues related to sales process, since the provider understood the meaning of value but didn't really understand the opportunities to create evidences from prior and existing customers.

“The value assessment process is something that we haven't thought so much. It is usually the seller who needs to figure it [value proposition] out and afterwards it is sometimes forgotten what we promised in the first place.” -Beta

“Our processes are much smoother nowadays than they used to be, because we use Severa PSA. Though, there are actually no metrics to demonstrate or measure it.” - Stigma

“We aren't able to set any goals [ROI, KPI, calculations] in the beginning, because we don't know what the starting level is. [...] NPS is telling us who is satisfied and who is not; but

there is no way to get the ultimate truth at the moment.” -

Delta

“Currently we are evaluating our customer perceived value through the persistence of customer relationship. If we have long customer relationship and low churn, it tells that we have made something right. [...] We should utilize analytics and be proactive with our customers. Also sales could benefit from the insights Severa PSA would generate to us.” -Beta

“I don’t think that we have measured any of our customer cases in the beginning of the relationships. Currently we are letting our customers to make the decision whether Severa PSA generated the value or not they wanted.” -Gamma

According to the provider’s managers there had been implemented value assessment related experimental, where one of the provider’s former employees called through the largest customer segments and proactively offered consulting services and insights for the customers regarding the value-in-use of Severa PSA in their actual business related issues, and documented it back to provider’s CRM. This was seen as the right direction to be able to find new ways to offer valuable resource to assess the potential value-in-use for existing customers. The customers interviewed in this study did not have such experience of this kind of experiment, although they felt that every proactive action provided by the provider, when targeted directly to them, helped customers to achieve their business goals.

“Following some beforehand decided KPIs makes it a bit problematic; there should be a lot of certain capability for professional consulting so that it would create more value for the customer. Knowing the software is not just enough.”

-Digamma

In sum, there are three different factors that relate firmly to SaaS value assessment process and affects strongly salespeople's ability to succeed in value-based selling. First, salespeople would have to be able to clarify the current state of the customers so that the entire value assessment would potentially be possible. This is important not only because salespeople could be able propose and communicate the specific value offering to the customer, but at the same time it would enable the ongoing value assessment process to measure and quantify the perceived value-in-use. Second, provider must adapt value assessment strategy that supports the value-based sales process, other ways it can be disconnected part and the benefits do not reach both provider's and customers' actors effectively. Third, once initiated the process, salespeople should receive constantly iterative feedback and meaningful results from the ongoing relationships in terms of new business cases, references and best-practice models to be able to acquire new customers with fresh and comprehensive insights related to the value-in-use with prior and existing customers. This follow-through process is particularly important since there is a strong risk that both customers and salespeople remain unconscious how the value-in-use has been evolving after the deal is done.

4.4 The roles and tasks of salespeople in value-based sales process

The issue in this study - salespeople's ability to co-create value and its relation to value-based process of the SaaS Company - is quite broad. The existing literature offers interesting and useful frameworks to utilize when solving the issue (e.g. Terho, et al., 2012; Haas, et al., 2012; Töytäri, et al., 2011; Keränen & Jalkala, 2014). Nevertheless, none of them offers fully comprehensive description, how the salespeople's actions in value-based sales process in SaaS business environment affect the perceived value-in-use of customers. As shown in Table 4, this study collected the key elements of salespeople's roles and tasks in SaaS value-based sales process to one context, and it offers collective understanding how selling behavior and roles with different selling facets in SaaS business create tasks that salespeople's must take into account when adapting the value-based sales process in daily manners.

Table 4 reports that understanding customer's business model, offering the resources needed, communicating value and assessing the value-in-use are the most relevant selling behavior elements for SaaS salespeople. Understanding customer's business logic help salespeople to more effectively direct the resources available, to perceive clear understanding of the entity the customers are searching for, and especially to concentrate on the customers' businesses purposes - not businesses generally. It is important that salespeople can scale their efforts and offering mutually with customer, since the business models of customers may vary a lot. Acting as the advisor helps customers to achieve better understanding of customers' intentions and creates better basis to mutually start developing the relationship forward.

Table 4. The roles and tasks of salespeople in SaaS value-based sales process.

