Konecranes Global Key Account Management Portal –project

Case: Konecranes Oyj

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Abstract

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The purpose of this bachelor thesis was to support the global key account management (KAM) programme of Konecranes. The main purpose of this project was to collect all the Konecranes key account information into a one place. Konecranes Americas marketing team has successfully implemented a KAM customer portal for the Americas, and also started to create a basis for the site's global use. A database was developed in co-operation with Konecranes partners Stimulus Worldwide Communications.

At this point of the project there was added key account information from the region EMEA (Europe, Middle-East and Africa). The two other regions NEA (North-East Asia) and SAP (South Asia Pacific) will be added later when the information is available. Also the other key account information will be added, e.g. attached to specific business units, if available. Konecranes Americas key account information already exists in the KAM portal.

The global KAM portal would offer a common site for managing and distributing the key account information. As Konecranes is developing its sales process, the role of this KAM portal project is important in supporting that project. The main question in the project was: how all Konecranes key account information can be collected into one place and how to manage this information?

In addition to a KAM portal, this thesis focuses on key account management and customer information management. The information in the theory part is acquired through many textbooks and articles by using a qualitative research method. I also received material from Konecranes which has been utilized in this thesis.

To be able to do this task, it was necessary to get familiar with the theory of key account management and customer information management. It was also vital to get information about customer data and databases.

The Konecranes Global KAM Portal was published 31 December 2008.

Key words: key account management, key account information, customer data

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Key account management and key account information management Case: Konecranes Global Key Account Management (KAM) portal.

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Opinnäytetyön tarkoituksena oli auttaa kehittämään Konecranes Global Key Account Management (KAM) portaalia. Konecranes Americas organisaatio oli jo luonut portaalille perustan, ja tämän projektin myötä portaalia alettiin laajentamaan globaaliin käyttöön. Konecranes KAM portaaliin on jo aiemmin kerätty Konecranes Americas organisaation avainasiakastiedot. Tämän projektin tarkoitus oli laajentaa portaalia niin, että sinne lisättiin avainasiakastietoja myös EMEA alueen osalta. Myös alueiden NEA ja SAP avainasiakastiedot tullaan lisäämään portaaliin myöhemmin projektin jatkuessa. Portaaliin on mahdollista myöhemmin lisätä myös liiketoimintayksiköiden avainasiakastietoja, mikäli niin halutaan.

Tavoitteena on, että koko konsernin avainasiakastiedot löytyvät lopulta samasta paikasta, eli Konecranes KAM portaalista. Konecranes KAM portaali tarjoaa hyvän sisäisen kanavan avainasiakastiedon jakamiseen. Kun kaikki tieto on samassa paikassa, se on helpommin avainasiakastietoa tarvitsevien henkilöiden hyödynnettävissä. Kerättyä avainasiakastietoa voidaan jalostaa informaatioksi, ja tietoa voidaan sitä kautta hyödyntää esimerkiksi myyntiorganisaatiossa.

Tärkeintä projektin tässä vaiheessa oli keskittyä siihen, kuinka avainasiakastieto saadaan kerättyä samaan paikkaan, ja miten kerättyä tietoa hallitaan. Konecranes KAM portaali on rakennettu yhdessä Stimulus Worldwide Communicationsin kanssa, joka myös vastasi sisällön syötöstä järjestelmään. Portaali julkaistiin 31.12.2008.

Konecranes Global KAM Portaaliin lisäksi opinnäytetyössä on käsitelty asiakastiedon teoriaa sekä avainasiakassuhteiden johtamista. Lähteinä olen käyttänyt alan kirjallisuutta ja artikkeleita. Olen hyödyntänyt opinnäytetyössäni myös Konecranes Oyj:ltä saamaani materiaalia ja tietoa.

Asiasanat: avainasiakassuhteiden johtaminen, asiakastieto

Ohjaajat	Laurea	Leena Suoniemi-Särkijärvi
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1 Introduction

The main purpose of this thesis was to help to develop Konecranes key account management portal. This system has been up and running only in Konecranes Americas. Konecranes KAM portal has build together with Stimulus Worldwide communications for Konecranes Americas. Now it is diversified for global use. At this point this means that there will be added key account information from the region EMEA (Europe, Middle-East and Africa). The two other regions NEA (North-East Asia) and SAP (South Asia Pacific) will be added later when the information is available.

