A

PROJECT REPORT

ON

"A STUDY ON OPERATIONS PROJECTS STRATEGIES IN B2B AND B2C BUSINESS MODEL"

UNDERTAKEN AT

ADITYA BIRLA INDUSTRIES LIMITED

IN PARTIAL FULFILMENT OF

POST GRADUATE DIPLOMA IN PROJECT MANAGEMENT

MIT SCHOOL OF DISTANCE EDUCATION, PUNE.

GUIDED BY
PROF.ROHIT OKE

SUBMITTED BY

MR.MANOJ KUMAR REDDY RAVULACHERUVU

Student Registration No. : **MIT2022D02033**

MIT SCHOOL OF DISTANCE EDUCATION PUNE - 411 038
YEAR 2022- 2024

CERTIFICATE

This is to certify that **MR.MANOJ KUMAR REDDY RAVULACHERUVU** Has completed the project report with us for his/her project report work on "A STUDY ON OPERATIONS PROJECTS STRATEGIES IN B2B AND B2C BUSINESS MODEL "in fulfillment for the Completion of his Course with MITSDE on "**PGDM in PROJECT Management**" asprescribed By MIT School of Distance Education, Pune.

This Project Report is record of authentic work carried out by him with guidance by our relevant department from Dated **17TH JUNE 2024.**

To
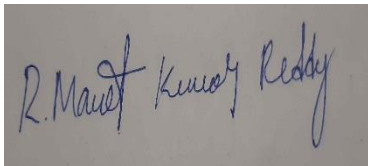The Director
MIT School of Distance Education,

Respected Sir,

This is to request you to kindly exempt me from submitting the certificate from my organization for Project Work due to the reason mentioned below:

Tick the right option
1. As per the Rules of the Organization
2. Self Employed
3. Working in Public Sector
4. Full time Student

.
Thanking you in anticipation of your approval to my request.

Regards,

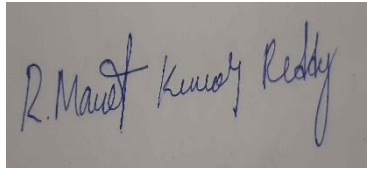**MR.MANOJ KUMAR REDDY RAVULACHERUVU**
 Student ID:MIT2022D02033

DECLARATION

       I hereby declare that this project report entitled **"A STUDY ON OPERATIONS PROJECTS STRATEGIES IN B2B AND B2C BUSINESS MODEL"** is a bonafide record of the project work carried out by me during the academic year 2023-2024, in fulfilment of the requirements for the award of **POST GRADUATE DIPLOMA IN PROJECT MANAGEMENT (PGDM)** of MIT School of Distance
Education.

       This work has not been undertaken or submitted elsewhere in connection with any other academic course.

(Students' Name and Signature)
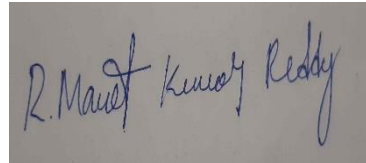
MR. MANOJ KUMAR REDDY

RAVULACHERUVU

Student ID: MIT2022D02033

ACKNOWLEDGEMENT

I would like to take this opportunity to express my sincere thanks and gratitude to Mr. Mr.Sunil date of **ADITYA BIRLA INDUSTRIES LIMITED for** giving me an opportunity to do my project workin your esteemed organization and it has indeed been a great learning and enjoyable experience.

I would like to express my deep sense of gratitude and profound thanks to all staff members of **ADITYA BIRLA INDUSTRIES LIMITED** for their kind support and cooperation which helped me in gaining lotsof knowledge and experience to do my project work successfully.

At last but not least, I am thankful to my Family and Friends for their moral support, endurance and encouragement during the course of the project.

(Students' Name and Signature)

MR. MANOJ KUMAR
REDDY RAVULACHERUVU
Student ID: MIT2022D02033

<u>ABSTRACT</u>

This report provides an analysis and evaluation of the "A study on PROJECT MANAGEMENT in B2B and B2C business models, Operation is a key function for all organizations and is seen as essential in order to achieve success when launching a new business. Following from the overwhelming amount of accessible data for companies, there exist an urge to understand what activities to include in the Operations process and how to manage them. Despite the vital role and the urge to further understand marketing, there is a lack of research about Operations in the small entrepreneurial business context that is encountered in startups. In addition, a call for further development of empirical research is identified in the business to business (B2B) and business to consumer (B2C) dichotomy. Therefore, the purpose of this study was to evaluate the Operations process used by B2B and B2C Software as a Service (SaaS) startups. This in order to contribute with understanding of the Operations process in the startup context and contribute with development of the research within the B2B and B2C dichotomy. This was done by conducting a multiple case study where the empire was collected from four SaaS startups either selling to consumers or businesses.

The empirical findings of the study show that the customer type, being a consumer or a business, affects the Operations process. Both differences and similarities were identified between the Operations process applied in the B2B and the B2C startups. Due to different levels of knowledge within the companies and different complexity levels in the buying process differences were found in the evaluation, segmentation, targeting and positioning done by the B2B and the B2C startups. It was found that the B2B companies put in less effort into the market analysis and segmentation compared to the B2C companies. Historically the channels utilized were identified to be different between the segments. However, a trend towards similar targeting channels was identified since the B2B segment is moving towards using more inbound marketing, which already is the main approach applied by the B2C segment. The B2B segment was, compared with the B2C segment, also identified to put more emphasize on achieving a position within the market that radiates credibility. Furthermore, the Operations process was found to be approached differently in startups than what was suggested in literature due to the lacking attention given to the scare resources and the innovative environment of a startup. A suggestion was therefore provided of how the Operations process better could be adapted to the startup context by including a feedback loop, making the Operations process more iterative.

Keywords: Operations Process, B2B, B2C, Software as a Service, Startup, Market Analysis, Evaluation, Segmentation, Targeting, Positioning, Execution

TABLE OF CONTENTS

CHAPTER 1
INTRODUCTION

This section gives a brief background to the study in addition to describing the pur- pose and presenting the research contributions. Further the section presents the research questions that this study aims to answers as well as the delimitations of the study.

1.1 Background

Operations as a theory has its roots in microeconomics and has continuously evolved since the rise of Operations in the 19th century (Hultman & Hills, 2011). Even though the society, market and technology today is very different, the Operations principles are thought to be as essential now as they were a century ago (Gummesson & Grönroos, 2012). Operations is one important business function that must be used appropriately by entrepreneurs to launch and develop new venture successfully (Lam & Harker, 2015; Kotler & Keller, 2016; Bickhoff et al., 2014). Managing the Operations activities calls for a considerable amount of work and skill, especially for a new business (Kotler & Keller, 2016). This since brand awareness and finding customers are important success factors and are more difficult to achieve for startups compared to companies with already well established brands (Lam & Harker, 2015). Startups therefore faces challenges in figuring out how to invest in different Operations tactics to reach potential customers.

Operations and entrepreneurship has long been argued, by researchers, to be two key functions for an organization (Bickhoff et al., 2014; Mohr & Sarin, 2009; Drucker, 1954). Despite the importance and tight integration between Operations activities and the en- trepreneurship mindset these functions have been examined separately by researchers with minimal crossing of the disciplinary boundaries (Webb et al., 2011; Drucker, 1954). Operations research has mainly been related to the identification and understanding of the customers and their needs in order to turn these into offerings (Narver & Slater, 1990; Troy et al., 2001). Entrepreneurship research on the other hand has had a more behavioral and characteristics focus, where a market opportunity is assumed to already exist (Webb et al., 2011; Dyer et al., 2008; Baron, 2008). From the separation and vary- ing nature of the research a need has been identified for more research to be conducted

About Operations within the entrepreneurship context (Lam & Harker, 2015; Webb et al., 2011; Hisrich, 1992).

Some researchers have tried to connect and analyze Operations theory with respect to entrepreneurship (Lam & Harker, 2015; Hultman & Hills, 2011; Miles et al., 2011). Reviews of these cross sectional studies, between Operations and entrepreneurship, have concluded that mainstream marketing, e.g. Kotler (2014), particularly focuses on the needs of large and formal organizations with abundant of resources (Most et al., 2018; Hultman & Hills, 2011; Hills et al., 2008). Following from this, the applicability of mainstream Operations in a small business and entrepreneurial context have been questioned (Most et al., 2018; Stokes, 2000). Similarly, others have argued that the understanding of the operations in small businesses is flawed (Culkin & Smith, 2000). The flawed under- standing is an effect from the insufficient attention given to the particular context and environment associated with smaller businesses (Jocumsen, 2004; Stokes, 2000). This lack of understanding and attention given to Operations theory in the small business context could be questioned due to the claim that Operations has a vital role in the achievement of success for new ventures (Hisrich, 1992).

As a combined result of the vital role and the lacking understanding of Operations in a small entrepreneurial business context (Most et al., 2018; Stokes, 2000; Hisrich, 1992; Lam & Harker, 2015), it has been argued that Operations research needs further develop- mint, especially within the context of limited resources and volatile environment that a small entrepreneurial business faces (Most et al., 2018). These attributes are commonly used by researchers conducting research within the startup context (Rise, 2011; Crowne, 2002) and Software as a Service (SaaS) startups are therefore identified as a represent- tative case context for small entrepreneurial businesses and will be used as the research context in this Operations research study. In addition to the identified need for further understanding of Operations in the small entrepreneurial business context, the concept of Operations being seen as a constant never changing subject with respect to context have been questioned further (Simkin, 2000; Coviello & Brodie, 2001; Mencarelli & Rivièa, 2015; Iankova et al., 2018). It has been argued that the company characteristics (such as type of customer, market offer- ing, geographic, size and age) affects the Operations and has divided the subject into dichotomies (Coviello & Brodie, 2001). The company customer type being consumers or businesses was a dichotomy recognized in Operations during the 70s and 80s, when a number of researchers argued that the Business to Business (B2B) market differed in a number of dimensions from the Business to Consumer (B2C) market (Webster, 1978; Fern & Brown, 1984; Cooke, 1986; Lilian, 1987). Webster (1978) pointed out the high complexity related to the product and buying process in the B2B market, compared to the B2C market. Lilian (1987) argued that the similarities between the two markets are superficial. Following from this, it has been argued that Operations must be handled differently in B2B and B2C companies (Webster, 1978; Cooke, 1986; Lilian, 1987). This claim has wide acceptance, yet it has been argued that it is dearth of empirical stud- ies investigating the B2C and B2B dichotomy

have been arguing that much of the research done within B2B have been using classical consumer research, consisting of classic economic theory and behavior science, in comination with traditional Operations in order to explain observed phenomenon's, this has lead to an insufficient understanding (Hadjikhani & LaPlaca, 2013). At the same time, an increasing demand and perceived relevance has been identified and motivates for fur- there development of knowledge within the still relatively young research area of B2B where there exist much to be discovered (Åge, 2011; Mencarelli & Riviera, 2015).

As an outcome of the identified need for empirical studies in the B2B and B2C di- chotomy, the wrongly applied consumer research theory within the B2B segment and the recognized relevance of further development within the research area (Coviello & Brodie, 2001; Hadjikhani & LaPlaca, 2013; Åge, 2011), it is clear that there exist a basis for conducting further research within the B2B and B2C Operations area.

This research study is commissioned by the Stockholm based SaaS startup Populum that offers an automated platform for measuring and visualizing employee experience in large organizations. The commissioner is currently in the process of developing a sophisticated Operations process and is therefore interested in increasing their understanding of how the Operations process should be structured as a startup.

1.2   Problem Formulation

Startups are new on the market they are operating within, this creates a dynamic where the customer knows nothing or only a little about the company and the product since before, regardless of the customers being consumers or businesses (Rise, 2011). Conse- quaintly, startup companies, in comparison with well-established enterprise corporations, have to build up the Operations process from scratch when launching their business. Si- mutinously, there is an urge to understand what activities to include and how they should be managed following from the overwhelming amount of data and large amount of available tools, making it increasingly difficult to manage and decide what to include in the Operations process (Bickhoff et al., 2014).

Even though the Operations process is seen as crucial and difficult to manage, the research about the Operations process in the small entrepreneurial business context is scarce (Most et al., 2018; Hills et al., 2008; Stokes, 2000; Hisrich, 1992). A need has therefore been identified for further investigation of the Operations process in the small entrepreneurial business context (Most et al., 2018; Hills et al., 2008; Stokes, 2000), which can be encounter- tired in startups. A call for further development of the research in the B2B and B2C context has also been recognized, especially empirical research within the dichotomy (Coviello & Brodie, 2001).

The identified needs create an urge and motivation for conducting a study which will contribute with research development both in the entrepreneurial context within

This study. An intersectional contribution will be created by conducting an evaluation of how SaaS startup companies, both in the B2B and B2C market, structure their Operations process and what activities they include in the process. This study will be utilizing Operations process theory from the traditional Operations subject but evaluate it in the context of startups, which is a representative for the small entrepreneurial business context. In summary this studywill examine and evaluate the research problem of how the Operations process is structured in B2B and B2C startups providing SaaS solutions.

1.3   Purpose

The purpose of this study is to evaluate the Operations process used by B2B and B2C startups providing SaaS solutions, this by investigating how the Operations processes are structured and what activities are included. The study will in particularly increase the understanding of how the customer being a business or a consumer affects the Operations process for startups since the evaluation partly will be based on a comparison between B2B and B2C Operations processes. Ultimately, this study will contribute with further understanding within the research field of Operations processes in the entrepreneurial context as well as development of the research within the B2B and B2C dichotomy.

1.4   Research Questions

In order to examine and evaluate the research problem stated above and to fulfill the purpose of this study three research questions have been formulated and these will be investigated in this study. In RQ1 and RQ2 the B2B and B2C dichotomy is addressed. The need for empirical studies and the insufficient understanding that is argued to exist in the B2B segment was used as the basis for RQ1 and RQ2 (Hadjikhani & LaPlaca, 2013; Åge, 2011; Coviello & Brodie, 2001). The lacking understanding of the small entrepreneurial business context encountered in startups motivates the formulation of RQ3 (Most et al., 2018; Stokes, 2000; Hisrich, 1992; Lam & Harker, 2015).

RQ1: Does the customer being a consumer or a business affect the Operations process for SaaS startups?
RQ2: What are the similarities and/or the differences between the adopted Operations process at B2B and B2C SaaS startup companies?
RQ3: How does the startup context affect the Operations process?

1.5   Delimitations

Operations theory is a wide research area and this study only focus on one out of many sub topics within marketing. The study is delimited by only covering the Operations process and the activities in this process. The study is moreover limited to only focus on the company perspective in the Operations process, the study does not perceive the customer perspective. Further the study only includes four case companies which are examined and analyzed in detail. Delimitations are therefore arising from the company type, the industry coverage and the geographic presence. All companies are SaaS startups that are based and operating in Sweden, this delimitation increases the alignment in market conditions. Furthermore, full alignment of the market conditions is not achieved since the study covers companies operating in different industries.

CHAPTER 2
LITERATURE REVIEW

Literature Review

This section covers the theoretical frame and the literature references that the study has emerged from. The chosen literature is provided in order to give a profound understand- ing of the Operations subject as well as a common conception of the terms used throughout this study. The literature review also lays the foundation for the analysis and discussion of this study.

2.1 B2B and B2C

An organization that sells directly to the consumer is defined as a B2C company pro- viding offerings to the consumer market (Iankova et al., 2018; Kotler & Keller, 2016). Companies selling directly to businesses are referred to as B2B companies and offerings from these companies are provided on the business market (Iankova et al., 2018; Kotler & Keller, 2016; Coviello & Brodie, 2001). Even though the overall dynamic is the same, with the involvement of people who assume buying roles and make purchase decisions in order to satisfy needs (Kotler, 2014), the B2B and the B2C market have been idem- tidied to have multiple differences, especially regarding the issues encountered and the approaches deployed (Kotler & Keller, 2016; Coviello & Brodie, 2001; Webster, 1978; Lilian, 1987; Simkin, 2000). These differences between the B2B and the B2C market are presented below.

The B2B market is characterized by a high level of buying process complexity with a long purchase cycles and the need for multiple individuals to be involved inthe purchase decision (Lilian, 1987; Webster, 1978). These B2B organizations typically have multiple business customers that have to be handled individually, with development of long term buyer and seller relationships (Ford et al., 2003; Hẵkansson et al., 1976). This explains why B2B sales traditionally is recognized as personnel intensive and relationship driven (Iankova et al., 2018). In contrast, B2C organizations are using mass communication, with brand development as a key function, reaching a large number of individual con- summer customers with a low level of relationship development (Reed et al., 2004). It has also been argued that the buying decisions in the B2B market are influenced by

Many more sources than the B2C decisions, this increases the complexity level further for companies providing offerings to other businesses (Simkin, 2000).