Selling behavior and role(s)	Selling facets	SaaS salespeople's related tasks	
Understanding customer's business model → The advisor	Jointness	<ul style="list-style-type: none"> Understand the business logic and find out the key needs. Perceive clear understanding of the entity. Concentrate on the customer business, not business generally. 	<ul style="list-style-type: none"> Scale offering mutually with customers. Embody knowledge of related products and offerings. Enhance the possibilities to make profits for both parties.
Offering the re-sources → The secretary → The broker	Balanced initiative	<ul style="list-style-type: none"> Actively identify and craft the potential product and related re-sources. Guide customer to avoid the possible pitfalls during the journey Quantify the offering both monetary and non-monetary terms. 	<ul style="list-style-type: none"> Identify and constantly activate relevant actors from both parties. Create mutual respect and transparency on personal level. Foster two-way communication.
Communicating value → The secretary → The broker	Interacted value	<ul style="list-style-type: none"> Use relevant references, business cases and stories to demonstrate the offering. Enhance reliability on company-level. Actively commit customer key actors to be part of the offering. 	<ul style="list-style-type: none"> Facilitate interactions. Recognize value-related patterns to be able to scale re-sources and activities in profitable manner. Freeze value-providing solutions.
Assessing the value → The broker	Socio-cognitive construction	<ul style="list-style-type: none"> Follow the value-assessment process. Collect the feedback and the results to constantly create new offerings and value-propositions. 	<ul style="list-style-type: none"> Forward the value-providing solution to both parties. Help delivery or service to disclose actors' perceptions of value. Utilize automation to iterative develop the process.

To be able to understand the customer's business model, salespeople must understand the facet of jointness selling. At that time salespeople can embody knowledge of related products and offerings, which helps to perceive the clear understanding of the entity recognized. Finally, salespeople must enhance the possibilities to make profits for both parties, which will ensure the developing value-based selling process initially.

While Table 4 shows that salespeople should actively identify and craft the potential product, guide customers to avoid possible pitfalls during their buying journey, and quantify terms (both monetary and non-monetary) of the offering if possible when conducting the crafting the value propositions behavior, also balanced initiative facet should be taken account. Identifying and constantly activating the relevant actors from both parties ensures that the potential product is on the high-level it is supposed to be. Thus, fostering two-way communication and creating mutual respect helps both parties to achieve their goals in upcoming phases. Salespeople should be able to act as transparently as possible on personal-level, so that later interactions would have ideal baseline. Being able to act as the secretary and broker enhances salespeople's likelihood to succeed in this facet.

When communicating value to customers, salespeople should use highly-relevant business cases, references and stories to demonstrate the possible value-in-use of offering to customers. The goal of this behavior is to enhance reliability and trust, not on personal-level only, but on company-level to be able to actively commit customer in to the process and start facilitating the actors from both parties if necessary. In this interacted value facet sellers must recognize the value-related patterns to be able to scale resources and activities from each party. Finally, the crafted and elaborated solution should be freeze to make sure it is economically and financially sound for both parties. Also this facet demands that salespeople are able to act as the secretary and the broker, because it commits parties more intensively together and may demand some customer activation and motivation from provider's actors.

This study also highlights the value assessment as one of the key elements of selling behaviors, differing from Terho et al. (2012) conceptualization framework. It can be seen crucial because salespeople can impact a lot to value-expectations and -perceptions of customers in SaaS business, and can be seen the beginning of value assessment process between parties. This element highlights salespeople's ability to follow the ongoing value assessment process and actively absorb and collect feedback from process. This helps salespeople to develop value-based selling skills and gives possibility to find new ways to create value to prospects. Socio-cognitive construction facet emphasizes the salespeople's ability to forward the value-providing solution to actors of both parties seamlessly, and to help delivery or service to disclose actor's perceptions of value freeze. Utilizing automation continuously can help provider to develop the value-based sales process and to be able to fulfill the salespeople's behaviors and facets in more valuable manner. Absorbing the role of the broker salespeople can strengthen the provider's ability to assess the existing customers' value-in-use, and utilize the gained experiences within other facets.

Overall, SaaS business-to-business environment has some homogeneous qualities than complex industrial business-to-business environment. Though, there are major heterogeneous inequalities as well. SaaS business relationships are mainly under the service logic ideology, since it is long-lasting relationship between two parties and there are usually services and continuously development related into it. Nevertheless, salespeople's roles and tasks in it are partially incoherent with the service logic, because the salespeople's relationship with customers usually is ceased after freezing the value-solutions and forwarding the value-providing solution to both parties to be realized as value-in-use.