In section theory I focus on key account management and customer information management.

The two main issues in this thesis are:

1. Key account management and customer information management
2. Case: Konecranes Global Key Account Management portal

In Konecranes Plc I was working on a key account management portal project. The main idea of this project was to collect all Konecranes Key Account information into one place (KAM portal site). The purpose of the Global KAM portal is to share key account information internally within KAM responsible persons. It is planned for a tool for sales managers who are responsible for key accounts. Sales personnel can utilize this information for extended cooperation with customer.

The main reason for this project was that this system will help salesmen's work and make the whole customer management process more effective. The KAM project is linked to the Konecranes sales process development project. KAM portal is meant to support the sales process. Konecranes global KAM portal offers an efficient internal information channel in this process. It supports the process and offers a new internal tool. My role in this project was to help to develop this portal and collect the company's key account data from different units.

Konecranes also wants to unify its processes in order to utilize the skills and competence that exists in different parts of the organization. The idea for Konecranes global KAM portal projects came from OneKonecranes project, which means that many processes inside the company will be unified.

I give more specific information about the portal's features and content later in "case" section. Because the customer information is quite delicate information, security issues are very important. That is why I cannot give the web-address of this site or any information about the customers.

1.1 The structure of the thesis

First I will provide some information about Konecranes Company and how my job is linked to the organization. Then I will focus on the theory. In the section theory I handle key account management and customer information management. After the theory I have focused on Konecranes Global Key Account Management Portal project and I have separated each phase of it. I have given some information about what a Konecranes global KAM portal is, what information it has, who will have access into the portal and how it is updated. I have also handled the following issues: why does Konecranes need key account management and a KAM Portal, what are the benefits and what could be done in the future. At the end I have evaluated how this project has succeeded: what was good and what was missing.

1.2 Targets for this thesis

This thesis is an operational work, which is implemented as a real working life project situation. This thesis is divided into two main sections: theory and working life project. As references I have used marketing and key account management literature, articles and marketing lectures. I also received much information and material from Konecranes. Based on different sources, I have made my own observations and tried to find development ideas for the Konecranes global KAM project.

My main personal target is that my thesis will be useful for Konecranes. I have tried to describe the project as well as possible. I also want to get a good grade and I want to do my job as well as I can. In the office it means that the system is up and running on time (31 December 2008). The project was started in September 2008.

I also want to develop myself: I want to become a more professional worker in marketing. I want to work with marketing also in the future, so this is a very unique opportunity for me. I have learned a lot and I am sure that I will still learn much more. I also wanted to improve my English so that it will become better and I learn more words that are daily used in marketing. I also want to learn more about project work in a big well-known international company.

Konecranes targets for me are that the KAM site (including information of EMEA) is up and running on 31 December 2008. The KAM information of region EMEA must be collected and added into portal, and the portal has to be launch. This project has to create added value for

Konecranes customer management in long run. One target was also clarifying the key account definition.

1.3 Customer information

Customers needs, requirements and behaviour have changed during the last decades. Technological development and especially the internet have created better opportunities to find information about products and services. It is also quite easy to compare these products and services between different companies. Customers' knowledge about supply has risen. Customer relationships have raised one of the most central management issues in companies. Many companies see customers today as a capital. By developing this capital a company can increase its value, make better profits and create stronger position in markets. (Hellman, Peuhkurinen & Raulas 2005, 9-15)

With the help of the collected customer information, a company gets to know its customers: customer data gives information about which customers are key accounts, what they buy and how the relationship has developed. There exists lots of data in customer databases, so an organization has to pick there only that kind of information that is relevant for its business, strategy and targets. Organization has to choose, which is the best way to measure customer relationship development comparing to company's targets is. It has to solve, very clearly, how different customers affect a company's profits.

Customer management means managing the business in a customer based way. It requires that customer targets and strategies are well defined and the organization has the right tools for implementation. These days technology offers several new tools for managing and developing customer relationships. New customer-centric thinking has got rid of the old product focus thinking. As Sharp says, customer centric-organizations builds customer loyalty that leads to higher profitability (Sharp 2003, 24.)