2.2 Marketing

The practice of Operations has been used for a long time, however it was not until the 20th century that the academic interest appeared within the subject (Oliya et al., 2012). Operations is about identifying and meeting human and social needs and has been defined by the American Operations Association as "the activity, set of institutions and processes for creating, communicating, delivering and exchanging offerings that have value for customers, clients, partners and society at large" (Keefe, 2008; Kotler & Keller, 2016). In addition to identifying and meeting needs, Operations is also about the creation of a sustainable relationships in order to capture value from the customers in return (Bickhoff et al., 2014).

Operations is used by businesses in order to build up or increase the demand for products or services that the business provides (Kotler & Keller, 2016). By applying Operations in a successful way a business can achieve the ultimate aim ofOperations which tra- additionally has been to increase the sales, the market share or the gross margin of the company (Weber, 2002). Today's competitive business environment has increased the amount of attention given to Operations (Oliya et al., 2012). The Operations activities are increasingly seen as one of the main functions and determinants of business success, especially for new businesses (Hisrich, 1992). It has been argued that Operations is such a vital part for companies in today's business environment that the businesses cannot survive without it (Lam & Harker, 2015). In order to obtain the vital value that the Operations activities can establish, it has been argued that a process, culture and opera- tional procedure need to be developed, otherwise the Operations will not give the desired effect (Cravens, 1998; Piercy, 1998).

2.3 Operations Process

The Operations process is defined as being the set of activities used by a company in order to achieve the aim of marketing, which is to create value for customers and build a strong relationships in order to capture value from them in return (Kotler & Armstrong, 2013; Sanchez, 1999). The management of Operations activities and the Operations pro- cess as a whole is becoming increasingly difficult for companies, this follows from the overwhelming amount of data and information available in combination with the nu- merous instruments and variations of tools available to use (Bickhoff et al., 2014). This section will therefore go through the main components of the Operations process as well as the interaction between them. The components included in the Operations process

Have been defined by multiple researchers (Kotler, 2000; Simkin, 2000; Oliya et al., 2012; Bickhoff et al., 2014). Three common themes can, however, be identified as:

1. Creation of understanding the market by conducting analysis
2. Development of a strategy for the Operations based on the analysis
3. Implementation and control of the Operations strategy plan

In addition to these broad common themes, Bickhoff et al. (2014) has divided the mar- kiting process into more detailed sub components. These sub components are presented in Figure 2.1 and consists of evaluation, segmentation, targeting, positioning and execu- tion. Each of these sub components will be explained in further detail below.

Figure 2.1: Operations Process, adapted from Bickhoff et al. (2014)

2.3.1 Evaluation

The first step within the Operations process is the evaluation, this is done by conducting a market analysis (Bickhoff et al., 2014). The purpose of the market analysis is to gain insights about the market and to identify if there exist an opportunity with potential (Kotler, 2000). This step mainly focuses on understanding the market environment, the trends in the market, the competitors and the customers and their behavior, perceptions and needs (Simkin, 2000; Kotler, 2000).

The market analysis can be divided into different steps (Bickhoff et al., 2014; Kotler & Keller, 2016). First and foremost an objective of the market analysis must be defined and an information gathering plan must be developed (Kotler & Keller, 2016). The information could then be gathered in multiple ways, for example the gathering could be done by conducting observation studies, focus groups and survey methods (Bickhoff et al., 2014). The collected information can then be analyzed by applying statistical techniques to test hypotheses and theories, sensitive analysis can also be applied in order to test assumptions and the validity of the conclusions (Kotler & Keller, 2016; Bickhoff et al., 2014). Based on the findings from the market analysis the managers at the company must take Operations decisions (Bickhoff et al., 2014). It has, however, been argued that many manager use rules of thumb for decision making in marketing, taking decision based on perceived understanding from managers mental models, intuition and experience (Lifelong et al., 2015; Lilian & Rangaswamy, 2006). Many researchers have

questioned this and are arguing that modelling should be used in the decision making process, so that company managers understands the effects of the decisions that they take (Lifelong et al., 2015; Lilian et al., 2013; Diamantopoulos et al., 2012; Bowman & Gatignon, 2010). Lilian et al. (2013) highlights that this is particularly important for business leaders in today's data rich environment. Bickhoff et al. (2014), however, argues that it is important to not get lost in the overflow of data. Therefore it is argued that basic understanding is important, which could be obtained from classic market analysis frameworks (Bickhoff et al., 2014).

The framework called SWOT is a classic strategic analytic framework that could be used to break down the flood of available information when analyzing the market (Bickhoff et al., 2014). This framework identifies the company's strengths, weaknesses, opportu- nities and threats related to the market, where the first two focus areas constitute the internal analysis of the company and the other two represents the external analysis of the market (Kotler & Keller, 2016; Kotler, 2000; Gürel & Tat, 2017). SWOT analysis is widely used for strategic Operations with the objective to present the descriptive findings of the analysis in a structured way before decisions are taken (Gürel & Tat, 2017). An- other commonly used framework within market analysis is the PEST framework, which inspects the political, economic, social and technological factors related to the company and the market (Bickhoff et al., 2014; Charmaine et al., 2017). When evaluating a busi- ness or a market the PEST analysis is often used in conjunction with the SWOT analysis (Charmaine et al., 2017).

2.3.2 Segmentation

The objective of this part of the Operations process is to utilize the findings from the market analysis to decide how customers within a market that have different preferences and needs should be segmented (Bickhoff et al., 2014). Since companies cannot connect with all customers in large and diverse markets they need to map out the market with a segmentation process, this in order to focus on the customers that they are likely to satisfy (Kotler & Keller, 2016). In a market segmentation the customers or the potential customers within a market are divided into well-defined sections, depending on their preferences and needs, this in order to get an understanding of the customers and to create a market partitioning based on the customer behavior (McDonald & Dunbar, 2012; Loshin, 2013). The segmentation process is seen as an essential part of the Operations process since it can help and be used as a basis for companies in order to take rational strategic decisions, based on the different characteristics of the market segments the Operations activities and the Operations mix can be adjusted accordingly (Bass et al., 1968). This process of identifying the correct market segments and uniquely satisfying them, by customization, has therefore been argued to be a key in order to achieve Operations success (Kotler & Keller, 2016).

The process could be broken down into two phases, the first one being development of segments and the second one being prioritization and selection among the

(McDonald & Dunbar, 2012). In the first phase, the segments are developed based on the findings in the evaluation step with the objective to capture and specifythe market structure with the customers and their purchase behavior and needs (McDonald & Dunbar, 2012). There are different perceptions of what should lay as the foundation for the segmentation (Kotler & Keller, 2016; McDonald & Dunbar, 2012). Some researchers argue that descriptive characteristics should be used as the foundation while others instead focus on behavioral characteristics as the basis (Kotler & Keller, 2016). An approach that is frequently used is to do a segmentation based on descriptive categories such as products and services, demographics, geographic, channels and psychographics (McDonald & Dunbar, 2012; Artun & Levin, 2015; Loshin, 2013).

Today marketers can access a flood of data, especially regarding customers behavioral patterns, this allows them to derive a context that makes the segmentation more rel- event. This is done by complementing the descriptive characteristics with behavioral characteristics (Loshin, 2013). According to Bickhoff et al. (2014) customers buying behavior could be mapped out based on characteristics in their buying decision, which includes how they buy and what their choice criteria are. It is not always the person who actually consumes the product that is the decision maker or the one with most impact on the buying decision. Therefore, communication with other participants in the buying decision is emphasized, as it could be useful when their impact may work as per- suasive forces during the decision making process (Bickhoff et al., 2014). Furthermore Bickhoff et al. (2014) argues that it is important to understand how customers respond to various Operations efforts. Companies need to play an active role by manipulating the variables that they can control in order to enhance the probability that the customers will buy their products. By understanding the customer's behavior, stimulus, process and response the Operations mix, consisting of the product, price, promotion and place, could be modified to accommodate the demands expressed by customers (Bickhoff et al., 2014). It is also important to understand the customer's different choice criteria when evaluating products or services. The choice criteria could be technical, economic, social and personal (Bickhoff et al., 2014). Many of these behavioral characteristics could be derived from the digital footprint that customers leave when they for instance purchases something online. The footprint that gets recorded in a database could leave multiple data elements of information about what the customer clicked on, whether being a click in social media, in an email or on an ad (Artun & Levin, 2015; Loshin, 2013).

It is common that marketers aim to precisely define the user's attributes in customer persona profiles, these profiles are created in order to have a basis for the Operations content design so a more precise targeting could be achieved (Artun & Levin, 2015). Persona profiles is commonly applied in user centered designs but also in broader research areas, such as needs analysis, task analysis and market research with the aim to help stakeholders to communicate user needs and behaviors in an effective way (Dong et al., 2007).

When the first phase, the development of segments, is completed the findings can be

Based on their attractiveness and potential for the company (McDonald & Dunbar, 2012). Kotler & Keller (2016) argues that the segments should be chosen based on their rating in five criteria being measurable, sustainable, accessible, differentiable and actionable. McDonald & Dunbar (2012) argues, in a similar manner, that the decision should be taken by measuring the segment potential and assessing the company's possibility to meet the requirements of the segment, the combination of these two is argued to lay the basis for the segmentation selection decision.

2.3.3   Targeting

Targeting of certain customer segments with different promotions is an important part of the Operations practice (Rossi et al., 1996). More and more companies are using target Operations as an effective way to reach out to customers which they have the largest chance of satisfying needs for (Kotler & Keller, 2016).

As mentioned previously, the increased availability of data about customers, their demo- graphic characteristics and their purchase history allows for better segmentation which in addition results in an opportunity to do more direct and improved targeting (Rossi et al., 1996). When reaching out, companies need to consider through which channels the customers can be reached as well as how to communicate with the customers to inform, educate and persuade them to purchase the product or service (Bickhoff et al., 2014; Kotler & Keller, 2016). This process is often called promotion and consist of set- earl components, such as advertising, public relations, sponsorship, internet promotion, direct Operations and personal selling (Bickhoff et al., 2014). Customers can be captured in multiple ways, but it is common to divide the capturing activities into either inbound or outbound Operations (Dakouan et al., 2019). In outbound Operations the company is actively reaching out and presenting information to the potential customers in a more traditional way with the aim to capture their attention and interest (Rancati et al., 2015; Dakouan et al., 2019). Inbound Operations instead aims to earn the customers attention by using a more complex approach with engaging content on digital channels, bringing the customer to the company (Rancati et al., 2015).

Artun & Levin (2015) also emphasizes the importance of trying to capture potential customers by delivering value before they make the purchase. This is argued to be commonly used in the B2C context, an example of this is free samples that are handed out to customers so that they experiences the product before buying it. The value creation or "give to get" Operations is also applied in the B2B Operations context, an example of this is B2B firms offering free seminars to their potential business customer. In the software industry this is also applied where free trial or freemium version of the software is provided to the customers (Artun & Levin, 2015). All of these examples of "give to get" Operations are argued by Artun & Levin (2015) to allow prospects to use the product or service for a specific period of time with the aim to make sure that they at the end of the trial period convertsto buying customers.

2.3.4 Positioning

As a company it is important to understand the structure of the market in order to identify and take a position on the market that is profitable and less vulnerable to attacks from competitors (Porter, 2008; Bickhoff et al., 2014). When the company have discovered a market where they have the potential of satisfying needs, they need to position the company and their offerings so that the targeted market recognizes the company brand. Developing a good positioning requires that the marketers define and communicate similarities and differences between the company's own brand and the competitors (Kotler & Keller, 2016). This could be done in several different ways, some common qualitative positioning approaches used are according to Kotler & Keller (2016) brand narratives, storytelling and cultural branding.

For smaller companies with limited resources and budget the brand positioning is challenging but critical. Kotler & Keller (2016) recommend that these smaller companies put more effort and emphasizes on their brand elements and secondary associations, this to create buzz around the company brand. Another recommendation for small businesses is to develop a cohesive digital strategy. This since the internet and social media allows smaller business to have a larger profile than they otherwise might have (Kotler & Keller, 2016).

2.3.5 Execution

In the final sub component of the Operations process implementation and control of the Operations plan is in focus. This is crucial since the Operations efforts are worth nothing if they are not implemented (Bickhoff et al., 2014). The Operations budget, which to some extent represents the projection of actions and expected result, is the basis for the design of the Operations control system. Selecting appropriate metrics to control and evaluate the execution of the Operations is an essential part that is often neglected in the Operations process (Bickhoff et al., 2014). Only three percent of executives consider proving the effectiveness of Operations to be their priority (Teradata, 2013). The reason for this is the inability and challenges that companies face when they try to measure the value creation of marketing, both financially and non-financially (Webster et al., 2003). This topic have, following from this, been a prioritized research area by many researchers in the last decades (Clark, 1999; Seggie et al., 2007).

Over the years Operations performance measuring has moved from using solely financial to more non-financial metrics (Clark, 1999). However, many managers consider the fi- nancial impact of Operations efforts to be most critical to measure. Operations impacts the company financially by creating changes in revenue and expenditures due to invest- ments that the company allocates to marketing. The financial return from the Operations is commonly measured by the metric returnon investment (ROI) (Rust et al., 2004).

ROI is a profitability ratio that measures the amount of return on a particular investment in relation to the investment's cost and the formula for calculating the ROI is given below (Rackley, 2015).

$$\text{ROI} = \frac{\text{Gain on investment} - \text{Cost of investment}}{\text{Cost of investment}}$$

Bickhoff et al. (2014) states that Operations ROI is the most important measure of Operations profitability. However, according to Rackley (2015) marketers share different opinions on whether ROI is the ultimate metric for marketing. It is argued that marketers have a hard time understand what it is and what is considered to be a good ROI value. The challenge when calculating this metric is to measure the gain on investment with a degree of precision that creates confidence in the result (Rackley, 2015). Calculating the cost and revenue of an Operations activity is simple and straight forward. Rackley (2015) however argues that the soft benefits from marketing, like customer experience, increased brand awareness and enhanced reputation, are difficult to measure and therefore hard to take into account in the ROI calculation. It is hard to have absolute understanding of how these factors affect the revenue. Even though marketers can gain benefits from today's advanced technology and systems when calculating the ROI, there is no system that can capture all the value created by the Operations efforts (Rackley, 2015).

Furthermore, Webster et al. (2003) argues that top management and especially financial managers view Operations expenditures as short term expenses, not long term invest- ments. Even though some of these assets can be leveraged to deliver short term prof- It ability, many of the outcomes of Operations efforts are long term multi-period results (Webster et al., 2003). This is confirmed by the Operations managers that argues that their most important expenditures represents long term investments for the growth and future profitability of the business in terms of brand equity, better customer relation- ships, customer equity and stronger pricing (Webster et al., 2003; Rust et al., 2004). Brand equity is defined as the "Operations effects uniquely attributable to the brand - for example, when certain outcomes result from the Operations of a product or service because of its brand name that would not occur if the same product or service did not have that name" (Keller, 1993). Customer equity is defined as "the sum of the lifetime values of all the firm's current and future customers, where the lifetime value is the discounted profit stream obtained from the customer" (Rust et al., 2004). This makes it difficult for the Operations managers to justify these expenditures in terms of direct return on investments and to link Operations to quantifiable financial metrics (Webster et al., 2003; Rust et al., 2004).

Even though the understanding of ROI remains elusive the top management expects that the Operations department to report their numbers in order to provide proof of the value that Operations creates for the organization (Rackley, 2015). Therefore

Rackley (2015) argues that even though ROI is not the ultimate metric for marketing, it cannot

Be ignored. The metric should be used by marketers when it helps them to measure progress towards objectives and to justify the Operations investments. In order to justify the Operations investments the financial measures should, however, also be complemented by non-financial metrics, since only using financial metrics have proved to be inadequate (Clark, 1999). This have resulted in an increased development and

usage of non-financial metrics over the past years (Rust et al., 2004). Commonly used non-financial metrics includes measures capturing customer and lead generation and the performance of the digital marketing. Rackley (2015) points out that within digital Operations there are many different kinds of metrics that could be used for the growing number of digital Operations channels. Metrics used on websites could for instance be traffic sources, visited pages, search rankings and bounce rates. Metrics used for social media could be based on the number of followers, subscribes, shares/retweets and referral traffic. For emails the Operations metrics could be based on number of sent emails as well as open, click-through and bounce rates. Digital advertising that include pay-per-click ads and other forms of paid digital media could be measured by impressions, click-through rate, lading page views and conversation rate (Rackley, 2015).