4.5 Proposed value-based sales process for Visma Solutions

The analysis of the case study supported several key activities of a value-based sales process approach in SaaS business, and can be for the most part be consolidated with the process framework Töytäri et al. (2011) introduced. The key elements of salespeople's roles and tasks in value-based selling process transformed

the original framework, and its key element related sequences, but the basic form remains fairly untouched. Figure 9 describes the suggested value-process in SaaS relationships and is adaptable for SaaS providers. It, as described earlier, also digests in the life-cycle value management strategy proposed by Keränen & Jalkala (2014) and proposes roles and associations of different units in it.

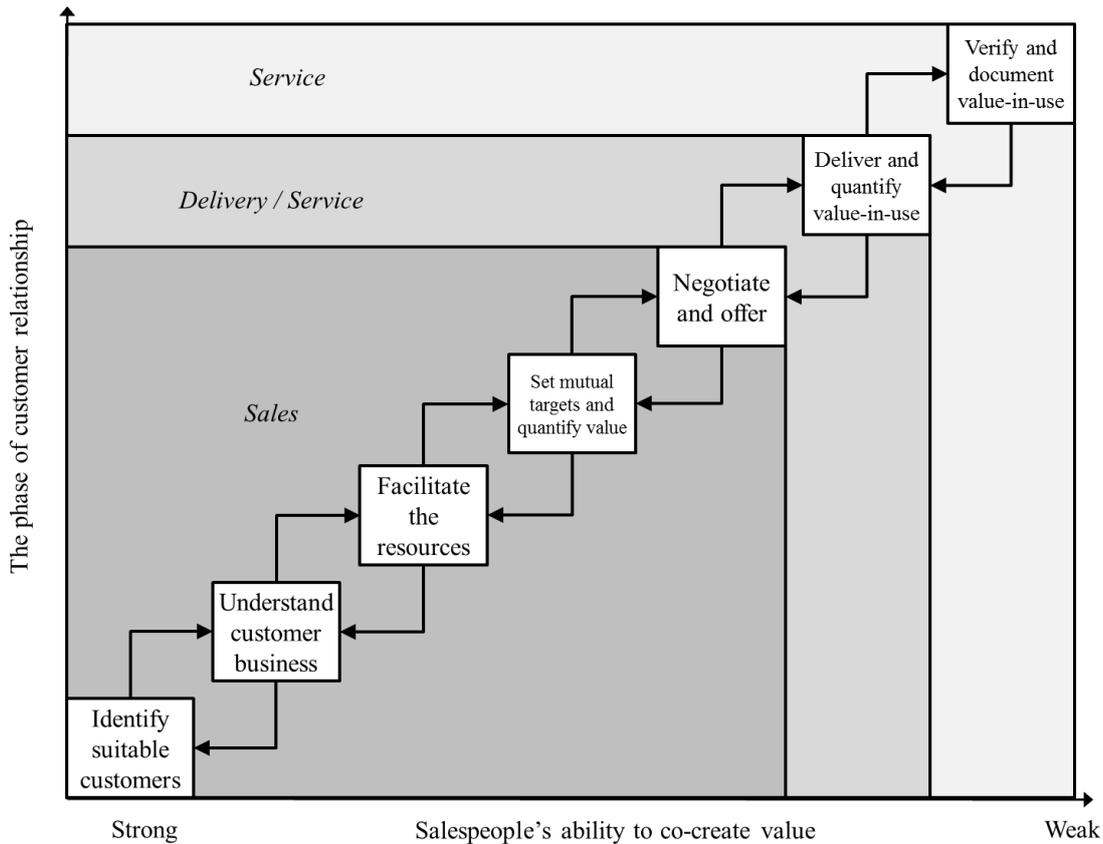


Figure 9. A proposed value-creation process in SaaS relationships (modified from Töytäri et al., 2011; Keränen & Jalkala, 2014)

Overall, Figure 9 emphasizes that the key elements of SaaS value-creations process are as follows: 1) identify suitable customer, 2) understand customer business, 3) facilitate the resources, 4) set mutual targets and quantify value, 5) negotiate and offer, 6) deliver and quantify value-in-use, and 7) verify and document value-in-use. The salespeople's ability to create value to process is strongest in the early elements, which consolidate the facets described in the previous section, whereas salespeople's ability to create value when delivering and quantifying value-in-use, and verifying and documenting value-in-use is relatively weak. It is also converse-

ly comparable with the phase of customer relationship - in the beginning it is clearly sales phase but slowly transforms to delivery/service phase and finally purely service phase. The process highlights that salespeople can affect ultimately the first five elements of the process, and delivery or service units manage the rest of it.