Because of increasing customer expectations, companies must recognize the customers' needs even before the customer themselves know their requirements. Companies must find innovative ways to provide ongoing service to customers so that they can offer solutions to their problems. Customer information has a huge role when this level wants to be achieved. (Handfield & Nichols 1999, 155.) Customers, including loyal ones, keep asking more: higher quality, lower prices and better customer service. These days customers who say they are satisfied don't necessarily act that way. Most of the customers who choose a new supplier say they are satisfied or very satisfied with their old supplier. This means that these days' companies have to achieve deeper and complete satisfaction. (Billington 2006, 147) That is why it is important to learn to know and understand customers as individuals, so that a company is able to provide new solutions and innovations to its customers at right time (before competitors).

Key account management is one part of customer relationship management (CRM). CRM is the operative execution of customer management, in other words it helps to achieve targets and strategies regarding customers. Today it means understanding customers' individual buying habits and contact preferences and strategically targeting communications via a multitude of channels. (Payne 2006, 232) CRM has raised very current topic just recently. During 1990s into 2000 companies spent millions on information systems meant to track and strengthen customer relationships. These CRM systems promised several benefits to organizations, but most firms failed to reap the expected benefits and CRM sales plummeted. CRM sales dropped dramatically, but the then something unexpected happened: senior executives became considerably more enthusiastic about CRM. During 2000 firms began to report about increased satisfaction with their CRM investments. CRM had moved into top half of a list of 25 tools global executives would choose. Today CRM is very important tool for many companies. (Harvard Business Review)

If a company is trying to achieve success in customer management, it has to invest time and money into customer information. Company has to have good and real time customer information, which can be utilized in different processes inside a company. The output of the CRM system is as valuable as the input: only good information management and utilization brings back that money that has been invested to the system. A prerequisite for this is that both information collection and its utilization are systematic. (Hellman et al 2005, 17)

Customer strategy's core issue is to prioritize in which customer groups marketing and sales resources should be allocated (based on profitability). (Hellman et al 2005, 35) That is why customer information collection is so important; it helps to solve which customers are key accounts. A company should allocate most of the resources to key accounts because they are the most profitable customers for company.

Companies have found that only small percentage of a company's customers often account for a large proportion of its profits. It is saying that 20% of customers bring 80 % of the profits to a company. As a result, customer retention has become a current topic.

2 Konecranes Company

Konecranes is a world-leading lifting equipment manufacturer serving manufacturing and process industries, shipyards and harbours with productivity enhancing lifting solutions and services. Konecranes mission is "Not just lifting things but entire businesses" which means that Konecranes will lift the customers business up to new level. The Konecranes Group strategy is based on the combination of capitalizing extensive service network, leading technology, fast paced industrial consolidation and efficient supply chains. These all are giving growth and better profitability. Strategic cornerstones are best customer service, product and service innovation, demand driven cost-efficient supply chain and value creating acquisitions. (About us. 2009)

The history of Konecranes Company extends into 1910 when the electrical motor repair shop KONE Corporation was established. Konecranes plc is an international company and it was founded on April 1994 (used to be KCI Konecranes). Konecranes sales totalled 2,102.5 million Euros in 2008, and it employs approximately 9,900 people in 43 countries. Konecranes Plc's shares are listed on the OMX Nordic Exchange Helsinki and shareholders represent a cross-section of international investors. (Investor. 2009)

There are three business areas in Konecranes: Standard Lifting, Heavy Lifting and Service. The corporate head quarters is located in Hyvinkää, Finland. Service is provided for all makes of industrial cranes, for port cranes, lift trucks and machine tools. Konecranes has more than 470 service locations across 43 countries, and a total of 5,372 employees. Konecranes Services provides the following products: Inspections, preventive maintenance programmes, repairs and improvements, on-call services, spare parts, modernizations, special services such as operational services and consultation. Standard Lifting has sales representation in 43 countries and a total of 2,808 employees. It offers pre-designed modularized components and cranes for various industries. Products are marketed through a multi-brand portfolio, i.e. the corporate brand Konecranes and separate power brands Meiden, Morris, R&M, P&H, Stahl CraneSystems, Morris, SWF and Verlinde. Konecranes standard lifting offers the following products: Industrial cranes, wire rope hoists, chain hoists, light crane systems, load manipulators and a variety of components. Business Area Heavy Lifting offers material handling solutions for all types of process industries, industries handling heavy loads, ports, intermodal terminals, shipyards and bulk material terminals. Products are marketed under the Konecranes and P&H brands. Heavy Lifting has sales representation in 43 countries and a total of 1,439 employees. (About us. 2009)

I worked in Konecranes head quarters in the marketing and communications department. Customer relationship management is very central in the marketing department’s daily work. Customer management can be made for example in cooperation with sales personnel in order to get many perspectives.