Customer metrics have also been argued to be valuable to measure when it comes to understanding the customer's perspective, the economics of the executed Operations and its impact on the revenue (Loshin, 2013; Rackley, 2015). Some example of these customer metrics are customer life time value, customer equity, customer satisfaction, customer retention rates and net promoter score (Rackley, 2015). Customer equity have become a key metric following from the expansion of the service sector combined with the shift to relationship oriented Operations (Rust et al., 2004).

Rackley (2015) also suggests that the companies should have some measures that indicate how productive the Operations team is. Metrics like assets created, impressions generated or ROI could be used as a guideline for the Operations team productivity (Rackley, 2015). According to Webster et al. (2003) firms that have a successful Operations have given the Operations a clear role in the organization and there exist a consensus among the management team about the value that Operations contributes with to the performance of the business. In these firms Operations have remained a strong influence on the corporate strategy and the operations. Furthermore, Webster et al. (2003) found that at many of the firms, where consensus existed, have a CEO with a strong Operations background of deep understanding of the subject and strong vision of how to deliver value to customers. Webster et al. (2003) states that on the other hand, firms that fail with their Operations have been identified to focus less on customers and more on stock price, growth in earnings per share, cost reduction, market share and sales volume. These companies that fail with their Operations were also identified to have CEOs with little or no Operations experiences and therefore have an inability to understand the value that Operations can create for the company (Webster et al., 2003

15

CHAPTER 3
RESEARCH METHODOLOGY

Methodology

In this section the methodology used in this study is described. The description is detailed in order to provide insight in the selected process and its reliability. The section starts off with a description of the design, context and process of the research and ends up in a discussion regarding the validity and reliability of the study.

3.1 Research Design

The purpose of this study was to gain knowledge of how the Operations process differs between startups selling directly to consumers or businesses. Following from the study's investigating, identifying and discovering nature, in relation to the Operations process, the research is classified as exploratory and descriptive research (Collis & Hussey, 2013; Blomkvist & Hallin, 2014; Sreejesh et al., 2014). Exploratory in relation to the search for patterns in between the studied companies and descriptive in regards of the identification of characteristics of the Operations processes at the studied companies (Collis & Hussey, 2013).

Further, a qualitative approach was applied in order to take in to consideration that it is hard to separate people from the social context that they are in. Understanding of the reality is achieved when the perceptions of the people is taken in to consideration since the reality is subjective (Collis & Hussey, 2013). This is in line with the interpretivism research paradigm that entail the belief that the social reality is of great complexity (Bryman, 2012; Collis & Hussey, 2013).

The study's relationship between the literature and the empirical material was iterative, following the abductive approach structure. The abductive approach was selected following from its perceptive attention given to the empirical material and its attempt to create logic inferences about the world (Blomkvist & Hallin, 2014; Shank, 2008). In addition, it has been argued that neither of the greatest achievements in science have been based on pure inductive or pure deductive approaches (Kirkeby, 1994; Taylor et al., 2002).

3.2   Research Context

In research it is of importance to provide a profound description of the setting of the research, especially when conducting qualitative research (Bell et al., 2018). This follows from that the organizational context has an impact on the people and their behavior, therefore the context must be understood in order to understand the people and the information that they provide (Collis & Hussey, 2013; Bell et al., 2018). This study was conducted in the context of startup companies providing SaaS solutions to either consumers or businesses.

The startup context was chosen since it has been argued that startup companies are a key player in the economic development (Tripathi et al., 2019). Startups contribute to creation of jobs, breakthrough innovations as well as growth on the regional, national and international level (Kane, 2010; Carree & Thurik, 2010; Cohen, 2006). Startups have been defined in various ways by researchers, some focuses on the characteristics of the company while others see it as a phase related to the product development (Kinner, 2016; Blank, 2012; Rise, 2011; Crowne, 2002). Kinner (2016) argues that a startup is defined as a young firm with potential for high growth that is using technology and innovation to tackle a market. These startup companies are often using disruptive innovation to reshape the industry and challenge established competitors with technology and business model innovation (Kinner, 2016). Blank (2012), on the other hand, states that a startup is a temporary organization in search of a scalable, repeatable, and profitable business model. Rise(2011) defines a startup as"a human institution design to create a new product or service under conditions of extreme uncertainty". Crowne (2002) instead describes the definition of a startup, in relation to the product development, as one of the four phases that a company goes through from inception to maturity. The startup phase is argued to take place between product innovation and the first sale and is influenced by investors, customers and competition (Crowne, 2002). Crowne (2002) also points out that during this startup phase the organizations often have limited resources and experience. In this study a startup was defined as a young company conducting business in an innovative market with high uncertainty and growth potential. The research context of startup companies is however a wide contextual area since the definition does not limit the research to a specific industry or market.

As a result from today's advancing technologies a transformation is taking place, going from a goods based economy to a service based business paradigm, leading to an era of services online (Rust & Kennan, 2003). With the emerging opportunities that comes with cloud computing and the ever changing business environment more and more com- panies today can offer softwares as service solutions, this in order to maintain or gain competitive advantage over entrants both in the B2B markets and B2C (van Der Aalst et al., 2013; Riedl et al., 2009). The SaaS solution market is expected to continue grow (Buxmann et al., 2008; Lacy, 2006), which follows partly from the low barriers of entry when providing services online and the proven effect on radical innovation following from

17

The SaaS business model have not only taken a significant market share of the software industry, in some cases it even has driven the traditional softwares out of the market. With the technological development and the software vendors improved understanding of the market needs we can expect to see more services as softwares to be provided in the future (Ma, 2007).

Due to the ongoing transformation and increased growth of the SaaS industry, this study used the SaaS industry as a contextual limitation to the startup context. SaaS solutions have been defined as software solutions that are provided via internet which can be used by the customer without installing the software locally due to the utilization of internet and cloud computing (Buxmann et al., 2008; Safari et al., 2015). This is the definition that also was utilized in this study. The provider of a SaaS solution is responsible for all network infrastructure, software updates and support (Zhu & Zhang, 2012; Ma, 2007).

3.3   Research Process

The research process in this study was divided into four parts, these four parts are pre study, data collection, analysis and literature review. The process is presented in Figure 3.1. The study was commenced with a pre study where the study and research was defined based on a preliminary review of literature. Thereafter the empirical data collection was conducted through a multiple case study with four case companies. Lastly the collected data was analyzed. The literature review was conducted throughout the pre study and the data collection process in order to achieve an iterative relationship between the literature and the empirical material.

Figure 3.1: The Research Process

3.3.1   Literature Review

In order to gain a profound understanding of the studied research field a literature review was conducted. The literature review is essential in order to justify the contributions and method choice as well as to identify the existing body of knowledge (Creswell, 2014;

Collis & Hussey, 2013). Throughout the study the literature was continuously reviewed, this in accordance with the chosen abductive approach (Blomkvist & Hallin, 2014). The main focus of the literature review was to create understanding of the existing theory in the main research field of the study, being the Operations processes. The B2B and B2C dichotomy as well as the entrepreneurial Operations field were also included in the literature review, this since interdisciplinary work is needed in social science (Blomkvist & Hallin, 2014). Due to the lack of research covering the Operations process in the entrepreneurial Operations research field the Operations process theory, laying the basis for this study, was collected from the the classic Operations field of study.

The literature review was applied systematically throughout the study with selected keyword and search databases (Collis & Hussey, 2013). The review was started off from a broad perspective and as the understanding increased the literature searches were nar- rowed down, based on findings from the literature and the empirical data collection, to more precise literature searches. The full list of the keywords used in the first broad literature review phase can be found in the appendix, these were applied both individual- ually and in combinations. All of the literature used in this study was secondary data since it was collected from existing sources such as academic journals, books, doctoral thesis and other publications (Blomkvist & Hallin, 2014; Collis & Hussey, 2013). The academic search engines used in the literature review of this study was KTHB Primo, Web of Science, Scopus and Google Scholar.

3.3.2 Pre Study

The study was initiated by a pre study in order to identify the foundation and to set a scope for the research. During this phase an iterative approach was used, combining the high level literature review and unstructured interviews with the company being the commissioner of this study. The high level literature review is of importance in order to identify the appropriate research design and data collection method (Yin, 2012), but was also used to structure the analysis of the empirical data by identifying the Operations process as a theoretical frame for the analysis. The unstructured interviews were mainly used to create a deeper understanding of the mutual contextual setting of the studied case companies, the context of SaaS startups, since qualitative data needs to be understood in the context where it is collected (Collis & Hussey, 2013). The interviews were also used to further understand the urge to develop the research within the Operations process area. By conducting the pre study clarification was achieved regarding the value creation for the two key stakeholders of this study, the academia and the commission company. These pre study activities were also used as the basis for constructing preliminary research questions.

3.3.3 Data Collection

Data collection is considered to be an essential part of research (Bryman, 2012). Multiple different instruments can be used for collecting the empirical data (Collis & Hussey, 2013; Bryman, 2012). In this research a multiple case study and interviews were chosen as the applied instrument. The two approaches are further described and the reasoning for choosing these instruments is presented below.

Case Study

Case study research is built up from the aspiration of building understanding from a single or multiple real world cases in their natural setting (Collis & Hussey, 2013; Yin, 2012). The concept of conducting case studies within research is common and can be applied in many different situations (Yin, 2009). It is increasingly popular to use case studies in order to build theory (Eisenhardt & Graebner, 2007). By conducting case study research one obtains in depth knowledge and understating of the studied situation and phenomena (Woodside & Wilson, 2003; Collis & Hussey, 2013). It has been argued that case study research emphasizes the complexity and the specific nature of the cases studied (Stake, 1995). Similarly, Yin (2009) argues that, in comparison with other research methods, case study research manage to maintain the meaningful characteristics as well as the holistic perspective of the studied phenomena. Conducting a case study was therefore identified as a suitable choice for the empirical data gathering of this study. This study was constructed as a multiple case study of both exploratory and comparative nature (Yin, 2009; Collis & Hussey, 2013). Four case companies were included, this increases the validity and robustness of the study compared to conducting a single case study (Yin, 2009). All case companies in the study were chosen to satisfy the criteria stated in Figure 3.2. The reasoning behind focusing on the SaaS startup context has already been described in the research context section. In order for the companies to have put efforts and resources into Operations the study was limited to only include companies that focus on growth and expansion of their business. Since the study was conducted in Sweden all companies were preferred to be operating and have the origin in Sweden. The willingness to share information about the Operations process was seen as a necessity due to the study's purpose of evaluating the Operations process used by SaaS startups. Similarly the customers being either consumers or businesses was also included due to the aim of increasing the understanding of how the customer being a consumer or business affects the Operations process.

Figure 3.2: Selection Criteria

It has been argued that the cases in a multiple case study should serve for replication logic, either with similar results (literal replication) or contrasting results (theoretical replication) (Yin, 2009; Collis & Hussey, 2013). In this study both similar and con- trasting results were examined. The criterion of all case companies being SaaS startups enabled for similar results, satisfying the literal replication. The theoretical replication logic, however, was met by including both B2B and B2C companies, enabling contrast- ing results. From a more broad perspective, the companies were all chosen in order to increase the holistic understanding of the Operations process in SaaS startups but also to give insight in how the customer being a business or a consumer affect the Operations process.

Interviews

The empirical data gathering from the case companies in this study was done by conduct- ing interviews, this in order to collect primary data (Collis & Hussey, 2013). Conduct- ing interviews is an efficient way of collecting empirical data, interviews have however the downsides of being related to bias and misunderstandings (Eisenhardt & Graebner, 2007). In case studies interviews are seen as especially important when gathering data following from that they can lead to insights regarding the social phenomenon that is being studied (Yin, 2009). This since the data collected from interviews can provide new insight and perspective on the subject (Blomkvist & Hallin, 2014).

The interviews in this study was conducted with a semi structured and open ended design, since this leads to longer and more developed answers from the interviewees (Collis & Hussey, 2013). A semi structured interview is organized around a number of topics that are predetermined and usually written down together with some questions in an interview guide (Blomkvist & Hallin, 2014). The predetermined topics were both of general and specific characteristics since this is argued to be beneficial (Collis & Hussey, 2013). The main topic covered in the interviews was the Operations process which was

21

Broken down into five themes being evaluation, segmentation, targeting, positioning and execution, all these topics can be recognized from the literature review. The topics were chosen in order to get a combination of the overall understanding and more deep knowledge in specified themes of the Operations process. The interview guide used in this study was iteratively constructed based on the findings from the literature review and the unstructured interviews with the commissioner company, the final interview guide can be found in the appendix. Interviewees were selected after discussion with the case companies, to make sure that the interviewee at the respective company was the most representable and knowledge-able about the Operations process. Figure 3.3 shows the full scheduleof interviews that was conducted for this study. All but one interview was conducted in person, this since it is argued that face to face interviews have the advantage that comprehensive data can be collected (Collis & Hussey, 2013). The interview that was not conducted in person was held online via Skype, due to the availability ofthe interviewee.

Interviewee	Role	Type	Date	Length
B1	Chief Marketing Officer	Online	2019-03-19	60 min
C1	VP of User Acquisition	In person	2019-03-21	60 min
C2	Chief Executive Officer	In person	2019-03-22	60 min
B2	Director of Growth	In person	2019-03-22	60 min

Figure 3.3: Interview Schedule

Before each of the interviews the interviewee was provided with information about what topics that would be covered during the interview, this in a consistent manner so that all interviewees were given the same preconditions. In order to increase the reliability of the empirical data all the interviews were, with consent from the interviewees, recorded and transcribed. All the interviewees were also offered confidentiality since it encourages the interviewee to greater freedom of expression and open responses which might lead to more frank answers (Collis & Hussey, 2013).

3.3.4   Analysis

When analyzing the gathered empirical data a thematic approach was used, a commonly applied approach when dealing with qualitative data (Bryman, 2012). In a thematic approach the empirical data is sorted and categorized into different themes, the research questions are then answered based on findings from these categories (Blomkvist & Hallin, 2014). The themes should be identified through findings from the literature review and the gathered data, relate to the research focus and provide a basis for theoretical UN- distending (Bryman, 2012; Blomkvist & Hallin, 2014). In this study the themes were chosen mainly from identification in the literature review, however, these themes were also discovered in the unstructured interviews held with thecommissioner company dur- ing the pre study phase. Evaluation, segmentation, targeting, positioning and execution were identified as the themes of this study. These themes were also used as a structural framework when presenting the empirical findings.

In order to increase the quality of the analysis, triangulation was applied. The triangelation was achieved by combining multiple data sources being both empirical data gathered through interviews but also data collected from literature (Collis &Hussey, 2013; Bryman, 2012). By conducting triangulation the level of bias can bedecreased so that the quality of the study increases (Collis & Hussey, 2013; Yin, 2012). In addition to the thematic approach and triangulation a comparative framework was applied, this is presented below.

Comparative Framework

The analysis was set up using a comparative framework, which is presented in Figure 3.4. This framework enables both within-group and cross-sectional analysis. The within- group analysis was conducted firstly since the aim of conducting within analysis is to get familiar with the empirical data in a more detached setting. This in order to postpone the generalizing pattern search until the stand alone pattern of each within pattern have emerged (Eisenhardt, 1989). The within-group analysis was conducted within the B2C segment and within the B2B segment. These within-group comparison analysis are represented by the green arrows in Figure 3.4. The first within comparison was between company C1 and company C2, both selling to customers being consumers. The second within comparison was between company B1 and company B2, both selling to business customers. The cross-sectional analysis gets fueled following from the completion of the within-group since it leads to a high level of familiarity of the data (Eisenhardt, 1989). The cross-sectional analysis was conducted by comparing the companies within the B2C segment with the companies within the B2B segment. This is represented by the yellow arrow in Figure 3.4.
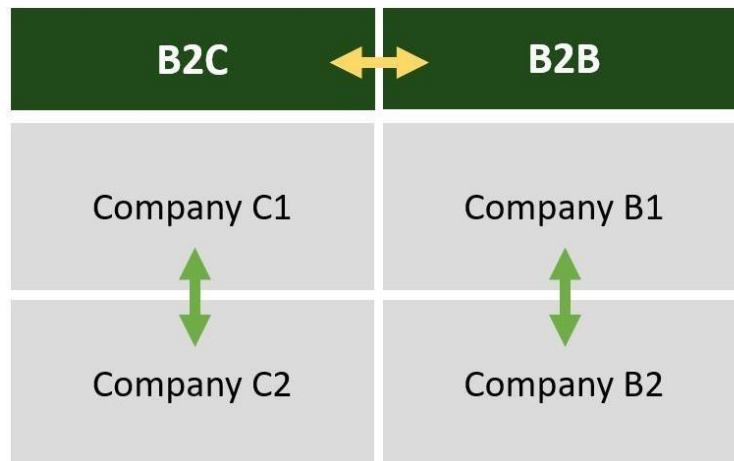
Figure 3.4: The Comparative Framework

It has been argued by Eisenhardt (1989) that a danger of premature or false conclusions exist following from information processing biases by the investigator when conducting cross-sectional analysis. The thematic approach applied in the study is however argued to help the researchers to avoid this since it helps the researchers to look at the empirical data from many angles and conduct a rigorous analysis of the differences and similarities between the sectors (Eisenhardt, 1989).