The key findings of the in-depth interviews suggested that the value-creation process should always be iterative and fostered with two-way communication both internally and externally. Also the key findings of salespeople's value-based sales process roles and tasks supported this approach. Furthermore, Töytäri et al. (2011) proposed that the elements were divided between internal analyses, customer-specific; done separate from customer, and done in cooperation with customer, but this study is stating that every element should be done in cooperation with customer more or less. This holistic perspective originates from service logic and can be seen as the core of SaaS value-based sales process.

In terms of Visma Solutions, the proposed value-based sales process unites the different internal units (sales, delivery and service) and enhances abilities to co-create value with its customers. The iterative process increases transparency and trusts within existing customers and opens new capabilities for salespeople to use when dealing with new customers.

5 DISCUSSION AND CONCLUSIONS

SaaS providers globally have been able to enjoy grand profits for over a decade. It has been mainly possible because of the revolutionary approach of service-offered software instead of traditional on-premise software, producing a cost-effective way for the customers to start implementing software products into their businesses. Nowadays the amount of SaaS providers have rapidly exploded and the competition between them have changed the initial setting, which have forced the SaaS providers to seek alternative ways to increase profits. One of the key elements in this is to be the able to produce superior value to customers. Even though there are some progresses made around the big and endless truth of customer value generally, it seems to be quite inconvenient to put these findings actually in practice. Salespeople are known to have notable responsible and affections in the value related processes, in which providers confront their customers.

Against this pretreatment, the purpose of the study was to deepen the understanding of current state of customer value literature and the salespeople's perspective in value-based sales process. The purpose of the study was addressed more accurately through the following main research question:

- *How salespeople create value in SaaS value-based sales process?*

To be able to answer the main question of the study, there were formed also three sub-questions as follows:

- *What is SaaS value-based sales process?*
- *What kind of roles and tasks salespeople have in SaaS value-based sales process?*
- *How value-assessment is related to value-based sales process?*
-

First, a literature review was conducted on the topics related to customer value and value-based selling in terms of service logic. Second, sales and sales management literature was discussed to understand more deeply the personal aspect of

value-based sales process generally. These main elements were finally gathered into proposed framework to support the case study. The empirical part of the study included conducted interviews in software company and among three different customers, including totally of 7 in-depth interviews. Also practical workshop exercise was held to be able to form the theme questions for interviewees. Overall, the study revealed interesting findings both empirically and practically, although it has some limitations like every research. These are aggregated together in this chapter.

5.1 Key empirical findings

The study emphasized that salespeople dealing with SaaS products in business-to-business environment must adapt new sales approaches, roles and tasks, because the business environment is radically transforming at the moment. Customers have significantly more progressive manner to search for products that would be the most valuable for them in this era of information. It is just not enough that salespeople's are capable of introduce new features of current product, and what fancy things it allows customers to do. Since the customer value seems to be the key element of success, salespeople must find the way to reveal the hidden value of their products and as well be able to co-create mutual value with customers in the service logic perspective.

Salespeople are rarely capable to co-create value to customers by themselves in SaaS business, even though it seems to be general assumption in practice. Customers' perceived value is a result of intricate series of actions, which can be conceptualized with value-based sales process. There can be multiple parties involved in it and there are usually different actors representing these parties. Though, salespeople can't create value by themselves, they have very important roles in the value-based sales process.

Salespeople must adapt different selling behaviors and conduct facets in value-based sales process. There are multiple tasks related to the individual facets. In jointness facet salespeople have to understand customer's business model. Manag-

ing to do so, salespeople have to clarify the business logic of customer, concentrate on it, and perceive clear understanding of the entity related to the offering in terms of individual customer's business. In balanced initiative facet salespeople can pile up the resources available, so that the customer is able to understand or can realize the potential value of product, e.g. value-in-use. This can include complex activation actions and quantifying methods, that initially creates mutual respect and transparent relationship between the parties. Interacted value facet consist of several resources, e.g. related business cases, references, proof-of-concepts and demonstrations, that increase the level of interaction and commit customers to relationship. In socio-cognitive construction facet salespeople can finally help related internal units to disclose customer's actors' perceptions of value, and actively improve the way of acting in the value-based sales process. Finally, the entire process can be seen constantly evolving, which highlights the meaning of assessing the value-in-use in different phases in it. Thus, salespeople can affect to co-creation of value, and they also learn from the perceived value-in-use experiences of existing customers. It emphasize that the process has to be iterative, otherwise the process won't be coherent; it is just an ideology consisting of individual actions highlighting sherds of the potential value.