3 Key account management

Key Account Management means key account leadership. It is a technique that aims to build and maintain a portfolio of loyal customers, key accounts. This is done by allocating resources to the individual care and maintenance of the key account. The company might for example have a key account manager who takes care of key accounts. (Whalley, Headon & O'Conor 2001, 87)

Key accounts are very important relationships for a company's success. Success can be measured for example by growth or profitability. In key account relationships a company can provide added value to its customers better than competitors through its core business and products and services. The identification of key account relationships and their successful leadership correlates into the company's success. This correlation is not always straight. Companies should analyze more the straight results and quality of key account relationships and think, what their correlation to the whole company's or one profit centre organization's profit is. (Tikkanen, Aspara & Parvinen 2005, 25-26)

Key account can be thought as an investment of the company's time, people, assets, energies and capabilities. The investment anticipates a future return, superior to that to be expected from a traditional sales approach. Key accounts may not be the company's largest customers.

It is important that the organization understands the market chain beyond the customer. At the same time it must build relationships within the customer's organization to ensure a full and proper understanding of the customer's needs and expectations for value. One of the company's and key account team's tasks is to penetrate the customer's decision-making process. (Cheverton 2004, 202)

One important issue in key account management and customer relationship management is customer information management. There are many ways of managing customer information. The company can for example buy programmes, which are planned to help to manage key customers. In a big company it can be some programme which is outsourced but in a small company it can also be only a spread sheet. I think what is important for both is that how to manage the process so that information is always updated and is easy to utilize. In this case it is a portal site and the technical execution is outsourced to Stimulus Worldwide Communications.

Key account can be considered as an investment and key account management is about managing that investment: managing a very different kind of relationship with the customer and managing the implications of that relationship on the supplier's own business. KAM is a long-term investment and it should not be seen as a sales initiative (Cheverton 2004, 14).

3.1 Key account vision and mission

The key account vision is a view of how the firm wishes to interface with the key account over the long run. Vision acts as a guide on how the firm will conduct itself with the key account. Vision statements may be developed for the entire group of key accounts, or for individual key accounts.

The mission defines more specifically how the key account must be served, and products or technologies to be offered. The mission defines the field of play at the key account. It is both inclusive (defining where the key account manager will seek business) and exclusionary (defining areas where the key account manager will not seek business). (Capon 2001, 222-223)

3.2 Selecting key accounts

The definition of what constitutes a key account can be problematic. There are several methods for making the definition. Some of those are financial based and some are contextual. One financial based method is for example the RFM-model. It can take time to develop key accounts. It is important to identify which customers are key customers and which are important customers. Key customers are in the core of the business. The definition of what constitutes a key account can be problematic. They are the most profitable and the best customers who bring most of the money to the company. There are several ways to identify key accounts; the right way depends on the company. Large companies should not automatically be seen as key accounts. (Whalley, Headon & O'Connor 2001, 87) It is extremely important to select as key accounts only those customers that are truly important for long-run organization profitability. Key account selection should be ruthless for the right organization chosen. Otherwise critical scarce sources are wasted. (Capon 2005, 50)

There can be many criteria for selecting key accounts. Key accounts can be for example the big customers, the ones that must not be lost, the ones that offer the future profit or the ones that will take business in the desired direction. The criteria depend for example on the company, market and competitors' activities. One rule is sure, past performance should not be taken as a guarantee of future potential (Cheverton 2004, 5-6). Other possible criteria that can be used in the key account selection process are for example current sales revenue, current profits, acquisition potential and coherence with firm strategy. (Capon 2005, 50-54)

Key accounts may also be identified by finding the answers to the three following questions:

1. Which customers are the most profitable and the most loyal?
2. Which customers place the greatest value you offer?
3. Which of your customers are worth more to you than your competitors?

These questions may help organizations to analyze its customers and identifying key accounts. (Billington 2006, 149)

At Konecranes there has not been a unified determination for key accounts, so one target for this customer portal and sales process development projects is to give support to Konecranes project for a more unified key account management. In this project we used the following definition. At Konecranes key account means a large customer, with whom Konecranes makes regular business and who has locations worldwide. Key Account's global purchasing must also be coordinated in one place. So at this point at Konecranes key accounts are top customers measuring by sales volume.