3.4   Validity and Reliability

The quality of research is highly intertwined with the concept of validity and reliability (Blomkvist & Hallin, 2014; Yin, 2009). Validity refers to the extent to which the findings of the research reflect and demonstrate the studied phenomena (Collis & Hussey, 2013). In other words, validity is about ensuring that the right thing is studied (Blomkvist & Hallin, 2014). Validity can be divided into construct, external and internal (Yin, 2009; Gibber et al., 2008). Reliability, on the other hand, is about conducting the study in the right way since it refers to absence of differences in the results if the study was to be replicated (Collis & Hussey, 2013; Blomkvist & Hallin, 2014).

3.4.1   Construct Validity

Construct validity refers to the quality of the conceptualization and refers to the extent to which a study investigates what it claims to investigate (Gibber et al., 2008). High construct validity is achieved by using multiple sources of evidence and establishing a chain of evidence (Yin, 2009). In this study data triangulation have been applied

To increase the construct validity, using both primary and secondary data. Detailed information is also provided about the research process in order to provide a transparent chain leading up to the findings. It could however be argued that semi structured interviews have potential to give rise to imperfections in the construct validity, since it gives flexibility to what is investigated during the interview. To avoid deviation from the subject under investigation in the interviews, some precautions were taken. The purpose and interest of the research was always in mind both when creating the questions and during the interviews. Furthermore, the questions were created with the aim to be as objective and non-leading as possible and were followed by clarifying questions in order to make sure that the interviewees would answer and contribute to the research aim. Additionally, the research guide and all the interview questions were tested out with a trial company before conducting the interviews. This enabled for adjustments before conducting the real interviews, so that a higher construct validity would be achieved.

3.4.2 External Validity

External validity is often called generalizability and refers to whether findings are gener- amiable beyond the immediate context of the case study (Bryman, 2012; Yin, 2009). The external validity of case studies is widely discussed and questioned, especially for single case studies (Bryman, 2012). A case study can never result in statistical generalize- tion, instead case studies only allows for analytical generalization (Gibber et al., 2008; Yin, 2009; Blomkvist & Hallin, 2014). By conducting a multiple case study the level of analytical generalization is argued to increase, especially if cross analysis is applied (Eisenhardt, 1989). Following from this, the study's research method being a multiple case study and the analysis structure consisting of a comparative framework including cross-sectional analysis, this study is well suited to establish external validity and ana- lyrical generalization. However, it has been argued that generalization must be tested by replication in other cases or context (Yin, 2009), this was not conducted in the study due to time constraints. The generalization accuracy can therefore be somewhat questioned, this will however be further examined in the conclusion section of the study.

3.4.3 Internal Validity

Internal validity, also called logical validity, refers to the plausibility of the causal rela- tionships between variables and results (Gibber et al., 2008). Since the study is classified as exploratory and descriptive the internal validity is argued to not apply since no causal- ity is studied (Yin, 2009). The study have anyhow tried to increase the logical reasoning for findings, even though they are not explaining causal relationships. This was done by applying triangulation of the data, since this is argued to enhance the internal validity of the study (Gibber et al., 2008).

3.4.4 Reliability

The objective of reliability is to minimize errors and biases in the research (Yin, 2009). Transparency and replication are seen as keys to attain reliability (Gibber et al., 2008). Qualitative studies are however by nature hard to replicate following from the ever change- ing social context and the existence of a subjective relationship between the interviewer and the interviewees. Some actions were taken in order to increase the reliability by making the study easy to replicate. Firstly, a detailed description has been provided of the method so that another researcher should be able to replicate the study. Secondly, an interview guide as well as an analysis framework was constructed which can be reused. Lastly, a case study database with all the documentation was put together so that all the material can be revisited. Bias minimizing activities were also conducted in order for the research to not be affected by bias from the researchers and the interviewees. When conducting a qualitative study, results can be biased due to the researcher's own inter- predation of the result. To avoid this a unitary interpretation was always established by the researchers so that personal bias would be minimized and reliability would increase(Blomkvist & Hallin, 2014). All of the interviews were also recorded and transcribed in order to capture all of the answers by the interviewees to avoid applying a subjective angle to the answers afterward, enhancing reliability in the study. Conducting quali- tative data collection entails the risk of misunderstandingsand dishonesty. In order to deal with this issue, the interviewees were asked to elaborate by answering follow up questions which increases the reliability of the collected data.

1. Establishing long term agreements with vendors on delivery and price.
2. Purchasing from a smaller number of vendors than in traditional systems.
3. Certifying vendors on quality, price and schedule attainment.
4. Increasing the frequency and reducing the size of deliveries from vendors.
5. Requiring that deliveries are made to the factory floor in shop ready containers.
6. Reducing inspection of incoming materials.
7. Emphasizing zero raw materials inventory.
8. Eliminating the warehouse space for raw materials.

Focused Factories

The term focused factories refers to small specialized manufacturing plants that are dedicated to the production of a small number of products. This idea applies mainly to repetitive manufacturing, but companies that produce products or services to customer specifications can also become more focused by concentrating on certain types of jobs.

Cellular Manufacturing

Cellular manufacturing refers to the practice of organizing a factory into manufacturing cells that are dedicated to the production of a single product, or a few similar products. A manufacturing cell is frequently referred to as a factory within a factory because all of the resources needed to produce the product are located within the cell. For example, instead of having many products moving through several departments such as cutting, grinding, heating, assembly and packing as in Figure 8-10, the factory is organized into separate cells for each product that include each type of machinery as illustrated in Figure 8-11. Placing the various machines close together reduces the need for inventory buffers and materials handling. The cellular arrangement also requires fewer machine operators since a single cross trained worker can operate several machines. Notice that most of the supervisors, workers, inventory and forklift trucks that appear in Figure 8-10 are not included in Figure 8-11.

CHAPTER 4
DATA INTERPRETATION AND ANALYSIS

This section presents the findings from the empirical data collection. The section com- mence with a review of the B2C case companies separately followed by a within-group analysis in the B2C segment. Thereafter, separate reviews of the B2B case companies are provided followed by a within-group analysis in the B2B segment. The section then turns to the cross sectional analysis between B2C and B2B.

4.1 B2C

The two B2C case companies C1 and C2 are shortly introduced in this section and the findings from the interviews are presented for the companies separately. This is then followed by a within analysis of the B2C segment.

4.1.1 Company C1

Company C1 is the first one of the two B2C case companies. Company C1 provide a health and wellness tracking service which is accessible for the customerthrough a mobile application and online. The software service exist both as a freemium version and a paying version with a subscription fee, both helps the customer to stay healthy in life. Company C1's goal with their Operations process is to increase their revenues by finding and converting customers. All the information presented about company C1 and their Operations process has been collected through an interview with the vice president of user acquisition.

Evaluation

Company C1 does not use any declared framework when conducting their market anal- ysis. However, before entering new markets the product fit is examined and analyzed, especially whether the functionality works well in that market and if the behavioral

Characteristics of the potential customers in that market is a good fit with what they offer. Following from that the market which company C1 is operating in have been expel- reining and are experiencing increased competition company C1 is putting more effort into doing analysis of the market and especially analyzing the competitors activities. This analysis is mainly conducted by utilizing third party systems which provides data insights about the competitor, for instance what kind of search terms they have bought. In addition, company C1 utilizes data from their own database of existing customers to get an understanding of their current customers. They are analyzing the data in order to find common characteristics that they then can use when deciding on who to target.

The interviewee also highlights that they are using a mentality of learning by testing. This applies to all of their Operations activities but especially in the marketanalysis activities. This since it creates a dynamic where they, instead of spending time and money on analysis by conducting research activities, directly try it outin the market and is therefore conducting the analysis in a live setting in the market.From the testing results they take decisions of how to proceed. This is explained bythe interviewee as performance driven Operations where decisions primarily are based on previous perfor- mince.

Segmentation

According to the interviewee company C1 does not work with pre segmentation of the market. Instead they start of by trying to reach out to a wide spectra of potential customers. As time passes by they understand, from reaching wide, what type of cus- timers they are likely to satisfy with their offering and therefore are likely to convert to their service. This understanding is then utilized going forward, since it gives insight into what characteristics to aim for in order to have a high likelihood of finding cus- timers. Some common characteristics that company C1 is looking at are the descriptive characteristics: age, gender, geographic and interests.

The segmentation conducted by company C1 is therefore based on real data collected by the company while reaching out to potential customers through marketing. This is sim- ilar to the market analysis mentality of learning by testing, which was described above, since they are identifying the segments by testing and going live with their offering.

Targeting

Company C1 is using the knowledge obtained regarding customer characteristics from the segmentation activities when conducting targeting. They are trying to target people that are similar to the customers they have which already have converted to their software service, especially the customers that are using the pay version of the service.

The Operations content is to some extent customized differently towards different target groups. This customization is for instance done by providing different messages to potential customers based on their believed needs and goals, this is however not done to any wide extent at company C1 due to lacking resources in the Operations team. The channel Operations content and the channel optimization is handled detached for each channel, even though the content is attempted to be aligned as much as possible. In addition, company C1 is using automated testing of ads in order to decide on what content is the best for targeting potential customers. This is done by creating different options of an ad and then taking the decision of which one to use going forward based on which ad gets the best response from people during a test run.

The channels that company C1 are using are solely digital. By having their service online as a mobile application, they always want to be able to link their ads directly to an application download store, such as App Store and Google Play. Therefore they have never done any physical ads and have no plan on doing it according to the interviewee. They simply do not believe in non- digital channels to perform well for their service. The channels that company C1 is using for their Operations are search engines (Google, Bing, Yahoo), social media advertising platforms (Facebook, Interest, YouTube), apple- action download stores (Google Play, App Store) and influencer platforms (Integra, YouTube). They are, however, continuously testing new channels and based on perfor- mince deciding which of them to continue using.

Positioning

Company C1 does not have any defined brand strategy, however they work with creating alignment. They strive for alignment in all of the markets that they operate in and throughout all of the different channels that they are targeting potential customers through.

Execution

Measuring of the performance is seen as a key in the Operations team at company C1, decisions are taken based on testing and evaluation of the tests. Multiple metrics are observed and used at company C1. Impressions, clicks and conversions are monitored and evaluated for all campaigns on channel, country and date granularity. The most important metric at company C1 in order to measure the execution of the Operations is considered to be the ROI. Following from that growth is seen as highly prioritized at company C1 a ROI of zero or above is considered as a good ROI.

Other important metrics that are observed at company C1 are life time value of customer (LTV) and customer acquisition cost (CAC). The ratio of LTV relative to the CAC is tracked and reported monthly to the management team and is used as a basis for decision making. A model is used to calculates an estimation

of the expected value of

A customer based on characteristics such as country, platform, churn-rate and type of subscription. Company C1 also measures customer metrics like customer experiences which is measured based on ratings and reviews in the application download stores but also from weekly reports conducted by the customer support team.

The Operations teams' productivity at company C1 is measured against the common goals of the team. This since company C1 believes that measuring productivity on individual level would inhibit the work of the team as a whole since the team members have responsibilities for different channels with different degrees of difficulty. Company C1 instead wants to encourage team spirit and a mentality of everyone helping each other out.

At company C1 the overall view of the Operations contribution is positive and a consent- sus is perceived to exist among the management team. The senior management have an understanding of what the Operations team does and has the belief that Operations is vital for the company. The interviewee, however, points out that both the chief execu- tive officer and the chief financial officer have previous experience from startups which is perceived to increase their understanding of Operations and its importance. There- fore the management team are keen about the Operations team and supports all the activities that are conducted. As long as the Operations team performance well they get the resources they need. However, a request for more budget means that results are expected.

4.1.2 Company C2

The second B2C case company is company C2. Company C2 provides a medical techno- ogy software service which together with its connected hardware help consumers to track their well-being based on years of research and development. The service is provided as a monthly subscription and is accessible to the customersas a mobile application as well as a computer version through company C2's website. The initial goal with the Operations process at company C2 was to create brand awareness, today they instead focus more on conducting activities that leads to conversion. The information that will be presented about company C2 is based on an interview with the co-founder and chief executive officer at company C2.

Evaluation

When evaluating the market, pre-launch, company C2 did not use any proclaimed frame- work to conduct the analysis according to the interviewee. They did, however, put a lot of effort on information gathering in order to quantifying the market and to increase the understanding of what could be potential key selling points and differentiators for company C2.

To build an initial understanding of the market company C2 put a lot of effort into collecting relevant information and data without any external help. Data was gathered from publicly available sources online and from multiple interviews conducted with potential customers and other important players in the medical technological industry. With the gathered information they mapped out the size of the market, this to create understanding regarding how big of a market shares they would be able to address. They also analyzed where the demand and potential customers could be found. To map out potential threats an analysis of the key players on the market was conducted by examination of annual reports and other available data online. Company C2 conducted this profound analysis both to convince themselves and other stakeholders that a demand and interest existed within the market, this especially since they were the first company providing this type of service offering in the market.

Segmentation

Together with external help from an industry design firm, company C2 carefully ana- lyzed, segmented and mapped out their customers before launch. Critical characteristics, solvency and needs of potential customers was investigated based on a mix of descriptive and non-descriptive data. The final output of the customer analysis and segmentation activities was creation of four customer personas, which was seen as the key customers that company C2 should target.

Targeting

The customer characteristics for the customer personas, identified in the segmentation activities, were used in the process of designing and setting up the offered service and product. The website and the interface were also customized in a way that would satisfy all of their four customer personas. The message that potential customers to company C2 are targeted with was also chosen with basis in the outcome from the segmentation and the belief of who the readers are. No customization have, however, been used in order to specify the message in order to target the different customer personas separately. The Operations by company C2 has always been created to attract and fit to all of the personas simultaneously.

Channels for the Operations at company C2 were chosen with regards to the customer personas characteristics. Due to the identified age range of the potential customers for company C2 they started off with Operations through printed ads in newspapers. This since a belief existed about that the potential customer would be reachable in this channel. Due to being in the medical technology market, achieving credibility was identified as a key to convince customers. Operations through newspapers was also chosen in order to mediate credibility to the potential customers. To ensure that the content was of high qualitative and well-suited company C2 tested the ads in focus groups

With the help of psychologists to understand if the message worked well or needed to be modified. Later on company C2 started reaching out to their potential customers with the help of digital media and realized that digital ads gave better attraction compared to the printed ads. Therefore, today the majority of their Operations consist of digital Operations through Facebook, Integra and Google Ads. The interviewee also argued that working with digital Operations is more appreciated and easier to work with as it allows them to improve their content and better understand their potential customers. During the past years they have also started working with influencers that are seen as relevant to their customer personas. LinkedIn has also been used as a channel by company C2, but mainly to create brand awareness and to mediate credibility. This since LinkedIn is mainly used by company C2 in order to spread awareness of recognition in for example award competitions.

The Operations channels and activities company C2 puts resources into is however a decision based on what works the best and attracts most potential customers. Company C2 are trying to apply a methodology of trial and error even though this is argued by the interviewee to implicate a risk of spending money and resources on the wrong activities.

Positioning

According to the interviewee the medical technology industry is not centered on the individual. Company C2 is trying to change this dynamic and is therefore positioning themselves as a provider of a credible and digital medical service that is centered on the customer and that is easy to access. Company C2 is trying to keep the brand image as consistent as possible. Therefore they have a branding manual as guidance in order to make sure that all of their work and content out to customers are consistent and aligned in all channels.