In SaaS business, salespeople have to adapt at least three different sales roles to use in value-based sales process: 1) the advisor 2) the broker, and 3) the secretary. Implementing these roles help salespeople to actually conduct the tasks that value-based process requires. Adapting the friend role in SaaS business does not bring any considerable advantages, since salespeople's relationships with customer are relatively short-term compared to industrial business environment or more project oriented customer relationships.

5.2 The findings in the light of previous research

This study integrated theories and concepts from two different fields of research: relationship marketing and sales and sales management. Primarily, the study contributes to research in sales and sales management with reference to value-based salespeople's actions in SaaS business environment. This study partially com-

bined previous frameworks, such as service logic perspective (Grönroos, 2008), process framework for a value-based sales process (Töytäri, et al., 2011), interaction-based framework of sales' key tasks in the creation of relationship value (Haas, et al., 2012), conceptualization of value-based selling and its potential consequences (Terho, et al., 2012), and three strategies for customer value assessment (Keränen & Jalkala, 2014). These frameworks composed a solid base for the framework used in this study for evaluating SaaS value-based sales process and salespeople's related roles and tasks in it.

The implemented framework was suitable for evaluating the salespeople's roles and tasks more carefully in SaaS business environment. There were some minor differences compared to the original frameworks that originated from characteristic of SaaS relationship, e.g. even though the SaaS is definitely service business in essence; salespeople's roles and tasks in the relationship can transform from service-oriented (full-service related) to transaction-oriented (self-service related) depending on the business case and its compulsions. Finally, this study helps others to integrate value-related sales and business relationship research in point of salespeople's view as well as enhance the understanding of SaaS business relationships generally.

5.3 Managerial implications

On managerial perspective, this study provides specific insights for both SaaS salespeople and managers to develop their selling skills, capabilities and sales processes related to their everyday duties. Nowadays tighten competition, faster product development cycles and exploded amount of information available posits salespeople in challenging and demanding position. Knowledge available in this study enables salespeople to be more interactive, to directly relate to the customers' problems and instantly react to them with value approach instead of traditional transaction approach. Adapting the roles and tasks suggested in this study helps salespeople to turn sales situations inside out, instead of suffering from an endless information flow, salespeople can benefit from it and start activate two-way

communication with parties involved in the business relationship in buying process.

From the case company perspective, Visma Solutions can develop its selling process more effective and gain superior customer satisfaction by systematic concentrate developing salespeople's value-based selling skills and by harnessing the value-based sales process throughout its organization. The main development areas are: 1) transparent cooperation with customers, 2) two-way communication of value-related topics with all parties and actors evolved to the process, and 3) iterative value-assessment actions that produce new business cases and references, so that salespeople are able to quantify new prospect cases.

5.4 Limitations and suggestions for further research

This study was a kind of unique perspective, since major of the previous research or literature of sales force level concentrates on manager-level of the company and do not take into account customer interests or opinions, or vice versa. The results of the study can be seen somehow ground breaking in terms of SaaS business environment, though they mostly follow the ones that have formerly studied in industrial sector.

Thus, like every research also this one has limitations that have to be taken considered. Even with the limitations the study has left some fruitful avenues for future research to be considered. First, the study is explorative in nature employing qualitative data from in-depth interviews and practical workshop. Generally, a qualitative study uncovers new phenomena that open up the possibility for further analysis. The results could provide possibilities for further quantitative research which could potentially generalize the findings in this study.

Second, as this study was limited to only three customer companies using Severa PSA to manage their businesses, even though the informants were purposefully selected, the case study does not allow generalization or the generalization is very limited in a statistical sense. The future research could investigate a broader set of

companies to generalize the findings, and to uncover some hidden factors the in-depth interviews cannot reveal.

Finally, similar in-depth studies of sales forces in other companies entering the service-dominant context could strengthen or enrich the present sales role in SaaS business, since the case company used in this study had already quite well-managed and developed value-based selling strategy. In addition, it would be interesting to contrast results to other SaaS providers' experiences and thoughts in the markets. Also a global perspective could give interesting results in similar kind of study setup.

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