3.3 Why key account management

There are many reasons to practise key account management. Cheverton 2003, 201 has mentioned eight common reasons that have been behind the KAM development:

- Customer consolidation
- Global customers demanding a uniform approach and service
- New purchasing practices
- The supplier's own complexity: multiple business units selling to the same customer unit
- The growth opportunity requires the prioritisation of resources
- Relationship matter: company's products alone no longer provide a source of competitive advantage
- The desire to sell solutions, not products
- The desire to make a positive impact on the customer's business strategy

The first four are so called defensive reasons: because organization is obliged to do it. The second four are aggressive reasons. The organization believes that KAM will give an advantage. Very often KAM is the result of pressures from outside the company, the suppliers are made to do it. (Cheverton 2004, 201)

The critical objective for most publicly held corporations is increased shareholder value. To increase shareholder value, the organization must survive and grow. Survival and growth are possible only, if the firm makes profits today and is able to do profit in the future too. Profits are earned only when the firm outperforms its competitors in securing and retaining customers. Organizations have faced many pressures on the traditional sales force system: increased competition, increases in selling costs and different pressures from customers (Capon 2001, 4-9)

The impact of these pressures has led many firms to re-evaluate their sales force systems. Many organizations have realized that not all customers are equal, some customers are more valuable than others. Pareto form of 80/20 rule operates: 80% of the firm's revenues are supplied by 20% of its customers. If this rule operates in the firm's customer environment, the critical business implication is that these 20% of customers have an importance to the firm's long term future. These high current volume and profit customers are the firm's critical assets. Because of the high value and increased competition, key accounts suggest that they should be treated differently than the firm's "average" customers. They should receive a disproportionate share of the firm's resources and are worthy of greater managerial attention. This compelling rationale has led many firms to the development of key account management programs. (Capon 2001, 18-19)

Key account management both focuses the firm's attention on those accounts that are especially important for its current and long-run future, and optimizes the use of scarce resources. It provides for the development of more complete information and analysis of customer's strategic realities, critical needs and buying processes, competitive threats, and important supplier firm resources. As a result, the firm better identifies planning assumptions and opportunities and threats, set more appropriate targets, and develops more appropriate strategies and action programmes. Implementation and enforcement are improved via enhanced internal communications and control. As a result of these benefits, appropriate design and implementation of a key account programme should lead to improved performance with key accounts. (Capon 2001, 19-20)

Key account management can only be a viable approach for dealing with important customers if it benefits both the firm and its key accounts. It may provide several benefits for the firm that together leads to increase in sales and profits. Benefits, can be for example: improved understanding of the key account's goal and requirements, increased key account switching costs, better understanding and management of the key account, enhanced ability to manage complex relationships and second-order market benefits.

4 The customer information management process

The information management process is concerned with two key activities: the collection of customer information from customer contact points and the utilization of this information. As companies grow and interact with an increasing numbers of customers through an increasing diversity of channels, the need for a systematic approach to organizing and employing information becomes even greater. Where customer information is spread across different functions and departments, interactions with the customer are based on partial or no knowledge of the customer. This fragmentation of customer knowledge can create major problems for the company. Firstly, the customer is treated in an impersonal way, which may lead to dissatisfaction and defection. Secondly, there is no single unified view of the customer upon which to act and to plan. (Payne 2006, 226-227)

The information management process consists of several elements that need to work closely together. Information should be used to fuel, formulate and facilitate strategic and tactical CRM actions. The other processes that make up the strategic framework for CRM all depend on the information management process. The strategy development process involves analyzing the customer data in different ways to provide insights that could yield competitive advantage. The value creation process utilizes information to develop superior value propositions and to determine how more value can be created for the organization. The multi-channel integration process is highly dependent on the systems that capture, store and disseminate customer information. The performance assessment process requires financial, sales, customer, operational and other information to be made available to evaluate the success of CRM and identify areas for improvement. (Payne 2006, 227-228)