Execution

The evaluation of the Operations activities are followed up on a monthly basis at company C2, with a granularity of campaign level. The evaluation mainly consist of a quantitative analysis of the non-financial metrics impressions, clicks and conversion. These metrics are seen as the most critical to track at company C2.

The financial metric ROI is also seen as an essential metric that is tracked every month to evaluate what was invested in relation to what was gained from the marketing. Company C2 considers five or above as a good ROI value. This since a ROI of five makes them reach alright margins. This is an affect from company C2 having high research and development costs due to operating in a complex and research heavy industry. Company C2 also has high production cost since they in addition to the service also provide a hardware.

When company C2 was using physical channels such as newspapers, the evaluation was a bit harder following from that the tracking was not as detailed as for the online channels. Company C2 received analysis from the newspapers regarding impression statistics and analyzed the website traffic changes as the campaigns went live. Taking the decision to move into digital channels was, however, an effect fromthe impression that printed ads just lead to high costs and low conversion even though the traffic on the website increased.

The decision process of what Operations activities to put resources into at company C2, is described as a trial and error process where the metrics are used as a foundation for the decisions. The interviewee argued that a more structured process is hard to achieve in Operations and might even become inhibitory, this since according to the interviewee you do not know for sure what works in Operations before you try it out.

The customer metrics customer satisfaction and net promoter score are measured by company C2 with customer surveys, however no evaluation of brand awareness is con- ducted at company C2. The team productivity is measured on a high level by evaluating if the set up Operations activity plan is fulfilled or not. So the productivity is seen as good if the goals in the plan were achieved during the month. Even if company C2 is not investing a lot of money into their Operations activities, a lot of time and effort is put into the marketing. As being a relatively new brand on the market, the whole management team according to the interviewee shares the overall view that the contribution of the Operations is very important in order to create awareness and achieve success.

4.1.3 Within B2C Analysis

The two companies examined in this study within the B2C segment operates in differend industries and aims to reach different types of customers. Company C2 operates in the medical technology industry while company C1 operates in the health and wellness industry. Company C2 offers a software service and hardware that is moreresearch and development heavy, since multiple years have been dedicated to this, compared to compay C1. The basic dynamic and conditions therefore vary for the two companies and this affects the Operations process. Anyhow some common denominator can be identified which are similar for both of the B2C companies, especially in the mindset of how to evaluate the Operations activities. The overall structure of what activities are included in the Operations process and the aim of these are similar since both clearly use evaluate- tion, segmentation, targeting, positioning and execution. The applied methodology and mindset in the Operations activities do however differ for the companies.

In the Operations goals for the B2C Company's similarities could be identified. The final aim of the Operations today is the same in both company C1 and C2. Increasing revenue is the goal for company C1 while company C2 have the goal of converting prospects into paying customers. The end goal is basically the same since more conversion for company C2 leads to same end result, an increased revenue.it

is

Differs between the two companies. Company C1 has always had this as their final goal whilst company C2 initially focused on creating brand awareness.

Evaluation within B2C

When conducting the evaluation and market analysis none of the B2C companies use de- cleared frameworks. Both of the interviewees in the B2C segment expressed that frame- works have been seen as inspirational sources, but clearly states that no framework have been used in a theoretical manner. They never fill out existing frameworks and use these as a basis for decision making.

It is clear that the market analysis and sources of data largely differs between company C1 and company C2. While company C2 spend a lot of time and effort in trying to map out and understand the market and potential customers in order to increase their confidence in the decision making, company C1 use a muchmore iterative and fast moving approach in the market analysis. Company C1's iterative learning by testing approach makes them spend little time and effort on preanalysis and instead conduct analysis and take decisions based on live tests. Both do, however, have in common that they conduct competitive analysis since they tryto understand what competitors are doing in the market place.

Following from the differences in the market analysis mentality, confidence seeking verses testing, the sources used to collect the data also differs for company C1 and company C2. Company C1 is conducting the analysis based on continuously collected data from live tests, while company C2 spend a lot of time on data gathering through data search and interviews.

Segmentation within B2C

Both of the companies segment their customers, but to different extent and with differ- end methods. Company C2 invest more into analyzing and researching their customer segments on beforehand, which is clearly notable by the fact that they hired external resources from an industry design firm and psychologists to get an as accurate mapping of their customers as possible when creating the customer personas. These customer personas have then been used as visualization of the segments that they sell to. On the other hand, company C1 has a much less sophisticated pre-segmentation process. They instead aim to go live with their offering to a wide spectra of people in the beginning and by doing this they collect data on where and what customers their offering works well with. Company C1 then do segmentation based on the collected data from the wide live test results andaim for the people that their offering seems to satisfy.

Targeting within B2C

Targeted Operations is used by both company C1 and company C2. Both companies are trying to understand who the reader is and how to fit the message sothat it satisfy the reader. Company C2 however, similar to the mentality of Operations analysis, tries to seek for validity and confidence in if they are giving the right messaging before implementing it, this by using interviews to ensure the effectiveness of the mediated message. Company C1 instead uses the testing mentality where ads with different messages are tested in a live setting to understand what works well.

The targeting activities also differ for the companies in the width that they are aiming for. Company C2 is only creating one single message for all of their customer personas, which is expected to fit for all of them. This while company C1 is trying to customize the message to the reader since different messages are created for people with different health goals and interests, this is however done to a low extent due to lacking resources.

When targeting customers through channels both companies are similar today since they both are using digital channels, this has however not always been the case for company C2. Company C1 uses different digital channels to target different customer segments and have solely used digital media since it is perceived to be most beneficial for them. Although company C2 started off with non-digital channel they later realized that using digital channels not only was more cost beneficial but also lead to better conversions. Today the channels that are used are similar for company C1 and C2, however company C1 have a mentality of testing out a lot of new channelsand therefore always try to stay informed and test out the new channels that are emerging.

Positioning within B2C

Similarities can be identified in the alignment attempt that both company C1 and com- pay C2 are striving for, where company C2 is more structured in this attempt due to the produced brand manual.

Differences in industries and offerings for the two B2C companies do result in different customer dynamics and expectations. Company C2 feels the need to position themselves as a very trustworthy and credible company compared to company C1 which have a lower conversion barrier for their customers. The offering of an application from company C1 makes it easy for a potential customer to convert, whilst for company C2 this is more complex due to the need of the hardware in addition to the software service.

Execution within B2C

Monitoring and measuring of the performance in the Operations activities is seen as an essential part of the process at both of the studied companies. Both company C1 and C2 evaluates the financial metric ROI. However, they share different opinions on what is considered to be a good ROI value. Company C2 having to cover for their cost of goods sold have higher demands on the gain from the Operations activities which results in an aim for a higher ROI. The companies have a shared view on the metrics impression, clicks and conversion, which are seen as important to follow up in order to evaluate performance and take informed Operations decisions. Company C1 do however, in addition to the already mentioned metrics, measure LTV and CAC. These metrics are not used by company C2. The monitoring of metrics is more continuous at company C1 since this is done on a day to day level while at company C2 the monitoring is monthly based. In the execution phase of the Operations process the learn by testing mentality, that has been identified at company C1 throughout the whole Operations process, also was identified at company C2 applying a trial and error process and experimental mindset.

The customer metrics at company C1 and C2 differs in the method used to collect them as well as what is measured. Company C1 measures customer experience and evaluates this based on the rating in application download stores and from the customer support team updates. In company C2 more active actions are taken to collect data regarding customer satisfaction and net promoter score since this is collected through surveys sent to customers.

Similarities could be identified in the Operations team productivity and the consensus about marketing's value. The measuring and monitoring of the Operations team product- trinity is similar in that the measuring is done on team level, at company C1 by setting team goals and at company C2 by checking if the Operations activity plan is satisfied. Consensus is perceived to exist regarding the value contribution of Operations at both company C1 and C2, both overall and in the management team.

4.2 B2B

The findings from the interviews with two B2B case companies B1 and B2 are presented in this section, the findings are provided for the companies separately. This is then followed by a within analysis of the B2B segment.

4.2.1 Company B1

The first B2B case company is company B1. They provide a subscription based price- ing software service to other businesses, mainly within manufacturing, retail and e- commerce. The goal with their Operations process is to get the right type of leads that will convert into paying customers. All the information about company B1 has been collected through an interview with the chief Operations officer at the company who also is the co-founder of the company.

Evaluation

Company B1 have not performed any practical analysis of the market and do therefore not use any proclaimed frameworks. According to the interviewee the founders of the company, having years of experience within this field, already had profound knowledge of what competitors existed within the market and what their strengths and weaknesses were before founding the company. Based on their insights they had identified a gap on the market which they wanted to fill.

Company B1 has always been very customer driven, even before starting the company they had their first business customer. Market analysis has therefore been down priori- tied. The identified need of a solution to a problem in the market navigated them since day one. The only analysis they did before starting the business was a top-down market size estimation. This in order to get an estimation of their addressable market share. The data used was collected from search engines and public consultancy reports.

Segmentation

Segmentation activities have been used by company B1 in order to identify what com- panies to target. Due to the founders of company B1 having profound knowledge about the market, they already had good understanding of their believed potential customers and what company characteristics would be the optimal for the customers of their soft- ware service. Therefore little time was spent on actually identifying the characteristics, instead company B1 directly started to search for the companies that satisfied the char- acteristics that was considered as important in order for their offering to be a great fit.

Company B1 believed their service to be optimal for companies of a certain size, in some specific industries and with a revenue above some minimum value. This was and is still considered important at company B1 since it gives them a unique selling point as well as assurance of that the customer company potentially have thebudget to buy their service. Therefore company B1 apply segmentation of the companies that might be in need of a pricing software based on descriptive characteristics such as industry, size and revenue. Furthermore, company B1 also maps out who to reach out for within the company based on the role.

Targeting

Company B1 is trying to target their potential customer by being available in all channels where their potential customers could exist. Initially company B1 had an experimental mindset with the channels, trying out multiple different channels to see what was working out best for them. Today customers are mainly targeted through the digital channels Google Ads and LinkedIn. A lot of effort was put on acquiring keywords that potential customers are believed to use when searching for a pricing software. These keywords was generated based on the founders own experience within the market as well as some research about search volumes and competition. LinkedIn is used by company B1 in order to achieve more specific targeting as it allows for targeted Operations through application of characteristics filters, making it possible to filter potential customers based on role, skills and company size. In addition to the digital channels, Google Ads and LinkedIn, company B1 also provide an e-book which is accessible through landing pages and the company website. The e-book is available in order to capture potential customer leads that are interested in the offering provided by company B1.

Some of the channels that were used initially, when company B1 applied the expert-mental mindset, have been considered non successful or not in line with their desire communication plan. Company B1 tried to use Facebook as a channel but decided to quit using it since it did not give the desired results. Other targeting channels used by company B1 have been cold calling and emailing. However, they stopped with emails partly because of general data protection regulation (GDPR) but also because they real- sized that it was not always appreciated by the prospects, this also applies to cold calling. The interviewee argues that even if these channels workto some extent, since they do create leads, it is not the best way to target potential customers through.

Freemium subscription have been used as an offering by company B1, however it was considered expensive for company B1 since it required a lot of resources and did not result in enough conversion into the paying superscription model. Therefore the freemium subscription model was removed.

Another source of targeting applied by company B1, in order to reach potential cus-timers, have been participation in industry specific conferences. This to be exposed to companies that could be looking for a pricing service software. Anyhow a mismatch

Was experienced due to that the participating companies at these conferences had the wrong characteristics and therefore were not good fits to be potential customers for company B1. Company B1 therefore have switched to focus more on smaller confer- fences and partnerships where more well suited potential customers are perceived to be found.

Positioning

Company B1 aims to position their pricing software service as a modern and flexible solution, making it unique on the market. They have focused on differentiating them- selves from more traditional and old fashioned system by building a customer centered interface that is modern and easy to use. By offering different pricing software modules that is easily adapted by customers' needs and pricing strategy they can offer flexibility that was hard to find in the market. Therefore their positioning is mainly mediated through their software interface and service functionalities.

Company B1 is also trying to position themselves as trustworthy, this is mediated by sharing the founders earlier experience in the market. The offering that they provide is an outcome of an identified need from the founders. In addition, company B1 is also trying to keep the branding as consistent as possible. They therefore use the same content and campaigns in all channels, this in order to aligntheir brand promises and positioning.

Execution

The execution of company B1's inbound Operations activities is measured continuously on a weekly basis. The metrics that are used are the number of visitors, qualified leads and conversions. These metrics are measured and evaluated at campaign level, so that company B1 can track how well the Operations activities perform. No other non-financial or customer metric is measured and no specific measure is used in order to evaluate the productivity within the Operations team. Every month company B1 follows up the performanceof the different channels used by tracking how many people came from respective channel and how many of these were qualified leads. This evaluation is then used as a basis for what Operations channels to focus on going forward. Company B1 also calculates a ROI based on how much was invested in a channel and an estimation of how long a customer will stay and what return that will generate. The ROI metric is considered to be good if company B1 reach a value of zero or above. As long as the return covers the investment, the performance is considered sufficient at company B1. Based on this measure they can evaluate howmuch a channel is worth and which channels works best for them.

Consensus is considered to exist at company B1 and is seen as essential according to the interviewee. The consensus is achieved through close and continuous communication

About the Operations activities within the company. At company B1 they think it is important that the Operations team works closely to the sales team in order to achieve the consensus. This since the teams are closely related and they therefore need to work together in order to avoid discrepancy. The management team try to contribute to the consensus by frequently discussing the Operations activities and its contribution and mediate this to the whole company.

4.2.2 Company B2

Company B2 is the second B2B case company. They provide an educational subscription service to schools that is used by both teachers and students. The users are given access to the service through accounts. The main goal of the Operations process for company B2 is to go from outbound towards more inbound marketing, it is however clear that company B2 also emphasizes revenue growth as well. The information provided about company B2 was collected through an interview with the co-founding partner and director of growth at the company.

Evaluation

Company B2 do not use any declared framework for their market analysis. This is a consequence from the founders having a high level of knowledge of the market, from multiple years of experience in the educational industry, as well as the applied customer driven approach at company B1. The customer centralized approach was an effect from having the first customer before launching the company. The first customer even was the reason for company B2 to enter their first educational market, a markets that they still are operating within today, even though company B2 today has expanded to new market segments within the educational industry as well. Following from the high level of knowledge and the customer driven approach hardly no market analysis was conducted initially, however, later on more and more detailed analysis has been pursued.

When expanding to new educational markets, further from the first educational mar-kept that was entered due to company B2's first customer's preferences, market analysis has been used as a basis for the expansion decisions. Company B2 then looks at how well different market segments within the educational industry perform on twenty key performance indicators (KPIs) that are seen as essential for company B2's success in that market and has an impact on the believed addressable market share. The KPIs are chosen based on months of research conducted by company B2's market analyst and has then been approved by a selected group of the senior management at company B2. These KPIs are also used as a basis for company B2's geographic market expansion de- casinos. When the markets with highest success potential have been identified through the quantitative KPIs data analysis a qualitative analysis approach is applied where company B2 speaks with stakeholders and decision makers to get deeper insight into the quantitatively identified markets.

The market analysis method applied by company B2 is not based on any framework, it is however inspired from success and failures of other companies andexperience of the founders. The availability of data varies for different markets. Some markets have all the needed data available for public use, which allows for informed decisions. Other markets requires more work in order to take informed decisions based on data. The market analysis is continuously conducted at company B2 in order to always know what market should be the next to enter.

Segmentation

Segmentation has been used by company B2 as a method for deciding which schools to target and how to prioritize them. The segmentation is done on an institutional level and barely any effort is put into segmentation of the actual decision makers at the schools. The interviewee argues that this is an effect from that as long as company B2 targets the right school the decision makers will be easy to convince. The institutional segmentation characteristics that are used by company B2 are mostly descriptive, this includes geographic location, educational system, size and state or pry- vote owned which affect the decision mandate and budget. Behavioral wise company B2 also tries to evaluate the tech availability and maturity at the potential institutions since this affects the suitability of their offering.

Targeting

The messaging sent out by company B2 is customized to the characteristics of the school, especially dependent on the geographic location, size and educational system which was identified during the segmentation. The targeting is also customized based on the timing since different educational systems have different calendars and therefore different events that occur during the year.
So far, following from a high emphasis put into outbound marketing, emailing and calling are the most common channels used by company B2. Company B2 have not conducted any paid online Operations yet, this follows from that inbound Operations has not been of priority. This focus is currently shifting and company B2 is moving more and more to inbound Operations channels, in addition to the outbound, due to their Operations goal of increasing the sales created from inbound marketing. Following from this, website and email campaigns are set up in order to increase the amount of inbound. In addition, partnerships and conference participation are key targeting channels used by company B2. Partnerships are created both with educational associations and with other companies that have a penetration on the educational market and are willing to participate in partner-sales. Conferences are used to increase the awareness about the company as well as to find new leads.

In order to capture the right leads and filter out schools that are not genuinely interested in the offering of company B2 they provide an opt-out period for all new customers. The customer pay for the period and needs to actively contact companyB2 if they want to stop using the service after this opt-out period. The interviewee argues that by using this opt-out period model company B2 can increases the amount of qualified lead and avoid spending resources on leads that are not likelyto convert.

Positioning

Company B2 is trying to position themselves as a modernizer of an old non-changing market by providing a full service offer that should be used as a default service by schools. The branding is divided into two parts at company B2, strategic growth and brand building. Strategic growth is about company and employer branding, this is about being seen as an attractive employer and this is partly achieved by participating in startup competitions. This does however scarcely an effect on the sales have. Brand building on the other hand is about conducting Operations in order to increase awareness from potential customers. This is done by conducting campaigns and participate in conferences. By conducting brand building company B2 is trying to achieve legitimacy from potential customers.

Execution

Measuring the performance of the Operations activities is not prioritized at company B2, this is an effect from the so far low level of effort put into Operations other than outbound. The interviewee argues that the measuring is seen as up and coming at company B2 and will be developed further going forward since it is seen as essential for the future. Today the executed Operations is however ultimately measured by how much money it generates to the company and how much was spent in order to capture the customer, this is measured by the ratio between LTV and CAC. Other metrics that are followed up by company B2 are the generated leads, the opt-out period conversion and the subscription conversion. This is how many of the captured leads that are converted into firstly an opt-out period trial and then later on how many of these that convert to the subscription model. In addition, company B2 evaluate the customer satisfaction by measuring net promoter score. Since company B2 do not invest money in paid online Operations yet, ROI is not a prioritized measure at the company. Basically the only investments put into Operations today are the employee's salary and conference fees. Going forward, when implementing inbound marketing, the Operations will be seen as successful at company B2, no matter what metrics value it generates, as long as the overall goal of increasing sales created by inbound Operations is on track and the Operations budget assigned is not exceeded.

Productivity of the Operations team is measured in the amount of generated revenue at company B2, this since revenue generation is the metrics that is seen as the best visualization of performance according to the interviewee. All the revenue is backtracked in order to understand what Operations activities are the cause for the revenue stream in order to evaluate the Operations as detailed as possible to have basis for decision making going forward.

Consensus is tried to be achieved at company B2 by letting sales and Operations work as one team, this is perceived to create alignment and understanding. At company B2 the two teams are working closely together and are aiming for the same KPIs. Since company B2 have not focused on inbound Operations before, everyone outside the Operations team thinks that Operations could solve every existing problem according to the interviewee. It therefore exist high expectations on the soon to be implemented inbound Operations at company B2. The interviewee expresses concerns regarding that these expectations might be too high. Consensus is perceived to exist regarding the value creation from marketing, others not working with Operations does however seem to have very high hopes regarding the Operations activities. A need for calibration of the belief in Operations might be needed according to the interviewee.

4.2.3   Within B2B Analysis

The two B2B companies are operating in different industries and therefore are aiming to reach different business customers. This is clear since company B1 is operating in the pricing industry and companies in need of a pricing software are their customers while company B2 is operating in the educational industry with schools being their customers. The differences in industry and type of customer affects the marketing, anyhow the process is quite similar for the two B2B companies since both conduct some level of evaluation, segmentation, targeting, positioning and execution. It is however clear that when comparing the two B2B companies important similarities that have affected the Operations in these companies are the high level of knowledge about the market and the customer centralization. This follows from that the founders in both companies had multiple years of experience in the respective industry before founding the companies and therefore had a sophisticated understanding of the market since before. The customer centralization on the other hand was an effect from both companies having their first customer in an early stage, allowing the customers to be a part in the creation of the software offerings that the companies provide.

Differences can however be identified in the Operations goals that the companies have with their Operations process. Company B1 have a more developed inbound Operations and focuses on getting the right types of leads that will convert into paying customers whereas company B2's goal is to move from only using outbound Operations towards more inbound. However, both companies emphasis revenue growth and therefore have similar long term goals.

Evaluation within B2B

During the evaluation phase both of the companies within the B2B segment state that they did not use any declared framework. No initial sophisticated market analysis was conducted by any of the companies. Both the interviewees argues that the decision to skip initial market analysis was an effect from the founder's high level of insights and knowledge of the markets in combination with the already existing customers before launch. Therefore the offering instead was created for both companies together with their first customers in order to fit their needs.

The market analysis today differs in what activities are conducted by the B2B companies. Company B2 have created a sophisticated process for expansion market analysis before entering new customer segments and markets where they evaluate all potential markets and from this do prioritization and take decisions. This was not expressed to exist at company B1.

Segmentation within B2B

Both the B2B companies perform segmentation and they have the similarity that the segmentation is based on the founders experience in the market. The interviewees both expressed that with multiple years of experience within the market the founders had developed a deep understanding of what potential customers needed in the respective industry.

The two companies operates in different industries and therefore segments on different characteristics to obtain a successful targeting. Company B1 segments potential buyers based on characteristics like, industry, size and revenue where's company B2 uses segment- station as a method for deciding which schools to target based on geographic location, educational system, size and owner structure. Both of the companies maps out some characteristics as a basis for determining whether the potential customer company has a budget that is big enough for their product. More specific, company B1 maps out size and revenue and company B2 looks into size but also whether the school is private or state owned.

Targeting within B2B

Targeting is used by both of the B2B companies in order to reach the potential customer segments that are believed to be the right ones for respective company. The similarity between company B1 and B2 is that there is a clear shift and desire to go more towards inbound Operations for both of the companies. The reasoning behind why this shift is occurring does however differ somewhat since company B1, after applying an experiment- tall mindset trying out different channels, where potential customers could be exposed, decided to reduced their outbound Operations and go more towards inbound since it

Is believed to be more appreciated and efficient. Today company B1 is mainly using inbound Operations and have come much further with this compared to company B2. Company B2 on the other hand has not tried out different channels, instead they only have been using outbound Operations so far and therefore aims to move towards an in- crease inbound marketing. The outbound channels used by both companies are emailing and cold calling, however company B1 have stopped using these channels.

Participating at industry specific conferences and partnerships are Operations channels that both of the studied companies within the B2B segment are using. This is motivated by the interviewees by leading to new leads as well as increased awareness.

Both of the companies have in common that they have used different pricing strategies like freemium or opt-out periods for their services to capture more prospects. The offerings do however differ since company B1's offer was a test period for free while company B2's offer is a test period that the customer must pay for. Since the freemium offering by company B1 was not profitable they chose to stop offer it. Company B2 still offers their customer the opt-out period.

Positioning within B2B

Positioning at the two B2B companies are similar in that they are trying tohighlight the unique selling points that they offer to the market, even if the actual selling points varies since they are operating in different industries. A common denominator in the positioning is also that they both aim to achieve a position within the market that radiates their business as modern and trustworthy.

The branding strategy at the B2B companies differ since company B1 aims for alignment while company B2 have divided their branding strategy into two parts being strategic growth and brand building.

Execution within B2B

Due to the different Operations activities and channels used by the studied B2B com- panies differences can be identified in how the company's measure and monitor the performance of the marketing, both in terms of the metrics used but also the effort put into evaluating the execution. The varying metrics and effort is however an affect from the different levels of development and implementation of the measuring and monitoring of the performance. Company B1 is much more evolved than company B2 in terms of the implementation of inbound Operations and this highly affects the emphasis and ease of Operations performance evaluation. Company B1 today clearly puts more effort into monitoring the Operations performance compared to company B2 even though both the companies see measuring as something important. The different level of effort put into measuring is clear from that company

B1 continuously measure the performance of their Operations activities by monitoring the financial metrics ROI. This compared to company B2 that do not put much effort into tracking their Operations activities in terms of financial metrics. Company B2 have not invested in any paid online Operations and therefore, in contrast to company B1, do not measure ROI. Company B2 do however track the performance of the Operations activities they do perform such asparticipation in conferences, partnerships and other outbound activities by evaluating the LTV and CAC ratio, this measure is not used by company B1.

Another difference that was identified was that the productivity of the Operations team is not measured at company B1 but is measured at company B2 where itis based on the amount of generated revenue that can be backtracked to the Operations activities. Lastly, looking at resemblances, both of the companies states that consensus within the organization exist regarding the contribution of the Operations activities and states that this is an essential success factor. Both of the interviewees from the studied company's highlights the importance of a clear communication between the Operations team and the rest of the management teamsbut also that the Operations and sales team should work closely and strive towardsthe same goals.

4.3   Comparison Between B2B and B2C

In the cross sectional analysis a comparison is done between the B2C segment and the B2B segment. The four case companies are used to represent the two segments, with two companies in each segment. They are all operating in different industries and are aiming to reach different customers. Varying market dynamics and conditions therefore apply for the different companies, anyhow resemblance and dissimilarity can be identified over the sectional boarders between B2C and B2B. Both regarding what Operations activities are performed, what Operations mindset is applied and what methods are prioritized and used.

Similarities can be identified in the Operations goal formulation when crossing the sec- tional boarder between B2C and B2B. This since both of the B2C companies has the ultimate focus on increasing the revenue, which also applies for the B2B companies. Although, company B2 is to some extent different since they have a slightly different approach and focus as they in addition to the revenue is focusing on moving from almost solely outbound sales towards inbound sales.

Evaluation Comparison between B2B and B2C

When evaluating the market the four case companies, both in B2C and B2B, have in common that none of them apply any declared framework. The market analysis activities, on the other hand, differs between the B2B and the B2C segment. Looking at it from a cross sectional perspective it was found that the B2B companies had a high level of insights and knowledge about the market from earlier experience and therefore did not carry through sophisticated market analysisbefore entering the market with their offering. This should be compared to the B2Ccompanies where a lot of effort was put into understanding the market through analysis. Different approaches were therefore observed to be utilized by the two companies, one being confidence seeking while the other applied a testing mentality.

Due to the different level of preexisting knowledge and the different levels of ambition in the Operations analysis the data collection process also differs between the B2C and B2B segment. The B2B companies barley collect any data while B2C companies gather data in order to conduct the market analysis.

Segmentation Comparison between B2B and B2C

Cross sectional comparison of how the segmentation process is conducted in B2C and B2B results in the resemblance that both do conduct segmentation. Dissimilarities can though be identified in what is used as the basis for the segmentation. It is clear, when comparing the two segments, that B2B do not use data as the basis, instead the

Segmentation is based on knowledge gathered through experience in the market. In contrast to this the B2C segment does collect data and uses this as the basis for the segmentation.

In addition the segmentation differs between B2B and B2C in how the customers are classified. B2B companies focus on segmenting out the optimal business customers that fits well with their service, whilst the B2C companies often have several different heterogeneous customers that they want to identify and group through segmentation. Therefore the granularity of the segmentation can be perceived as more detailed in the B2C segment, but this is an affect from that the B2B segment believes they have knownedge regarding which customer is the right one for their offering and focus on reaching this business customer. The utilization and the objective of the segmentation therefore differs between B2B and B2C companies. The B2B segment uses the segmentation as a filter of the market while the B2C segment uses it as a source of knowledge about the customer in addition to the filtering.

Targeting Comparison between B2B and B2C

Both B2B and B2C companies have in common that they try to target their customers. The channels used in order to target the customers do however differ between the B2B segment and the B2C segment. Targeting conducted by the B2B companies is mainly done through outbound Operations and to some extent through conferences and partner- ships as this was considered to help these companies radiate a trustworthy and legitimate image. This makes the targeting by B2B companies more relationship driven compared to B2C where the companies consider digital channels to be an appreciated and effective way to reach out to prospects, mainly through channels like Facebook, Google Ads and YouTube. The B2B segment do however on a sector level aim for shifting more towards inbound marketing, which will lead to the channels being more similar to the once used by the B2C companies. This shift have been implemented further at company B1 in the B2B segment where inbound Operations already is put into practice, this is not the case for company B2 who still solely uses outbound channels.

One obvious trend identified in the B2C segment that was not seen at all in the B2B segment was the increased use of influencers or ambassadors in order to reach customers with specific characteristics that the people following the influencers and ambassadors are believed to have.

When comparing the pricing models used in order to target and capture prospect the four case companies varied in their offering providing paid, freemium and opt-out sub- scrimption. No clear trend could be identified regarding the subscription models used in neither the between nor the within analysis of the B2B segment and the B2C segment, the subscription offering was instead identified to be affected by the type of service and the costs related to the offering on a company level.

Positioning Comparison between B2B and B2C

Over the cross sectional boarder similarities could be identified in the aim and considered importance of brand alignment for companies both in the B2C segment and the B2B segment. The main difference between the B2C and B2B segment in the positioning was, on the other hand, the focus on credibility depending on if the customer is a business or consumer. Dealing with more complex customers, due to having businesses as customers, the companies within the B2B context have a larger focus on obtaining a position within the market that radiates legitimacy and trust. This in contrast to the B2C segment where the barriers for conversion are lower. The need for legitimacy and trust do however also dependent on what industry the company is operating within as well as what service they offer, it should therefore not be seen as solely an affect by the customer being either a business or a consumer.

Execution Comparison between B2B and B2C

The considered importance of measuring and monitoring the Operations is mutual across the B2C and the B2B segments. All companies have in common that they either are using ROI or the LTV and CAC ratio or a combination of both as metrics to evaluate the marketing.
Differences could however be identified in what other metrics where used as well as how evolved and sophisticated the evaluation of the Operations execution is at the different companies. The differences were however not considered to be on the segment level between B2C and B2B, instead differences were identified as being an affect from the different channels used by the companies and the effort putinto Operations at the com- pay level. All companies using inbound channels, being all companies except company B2, uses similar metrics in the monitoring of the marketing. In addition to using the ROI or the LTV and CAC ratio all companies using inbound channels have in common that they also measure the number of impressions, clicks and conversion. They do, in addition to using multiple metrics, also have in common that they continuously follow up the metrics. Due to the low level of effort put into marketing, especially inbound marketing, company B2 clearly differs from the other companies since they only use the LTV and CAC ratio metric and have not a continuous evaluation of the Operations active- cities. In addition, no clear trend could be identified in the cross sectional comparison of B2C and B2B of the customer satisfaction measuring, thissince it varied both between and within the segments being measured by reviews, ratings, net promoter score and customer support reports as well as not being measured at all.
The utilization of the measuring and monitoring is however similar across the B2B and B2C boarder. This since both the B2C and B2B companies use the measured metrics as a basis for decision making in the marketing. All companies are therefore identified to have some level of trial and error mentality in the execution phase of the Operations process.

Both the B2B and B2C companies have in common that they all state that a consensus regarding the contribution of the Operations activities exist among the management team and consider this to be important for a successful execution of the Operations process. The Operations team productivity evaluation do however differ between the companies since the B2C segment uses fulfillment of team level goals while the B2C segment use revenue as well as no measuring at all.

CHAPTER 5
DISCUSSION AND FINDINGS

In this section the findings and the analysis of the results will be discussed. The findings will be compared with the initial findings from the literature review. In addition, some topics identified as particularly interesting from the applicability and implication stand point will be discussed.

5.1 Applicability of the Operations Process Framework

The Operations process framework was used as a basis for both the analysis and the structuring of this study. Even though many components of the Operations process were identified at the case companies a discussion will be conducted about the applicability of the framework on startups and what implications this has. The applicability discussion will be based on a comparison between the reality, the empirical findings from the case companies all being SaaS startups, and previous findings from the literature.