The information management process should be considered in two stages. Firstly, the CRM strategy needs to be reviewed in the context of the organization’s information management needs. Secondly, the technological options needed to implement the agreed strategy have to be determined. One key role of the information management process is to ensure customer centricity and relevancy of the organization by embedding the customer perspectives in all business activity. The organization must be able to “read customer’s thoughts” in order to provide the kind of individual or customized service that will attract, retain and grow profitable customer relationships. The technical design of the CRM system or key account management portal should not be driven by IT interests but by the organization’s strategy for using customer information to improve its competitiveness. That’s why the company has to develop an information management infrastructure that will support and deliver the chosen CRM strategy. (Payne 2006, 230-232)

The collected data needs to be turned into information. Customer information can help making major decisions about reorganizing business, service offerings, marketing and other strategies. It can tell what customer wants and needs. (Anderson & Kerill 2001, 61)

4.1 Information management

Without customer information and customer knowledge the company can't have good customer management. Konecranes has decided to unify its key account information management for this reason. This part of this project was produced for the first version of global KAM portal.

Information management is about achieving an acceptable balance between operating intelligently and operating idealistically. The company may have the latest equipments and CRM systems but if the organization doesn't operate with the information well enough, the company will probably fail in CRM. The output from the CRM system is as important as the input. The function of information management in the CRM is to transform information into usable knowledge and to apply this knowledge effectively in the creation of customer value. The right information has to be in the right hands at the right time. This also means that the customer information must be updated. I think the best person for updating is the person who is operating with the customer. This person always has the latest information. But the updating process can be organized in many different ways and it is a business decision. (Payne 2006, 229-230)

If a true "team sell" is to be achieved, then a wide range of people need to know about the customer and have access to the increasing wealth of knowledge about that customer. The key account team needs access to a customer information database. The database includes lots of important data about the key accounts.

The perspectives, which are important when a company utilizes technology in customer relationship management, can be seen in figure 1.

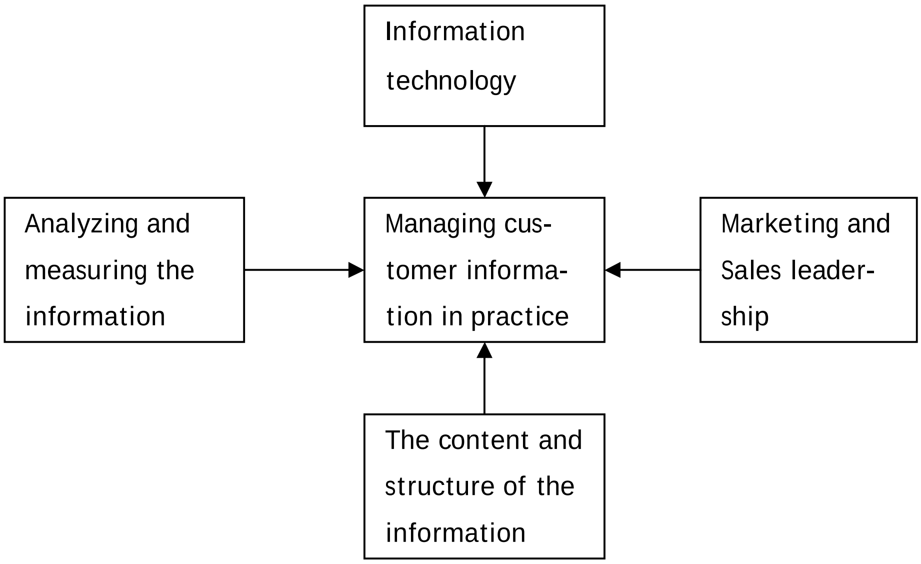

Figure 1. Different viewpoints of customer information management

(Mäntyneva 2001, 58-59)

As Mäntyneva (2001, 58-59) says, there are four different perspectives which affect customer information management. These are the content and structure of the information, marketing and sales, information technology and analyzing and measuring of the information. During the last years technology has developed rapidly and that has caused increased integration between information technology and business. From this perspective the company needs a flexible and user friendly system to help customer relationship management.

There are many different ways to manage customer data. One of the most important issues is that the data is saved into a database. It can be just a spread sheet, but especially in bigger companies the customer data managing is outsourced and a system is bought or it is managed by some outsourced company. This is a decision that has to be made in the company. There is not only one right solution; it depends about the company itself what kind of system is needed.

When the information is saved into a database, it is possible to share the customer information easily between team members and other relevant persons. Then everyone who operates with the customer is able to utilize the information. This leads to better customer service and brings added value to a customer.