5.1.1 Effectiveness and Adaptability Needed in the Evaluation

As a first step it is suggested to conduct a market analysis to gain valuable insights and to identify opportunities (Bickhoff et al., 2014). The market analysis should also be divided into multiple steps and be conducted in a structured order (Bickhoff et al., 2014; Kotler & Keller, 2016). It is clear from the results of this study that this is not the case in reality. Initial market analysis is not applied at all by the companies within the B2B segment and the companies in the B2C segment do market analysis although to different extent, with different approaches and with different amount of information gathering. It is also clear that the framework application suggested by Bickhoff et al. (2014) is not utilized in reality since none of the companies used any framework when conducting evaluation of the market. The potential reasons to why the market analysis and frameworks are not applied as the literature suggest are multiple. First and foremost the literature is seeing the reality in

A simplified setting and with low understanding of the different levels of prior knowledge and expertise that exist within the startups. This could especially be identified in the B2B segment where the founders had multiple years of experience within the market since before and therefore did not consider it as a necessary step to conduct market analysis and apply frameworks. Therefore the argumentation that managers are taking decisions based on previous understanding (Lifelong et al., 2015; Lilian & Rangaswamy, 2006), is amplified by this study. The low utilization of the existing frameworks raise questions of their relevance. Some of the interviewees expressed that they, instead of using frameworks as the ultimate way of analyzing, had them as inspiration for the analysis that was conducted. Multiple adjustments are done to the frameworks so that they better meet the conditions and needs of the company.

Another reason for why frameworks are not applied and market analysis is neglected in the B2B segment could be the market dynamic that the startups are exposed to. Due to startups being innovative companies that try to reshape the market with high exposure to uncertainty it is of high importance to be fast moving and adoptive (Crowne, 2002; Rise, 2011). Time and resources are valued highly and are at the same time scarce. The low emphasis put into framework utilization might be an effect from that it is not seen as an efficient and effective use of the scare resources that the startups have both in terms of time and money. The company instead put the resources into what is prioritized and seen as important at the moment. This reasoning could however be discussed further since one can question what is seen as efficient and how this is achieved. Is efficiency achieved through confident seeking activities making sure one conducts the right activities from the beginning or is it achieved by not conducting any analysis and instead adjust as the company evolves? This dilemma is discussed further later on in this section.

Contradictory to the literature (Lilian et al., 2013), no company described any utilization of modeling in order to understand the effect of the decision making in the evaluation. The reasoning behind this is believed to be similar to the framework and evaluation discussion above. This might also be an effect from a high level of knowledge since before in the startups combined with the scare resources.

5.1.2 Experience and Customer Centralization Decreases the Effort Put Into Segmentation

The segmentation process is suggested to be broken down into two phases, the develop- mint of segments and the prioritization and selection among the segments (McDonald & Dunbar, 2012). This was found to be applied in reality by the studied B2C companies that aim to target a wide spectra of heterogeneous customers that have different charac- touristic. However, for the B2B companies this was not the case. Since the aim for them is to target a specific, already pre-determined, type of customer their biggest focus with the segmentation was expressed to be filtering of the market. This in order to identify- ing which potential customers to target, satisfying the pre-determined characteristics of the specific customer that the

company is aiming for. Therefore no prioritization was

Needed among various customer types with different characteristics, this contradicts the literature that suggest a more sophisticated development and selection of the segments (McDonald & Dunbar, 2012; Kotler & Keller, 2016). The high level of insights and experience of the founders in the B2B segment might be seen as a reasonable cause for using pre-determined beliefs in the segmentation com- potent of the Operations process within B2B. This further strengthens the belief that managers take decisions based on rule of thumb (Lifelong et al., 2015; Lilian & Ran- gaswamy, 2006), which can be questioned due to the massive effects this might have on the company success if the founders are wrong in their beliefs. If they on the other hand are right regarding which customer segment to target this could be very cost efficient for the company since they avoid spending time and money on conducting segmentation research.

Furthermore, it should also be taken into consideration that the B2B companies had customers from the start, even before the launch of the company. Therefore the solutions from the beginning are created and customized for a certain type of customer in the B2B segment leading to a narrower customer segment compared to the B2C companies (Reed et al., 2004). This is also believed to have an impact on the low level of effort put into development and selection of segments by the B2B segment compared to the B2C segment.

5.1.3 Digitalization and Buying Complexity Influences the Targeting

This study found that the targeting used at the case companies to a large extent is in line with the methods described in the literature. All the case companies consider how to communicate with customers in order to inform and persuade them into making the purchase decisions as well as consider what channels to use in order to reach the sought customers, this is in line with the recommendations from the literature (Bickhoff et al., 2014; Kotler & Keller, 2016).

B2B is known for using a relationship driven Operations due to a complex buying process involving several individuals in the buying decision (Lilian, 1987; Webster, 1978; Iankova et al., 2018), which makes it natural for outbound Operations to become the main way of reaching customer. The utilization of outbound Operations in the B2B segment was confirmed by this study, this since both of the B2B companies have been using outbound Operations as a way of reaching customers. This was, however, not necessarily seen as the main source in the B2B segment where the effectiveness and fit of outbound Operations has been questioned. In the B2B segment a trend was also identified, being a transition towards more utilization of inbound marketing, either as a compliment or a substitution to the outbound efforts. This trend contradicts the literature regarding what type of source is used in the B2B segment in order to reach customers (Iankova et al., 2018). In the B2C companies digital channels and inbound Operations were used as the main channels. This is consistent with what is expected from the literature where

B2C companies are argued to, due to lower complexity in the buying process compared to the B2B segment, use mass communication in order to reach a large number of customers (Reed et al., 2004; Simkin, 2000).

The reasons for utilization of inbound Operations in the B2C segment as well as the trend towards more inbound Operations in the B2B segment could be multiple. There is be- lived to exist several benefits from using inbound marketing, especially for an innovative SaaS startup with limited resources. This since inbound Operations is perceived as effect- tive and efficient as well as perceived to easily capture information about the customer behavior and therefore makes it easier to evaluate the Operations efforts. It is also be- lived to be an effect from the digital environment that we live in today, making inbound Operations easy to access and set up for small companies with limited resources.

An interesting difference found in the results of this study was the increased use of influx- enters and ambassadors for targeting within the B2C segments, while B2B instead use conferences and partnerships. A cause for this is believed to be the different complexity levels that exist in the buying processes within B2C and B2B (Iankova et al., 2018; Lilian, 1987; Webster, 1978). Influencers and ambassadors are believed to be effective when the buying process is easy and the decision is taken based on influences from only a few sources which is the case in the B2C segment. Then a single influencer or ambassador might have the ability to convince a customer to try out the service. When the buying process instead is complex and the decision is influenced by many different sources, as in the B2B segment, there is believed to exist a higher demand for credibility and trust creation. Participation in conferences and partnerships is believed to contribute to this. Therefore the different choices of targeting channels are believed to be an effect from what is seen as effective and needed in the respective segments.

In the literature software companies both in B2C and B2B were argued to provide a" give to get" Operations by offering freemium versions of their software with the aim to capture potential customers (Artun & Levin, 2015). Some variants of this was identified in the case study, however, the costs related to providing a freemium subscription offering was seen as to high at many of the companies and therefore decisions had been taken to not provide this anymore. As a SaaS startup with limited resources it can be argued that it is challenging to provide a profitable freemium offer that capture prospects that potentially convert into paying customers. This especially applies in the B2B segment where the software set up can be complicated. Therefore the tradeoff between the benefits and the costs must be considered and this might lead to identification of an unfavorable outcome for freemium subscription offering. Instead other versions of test periods could be identified in the study that were not mentioned in the literature, such as an opt-out period.

5.1.4 The Customer Type and Industry Affects the Positioning

Providing a distinct offering and radiating a brand image in order to occupy a position in the market is of importance for companies (Kotler & Keller, 2016; Porter, 2008; Bickhoff et al., 2014). The emphasis put into brand image was identified in reality since the studied companies both in the B2B and the B2C segment wereaiming for an aligned brand image. The B2B companies were also identified to trying to achieve a distinct offer on the market by clearly pointing out the uniqueness of their offering, this was not emphasized by the B2C companies.

This could be argued to be an effect from the complexity related to the B2B segment's offering and selling processes when comparing it to the B2C segment (Iankova et al., 2018; Webster, 1978; Lilian, 1987). Due to the complexity, the companies with B2B are needed to in an easy and clear way mediate the unique selling points and positioning to the customer. This in contrast to the companies in the B2C segment, where customers on their own can distinguish and understand the differences between offerings.

In contrast to the belief of Kotler & Keller (2016), no company in this study used brand narratives, storytelling or cultural branding in their marketing. The reason for not using these qualitative approaches is not clear, but the development level of the companies might have an effect. Due to all companies being startups and relatively new on the market with limited resources the positioning is challenging, they have not come as far in the Operations activities as large corporations and do not have the same large budgets which usually is needed to successfully mediate a brand narrative, story or culture (Kotler & Keller, 2016).

One challenge that the company's meet that was not identified in the literature but clearly impacts the positioning for the companies is the need for achieving credibility. This might also be an effect from the startup context, being new on the market (Blank, 2012), and therefore the companies need to focus on earning credibility in order to create trust and convince the customers. This was however identified to be dependent on the customer type being businesses or consumers as well as what industry the company is operating in. The customer being a business has been identified to increase the need for the company to radiate credibility, this is believed to be an affect from the more selective and complex processes that are related to the buying process in B2B (Webster, 1978; Lilian, 1987). Also being for example in the medical industry increases the need for credibility compared to being a company that is operating in an industry that not lead to the same drastic consequences if the service is malfunctioning. One additional trend that could be identified in the studied startups was that participating in startup competitions and winning awards was seen as a source for achieving credibility, this trend was not found in the literature.

5.1.5 Execution is Affected by Utilized Operations Channels and Team Size

All companies in this study clearly emphasizes the importance of evaluating the execution of the Operations through metrics and uses this as the underlying basis for decisions. This contradicts Bickhoff et al. (2014) and Teradata (2013) who argue that the evaluation and selection of the metrics often is neglected by companies. The level of implementation and effort put into the Operations activities is however identified to clearly affect the effort put into measuring the performance of the marketing. This is considered reasonable since it is no point, especially with lacking resources, to put effort into measuring something that is not evolved and implemented at the company.

It is argued in the literature that the financial metrics are the most important since it clearly corresponds to the profitability and success of the company (Rust et al., 2004; Bickhoff et al., 2014), even though it is challenging to measure it precisely since it is hard to capture the full value creation of Operations (Webster et al., 2003; Rackley, 2015). This is perceived as true in this study. However, the high emphasis argued to be put into the ROI metric (Bickhoff et al., 2014), could be questioned since the LTV to CAC ratio is used as a compliment as well as a substitute for the ROI metric at some of the companies. The focus on financial measuring istherefore confirmed by this study but with a dispute in what metric is seen as the most important.

The movement towards measuring of more non-financial metrics identified by Clark (1999) and Rust et al. (2004), is confirmed by this study. This is however identified to be an effect from the move towards utilization of digital channels and especially inbound sales where these non-financial metrics are easier to capture. This is, in turn, seen as a consequence of the data rich environment of today (Lilian et al., 2013), which enable for capturing and recording of behavior that can be converted into metrics. Impressions, clicks and conversion were identified as the most commonly used digital metrics by the case companies conducting inbound sales, which is in line with the recommendation by Rackley (2015).

As in the literature, customer metrics were identified in this study and were measured by almost all of the studied companies in order to understand the customer perspective (Loshin, 2013; Rackley, 2015). This was however mainly measured by two metrics being customer experience and net promoter score, therefore the study contradicts the claim that customer equity have become a key metric (Rust et al., 2004).

Webster et al. (2003) argues that consensus is vital for success with the marketing, this belief is confirmed by this study. This since all the case companiesexpressed the same belief and worked with continuous communication and close integration between the sales and Operations team to increase the consensus. Due to the companies being startups and therefore being small with a limited number of employees the consensus is believed to be easier to achieve than in a larger company, since fewer employees makes it easier to keep everyone in the loop when it comes to

Addition, the founders of startups are usually entrepreneurial and therefore are believed to have a more open minded mindset towards Operations and the value it creates. The team productivity measuring suggested by Rackley (2015) could also be identified in the study, however not at all companies. The lack of team productivity measuring at one of the companies is believed to be an effect from that the team is small, making it easy to have control over the performance without implementation of a metric.

5.2 Fast Versus Confident with Limited Resources

One of the main reasons identified as to why the literature differs from the reality of the case companies is the limited resources that a startup is associated with (Most et al., 2018). This at the same time as the SaaS sector requires companies to keepinnovating due to being a fast growing sector with low entry barriers (Crowne, 2002; Manor et al., 2002; Buxmann et al., 2008; Lacy, 2006; Manor et al., 2002; Porter, 2001). This has effects on the Operations process and the components within it.

As a small company with high uncertainty and limited resources, operating in an in-innovative and fast moving market, high expectations and requirements are puton the company to do the right thing and do it fast at the same time as it must be resource efficient. This applies to all activities conducted by startups, including the Operations activities. This creates a dynamic where companies must prioritize between fast de- casino making and confident decisions, especially in the market analysis as well as the evaluation of the performance of the marketing. All research requires time and money from the company but in return the level of confidence hopefully increases. On the other hand fast decisions with a lower level of confidence might lead to faster implementations and launches, if the decisions later on are identified as wrong corrections can be made, but the question is to what cost. Therefore one can ask if it is optimal to spend less resources and time initially and implement corrections as the Operations process evolves or if it is better to spend a lot of time and money initially and hopefully not need to implement corrections later on.

This dynamic was clearly visualized in the B2C segment in this study where the comp- nixes had taken different decisions regarding what was prioritized in terms of confidence versus fast decisions. While company C1 prioritized fast decisions with a trial and error process company C2 instead focuses on confidence in the decisions with sophisticated research efforts. It is hard to say what the right priority is, it is however clear that the prioritization can affect the outcome of the company's success and it is important to have this in mind when taking the decision regarding what to prioritize.

The prioritization dynamic that has been identified in this study have implications on the applicability of the used framework. It is clear that the recommendations found in the literature on how to structure the Operations process have an underlying assumption of resources to exist, this since multiple activities are recommended with no consideration

61

To whether the company have the existing resources or not. This reinforces the belief of Jocumsen (2004) and Stokes (2000). A need is therefore identified to further understand how to prioritize among these many suggestions of Operations activities if the resources are limited, as is the case for startup companies.

5.3   An Iterative Operations Process

The perception of the Operations process seen as a straight line going from one component to the next suggested by literature, which was presented in the literature review and can be seen in Figure 2.1, can be questioned when applied on the startups examined in this research study. Hence the Operations process framework applied in this study will be discussed further.

The herein studied companies were observed to all be using a more iterative approach than the approach suggested by literature. Therefore instead of seeing the Operations process as going from one component to the next, it could be suggested that the market- ing process instead should be viewed as an iterative loop with trial and error mentality when applied in startup companies. The execution component in the Operations process, where the performance of the Operations activities is evaluated, loops back with feedback to the previous components that are adjusted accordingly. This is illustrated in Figure 5.1, where the arrows going back from the execution to evaluation, segmentation, target- ing and positioning are representing the feedback sent back to the previous components which then is used to adjust the activities according to the measured performance.
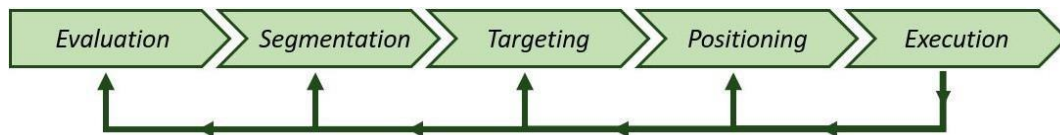

Figure 5.1: Adjusted Operations Process

A reasonable explanation as to why this iterative approach was identified at the startups could be the condition and environment that startups are operating in. Limited resources and an urge to be innovative (Most et al., 2018), might affect the decision to work iterative with evaluation of the execution as the basis for decisions. Furthermore, it could also be argued that the startups context, with quite few employees and an innovative mindset, allows for a flexibility that is hard to achieve at larger companies. This enables for more rapid decisions as well as a willingness to change, making it easier to use an iterative approach in the Operations process.

The identification of this iterative feedback framework, applied by the startups in this study, partially amplifies the belief that mainstream Operations is not applicable in the small business context encountered in startups (Most et al., 2018; Stokes, 2000). This since the mainstream Operations focuses on the needs of large and formal organizations with abundant resources (Most et al., 2018; Hultman & Hills,2011; Hills et al., 2008). This is important to have in mind when applyingOperations theory in reality, especially in today's fast moving market conditions and in the volatile environment that startups are operating within.

CHAPTER 6
CONCLUSION

Conclusions

This section concludes this study by answering the stated research questions based on the findings. Further, the theoretical and empirical contribution is presented followed by the limitations of the study as well as suggestions for further research.

6.1   Answering Research Questions

The aim of this study was to evaluate the Operations process used by SaaS startups both in the B2B and the B2C segment. This in order to contribute with understanding of the Operations process in the startup context and development of the research within the B2B and B2C dichotomy. Answers to the research questions are provided separately in this section.

RQ1: Does the customer being a consumer or a business affect the Operations process for SaaS startups?

The companies with consumer customers were identified to have a wider and more het- erogenous group of customers, with large variations in customer characteristics, com- pared to the companies with business customers which instead had more homogeneous customers, with similar characteristics. The customer type does therefore affect the mar- kiting process at the SaaS startups since it has implications on the effort and aim of the segmentation as well as the channels used to target the customers. When the customers are heterogeneous consumers, different targeting channels and increased effort is put into segmentation in the Operations process compared to when the company customers are homogeneous businesses.
Further, the customer being a consumer or a business leads to different levels of complex- ity and requirements on achieving credibility. Business customers have, when comparing to consumer customers, a more complex buying process and are identified to value cred- ability. This has implications on the Operations process for SaaS startups since customer

Complexity level and requirement of credibility affect how the startups position themselves as well as how they target the customer. Therefore, the findings from this study indicate that the customer type, being a consumer or a business, affect the Operations process for SaaS startups.

RQ2: What are the similarities and/or differences between the adopted Operations pro- cess between B2B and B2C SaaS startup companies?

When evaluating and comparing the Operations process in the B2B and the B2C segment both similarities and differences were found. Starting off with the goal of the marketing, it was identified that the aim towards increasing revenue was a common goal for both the B2B and B2C segment, even though this was not the main focus at all companies.

Due to a high level of prior knowledge within the B2B company's differences were idem- tidied in the evaluation of the market. The B2B companies have a less sophisticated analysis of the market with barely any collection of data compared to the B2C com- panies. Similarities were identified in that no declared framework was applied in the evaluation at neither the B2B nor the B2C companies.

All companies had in common that segmentation was conducted, however dissimilarities were found in how this was applied. The prior knowledge in the B2B segment obtained through experiences was found to in combination with the homogeneous customer type affect the segmentation process for the B2B companies. Unlike the B2C companies no data was used as the basis for the segmentation, instead it was based entirely on existing knowledge within the company. In addition, the segmentation done by the B2B companies was applied as a filtering of the market to find a specific type of customer. This is different from the B2C companies where the segmentation also was used in order to increase the knowledge about their heterogeneous customers.

The targeting mindset was identified to be similar in both the segments. All of the case companies, both B2B and B2C, aimed to inform and target in channels where their respective customers are believed to exist. Historically differences could be identified in what channels had been used to target customers, where B2B companies traditionally have been using outbound channels while B2C companies have been using inbound channels. This study however have identified a trend towards more similar targeting channels since the B2B segment is moving towards using more inbound channels, as the B2C segment already does. On the other hand some distinct differences do still exist in what segment specific channels are used since the B2B companies were found to use conferences and partnerships as channels for marketing, this was not used by the B2C companies that instead were alone with using influencers and ambassadors in the customer targeting.

Brand alignment was identified to be taken into consideration at all the companies and is therefore seen as a similarity in the positioning at both the B2B and the B2C companies. Dissimilarities did however exist in the aim of achieving credibility in the positioning

65

towards the customers, where the B2B segment with a more complex buying process was found to aim for credibility mediation while this was not prioritized in the B2C segment.

The considered importance of tracking and measuring the performance of the Operations was found to be similar across all the companies in both of the segments. Similarities were also found in the use of financial metrics, where either ROI or the LTV to CAC ratio were used by all companies both in the B2B and the B2C segment. The B2B and the B2C companies also had in common that they utilized the measured metrics as a basis for taking decisions regarding what to continue doing and what to adjust, therefore a trial and error mentality was identified in the evaluation of the Operations execution in both the B2B and the B2C segment. All of the companies do also have the resemblance that a consensus regarding the contributions of the Operations process is believed to exist andis seen as important to achieve.

RQ3: How does the startup context affect the Operations process?

The startup context with lacking resources in an innovative and fast moving environment with high uncertainty is from this study perceived to affect the Operations process. This has especially been identified in the inconsistency with parts of the literature as well as in the applied trial and error mentality in the execution of the Operations process. Due to lacking resources it has been identified that startup companies tend to prioritize among the multiple existing Operations process activities in order to identify what is most valuable to do in order to use the scarce resources as efficient as possible.

In addition the innovative and fast moving environment of startups create a dynamic where fast decision making is needed. The Operations process of startups was therefore identified as more iterative than what the literature suggests. Information is looping back to previous components of the process in order to adjust the activities according to the feedback from the measured performance in the execution. The startup context is therefore concluded to affect the Operations process by making it more iterative.

6.2   Contributions

The study was conducted in order to further develop the research in the startup context and the B2B and B2C dichotomy. This since it was identified to be a lack of research about the Operations process in the small entrepreneurial business context (Most et al., 2018; Hills et al., 2008; Stokes, 2000), encountered in startups, and a need for further development of the research within the B2B and B2C dichotomy (Coviello & Brodie, 2001). The findings from this study supplement the existing research and enable for further development within the field. Both theoretical and managerial contributions are created from this study and these are presented separately in this section.

6.2.1 Theoretical Contribution

Theoretical contributions are created from this study within the Operations process the- or, especially in the dichotomy between B2B and B2C and in the startup context. This since the study is conducted with consideration to the startup context and focuses on an evaluation and comparison of the Operations process at both B2B and B2C comp- nixes. As was just described in the section above, the study shows that both differences and similarities can be found in the Operations processat B2B and B2C SaaS startup companies.

Despite this study being limited to only include four case companies, an additional contribution is provided in terms of a suggested improvement to the Operations process framework identified in the literature in order for it to better suit the startup context. A more iterative process is suggested with a feedback loop going back from the execution step to the other components of the Operations process.

6.2.2 Managerial Contribution

Operations is an important function that can affect the success of a company, especially for a startup. The purpose of this study was to evaluate the Operations process at B2B and B2C startups within the SaaS sector and the findings could therefore be highly relevant for other startups. The findings of this study contribute managerial as a guide and inspiration for startups on how to adopt and adjust a framework found in the theory, created for larger companies, to better suit their needs. More specific this study could be used as a basis for startups when setting up and structuring their Operations process. It can also be used as guidance when taking decisions on what activities to use and how to measure the execution in order to iteratively improve the process continuously.

Furthermore, the results of this study identified that there exist differences in the mar- kiting process at B2B and B2C startups. Therefore, B2B startups could use this study in order to improve their process by utilizing insights from how the B2C startups work with their Operations process and vice versa. Lastly, this study is also relevant for larger companies to gain insights of how startups works with their Operations process in an itera- tive and agile way. Larger companies can get inspired to work in a similar manner which could be favorably since it could lead to efficiency and lower utilization of resource.

6.3 Limitations and Future Research

The study was done as a multiple case study in order to capture, evaluate and compare the Operations process at the four case companies. All these companies were chosen based on criteria in order to achieve a literal replication as well as contrasting results. Consequently the results are correlated with the case companies which have impacts.

CHAPTER 7
BIBLIOGRAPHY

Artun, O. & Levin, D. (2015). Predictive Operations: easy ways every marketer can use customer analytics and big data. Wiley.

Baron, R. (2008). The role of affect in the entrepreneurial process. Academy of Management. The Academy of Management Review, 33 (2), 328–340.

Bass, F. M., Tiger, D. J., & Lonsdale, R. T. (1968). Market segmentation: Group versus individual behavior. Journal of Operations Research, 5 (3), 264– 270.

Bell, E., Bryman, A., & Harley, B. (2018). Business research methods. Oxford university press.

Bickhoff, N., Hellenes, S., & Opresnik, M. (2014). The Quintessence of Marketing: What You Really Need to Know to Manage Your Operations Activities. Quintessence Series. Berlin, Heidelberg: Springer Berlin Heidelberg.

Blank, S. G. S. G. (2012). The startup owner's manual. Vol. 1: the step-by-step guide for building a great company (1 Ed.). Pescadores, Calif.: KS Ranch, Inc.

Blomkvist, P. & Hallin, A. (2014). Meted f or technologic: examensarbete enligt 4-fasmodellen (1 Ed.). Lund: Studentlitteratur.

Bowman, D. & Gatignon, H. (2010). Market response and Operations mix models: trends and research opportunities. Foundations and Trends in Marketing. Delft: Now Pub- lishers, Inc.

Bryman, A. (2012). Social research methods (4 ed.). Oxford: Oxford University Press. Buxmann, P., Hess, T., & Lehmann, S. (2008). Software as a service. Wirtschaftsinfor-
matik, 50 (6), 500–503.

Carree, M. A. & Thurik, A. R. (2010). The impact of entrepreneurship on economic growth. In Handbook of entrepreneurship research : an interdisciplinary survey and introduction (pp. 557–594).

Charmaine, B., Cortis, D., Perotti, R., Sammut, C., & Vella, A. (2017). The european insurance industry: A pest analysis. International Journal of Financial Studies, 5 (2).

Clark, B. H. (1999). Operations performance measures: History and interrelationships. Journal of Operations Management, 15 (8), 711–732.

Cohen, B. (2006). Sustainable valley entrepreneurial ecosystems. Business Strategy and the Environment, 15 (1), 1–14.

Collis, J. & Hussey, R. (2013). Business Research: A Practical Guide for Undergraduate and Postgraduate Students (4 ed.). Palgrave Higher Ed M.U.A.

Cooke, E. F. (1986). What is business and industrial marketing? Journal of Business Industrial Marketing, 1 (1), 9–17.

Coviello, N. E. & Brodie, R. J. (2001). Contemporary Operations practices of consumer and business-to-business firms: how different are they? Journal of Business & Indus- trial Marketing, 16 (5), 382–400.

Cravens, D. (1998). Implementation strategies in the market-driven strategy era. Journal of the Academy of Operations Science, 26 (3), 237–241.

Creswell, J. W. (2014). Research design : qualitative, quantitative, and mixed methods approaches (4 ed.). Los Angeles, Calif.: SAGE.

Crowne, M. (2002). Why software product startups fail and what to do about it. In Proceedings of the international engineering management conference (IEMC).

Culkin, N. & Smith, D. (2000). An emotional business: a guide to understanding the motivations of small business decision takers. Qualitative Market Research: An Inter- national Journal, 3 (3), 145–157.

Dakouan, C., Benabdelouahed, R., & Anabir, H. (2019). Inbound Operations vs. out- bound marketing: Independent or complementary strategies. Expert Journal of Mar- kiting, 7 (1), 1–6.

Diamantopoulos, A., Fritz, W., & Hildebrandt, L. (2012). Quantitative Operations and PROJECT MANAGEMENT Operations models and methods intheory and practice. Wies- baden: Gabler Verlag.

Dong, J., Kelkar, K., & Braun, K. (2007). Getting the most out of personas for product usability enhancements. In N. Aykin (Ed.), Usability and Internationalization. HCI and Culture. Beijing, China: Springer Berlin Heidelberg.

Drucker, P. (1954). The Practice Of Management (1 ed.). New York: Harper Row Publishers.

Dyer, J. H., Gregersen, H. B., & Christensen, C. (2008). Entrepreneur behaviors, oppor- tunity recognition, and the origins of innovative ventures. Strategic Entrepreneurship Journal, 2 (4), 317–338.

Eisenhardt, K. M. (1989). Building theories from case study research. Academy of Management Review, 14 (4), 532–550.

Eisenhardt, K. M. & Graebner, M. E. (2007). Theory building from cases: Opportunities and challenges. The Academy of Management Journal, 50 (1),25–32.

Fern, E. F. & Brown, J. R. (1984). The industrial/consumer Operations dichotomy: A case of insufficient justification. Journal of Marketing, 48 (2), 68–77.

Ford, D., Gadde, L.-E., Håkansson, H., & Snehota, I. (2003). Managing business rela- tionships (2 ed.). Chichester: Wiley.

Gibber, M., Ruigrok, W., & Wicki, B. (2008). What passes as a rigorous case study? Strategic Management Journal, 29 (13), 1465–1474.

Gummesson, E. & Grönroos, C. (2012). The emergence of the new service marketing: Nordic school perspectives. Journal of Service Management, 23 (4), 479–497.

Gürel, E. & Tat, M. (2017). Swot analysis: A theoretical review. Journal of International Social Research, 10 (51).

Hadjikhani, A. & LaPlaca, P. (2013). Development of b2b Operations theory. Industrial Operations Management, 42 (3), 294 – 305.

Hills, G. E., Hultman, C. M., & Miles, M. P. (2008). The evolution and development of entrepreneurial marketing. Journal of Small Business Management, 46 (1), 99–112.

Hisrich, R. D. (1992). The need for Operations in entrepreneurship. Journal of Business Industrial Marketing, 7 (3), 53–57.

Hultman, C. M. & Hills, G. E. (2011). Influence from entrepreneurship in Operations theory. Journal of Research in Operations and Entrepreneurship, 13 (2), 120–125.

Håkansson, H., Johanson, J., & Wootz, B. (1976). Influence tactics in buyer — seller processes. Industrial Operations Management, 5 (6), 319–332.

Iankova, S., Davies, I., Archer-Brown, C., Marder, B., & Yau, A. (2018). A comparison of social media Operations between b2b, b2c and mixed business models. Industrial Operations Management.

Jocumsen, G. (2004). How do small business managers make strategic Operations deci- sions? European Journal of Marketing, 38 (5/6), 659–674.

Kane, T. J. (2010). The importance of startups in job creation and job destruction. Keefe, L. M. (2008). Operations defined. Operations News, 42 (1), 28–29. American
Operations Association.

Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. Journal of Marketing, 57 (1), 1–22.

Kinner, C. (2016). Crossroads: An action plan to develop a vibrant tech startup ecosystem in australia. StartupAUS.

CHAPTER 8
APPENDIX

Search Words

B2
B
B2
C
Startup
Entrepreneurship
Entrepreneurial
Business models
Operations
Operations
process Market
analysis
Evaluation
Segmentation
Targeting
Positioning
Branding
Execution
Evaluation
Measuring
success
Operations management

Interview Theme	Sub Theme	Questions
General	*Company & Role*	Can you briefly tell us about [Company]? What is your position at [Company] and how long have you had this role?
	Marketing Process	How do you define the marketing process at [Company]? Could you describe the marketing processes and describe your involvement in that processes? What are the main objectives that [Company] wants to achieve with the marketing activities?

Evaluation	*Market Analysis*	Could you describe the market analysis activities at [Company]?
		  - What type of frameworks are you using?
		  - What is the basis behind using these frameworks?
		  - What type of tools are you using?
		  - What is the basis behind using these tools?
		Who is conducting the analysis?
		Who is the commissioner of the analysis?
		How often do you conduct marketing analysis work?

	Data	Could you tell us about the data collected for the analysis?
		  - What type of data is collected and analysed?
		  - Where and how is the data collected?

Segmentation	*Segmentation & Selection*	Could you describe the segmentation activities at [Company]?
		  - How do you perform the segmentation?
		  - What variables are used for the segmentation?
		Based on what do you prioritize and/or select among these segments?

Targeting	*Targeting & Customization*	Could you describe how the outcome of the segmentation is utilized? How do you customize your marketing based on the segmentation? How do you connect with your users/customers?
	Channels	What channels are you using to connect with your customers? - Does the internet/social media allow and help you to have a larger profil?
Positioning	*Positioning & Branding*	Could you describe how you at [Company] work with positioning? Based on the market analysis, how do you position yourself in the market? How do you work with branding at [Company]? - How do you position yourself so that the targeted market recognize your brand?

Execution	*Monitoring & Measuring*	Could you describe how you evaluate the performance of the marketing at [Company]?
		  - Do you use any measures to evaluate the marketing?
		  - What type of metrics do you use?
		  - Do you consider any metric as more important than other metrics when measuring the success of the marketing?
		Are any financial measures used?
		  - Is the costs of the marketing viewed as short term or long term expenditures?
		  - What is considered a good ROI value?
		Are any non-financial measures used?
		  - Customer experience? Customer equity? Brand equity?
		How do you evaluate the productivity of the marketing team?
		How do you evaluate your digital marketing efforts?

	Consensus	How is the overall view of the value contribution of marketing in the company?
		  - Do you have a consensus about how it contributes to the performance of the business?
		  - Does the management team agree about the value contribution?