It is very important to make the decision about the process: what kind of data will be collected, who will collect it, what kind of system is needed, how will the information be added, who is responsible for updating etc. At Konecranes these decisions were made in the beginning of the project. There has to be at least one central person in the information process.

The main targets of information management are:

- Faster reaction for competitors and customer's actions
- future forecasting
- Collected information can be used as a support in decision-making process
- Everybody in the organization will be able to utilize tacit knowledge

There often exists lots of customer data, but the problem is that not everyone are able to use it. It is difficult to share data if it is not collected in a systematic way. It is challenging to collect all the data so that it can be utilized effectively.

Another major challenge is to get the customer data shared effectively in the organization and change it into information and acknowledgement. Often faced problems in organizations are as follows:

- Different units collect the same information, but without good information co-ordination the information is not utilized in other units.
- It is challenging to collect all the tacit knowledge and share it in an organization
- Organizations cannot react to competitors actions early enough

Starting point for an information management is to recognize the company's success factors on operative level. The information is utilized every day in decision-making and strategic planning. The information must be collected as a logical entirety, which has a real significance. (Talvela, E & Ala-Mutka J 2004. 96-104)

4.2 Customer data

One of the common problems in many organizations is integrating customer information. When information is disparate and fragmented, it is difficult to know who the customers are and the nature of their associations or relationships. This also makes it difficult to capitalize on opportunities to increase customer service, loyalty and profitability. For example knowing that a customer uses several sources of interaction with a supplier can also provide opportunities to enhance relationships. Customer data is just customer information without knowledge. Without good customer information management, it is impossible to have good customer management. It is very important that a company understand its key accounts.

The creation and implementation of a successful CRM strategy will depend on close examination and rationalization of the relationship between an organization's business strategy and vision. If the customer is not at the centre of this vision, the vision must be re-examined and altered to the customer-centric position.

In building towards a CRM solution and in evaluating the use of customer data, the organization must also analyze how well it is aligned to deliver on the following core capabilities:

- Customer value management
- Prospecting
- Selling
- Collection and use of customer intelligence
- Customer development (up-selling and cross-selling)
- Customer service and retention
- Customer privacy protection

The success of CRM implementation depends upon the capability of the organization and its employees to integrate human resources, business processes and technology to create differentiation and excellence in service to customers and to perform all of these functions better than competitors. (Sharp, D 2003, 23)

It is important to separate different information sources from each others and the content of customer information. Information sources means the way a company can get information about customers. The content of information means what kind of information will be collected. Also the conclusions based on the collected information have a huge role. Information will become knowledge then, when it is possible to make conclusions based on the information. (Arantola 2006, 52)

4.2.1 What kind of data should be collected?

Before starting to collect customer data, the company has to define what kind of information is relevant to its business and what the organization should know about the accounts. Only that kind of information must be added into system. It is just a waste of time to collect data that is not useful for the company. The information can be shared in four parts: basic data, information, knowledge and forecast model. Basic data means information what already exist: customers, addresses, contact person, sales volume etc. Combining basic data helps to transform information. When the information is combined to experience, these together transform knowledge. Forecasting customers behavior can be made combining three of the above mentioned types of data. (Hellman et al 2005, 17-18)

Besides the basic data, a company can collect for example following information about customers:

- Purchasing history
- Ownership: Who are the directors, principal owners and what roles do they play in the corporation? Where are corporate offices located? Is the key account a public company?
- Organization: Is the organization centralized with significant power at corporate headquarters, or do individual subsidiaries operate with more or less power?
- Top management cadre: Who is the CEO and who are the other members of the top management group? What is their vision and values?
- Locations: Where are the account's fixed assets located? Where are its plant and distribution centre located? What are its production capacities?
- Corporate actions: What important actions has the key account taken recently and how successful have these been?
- Financial performance: What has been the key account's revenue and profit history? What are its trends in key figures? How does it success comparare to major competitors?
- Future prospects: What is the long-run outlook for the key account?
- Timing: What are the time cycles for the key account, for example the budgeting cycle? What are important dates, for example annual meetings?

(Capon 2005, 142-143)

There are two parts in relationship memory: organizational memory and personal memory. Organizational memory means customer databases. It means that information is automatically collected and stored. The information is collected from personnel who interact with customers. This can mean for example sales personnel. Personal memory means that contact persons have different kinds of information about the customers. (Kiviharju 2008, 21)

4.2.2 Content and structure

First the company has to find out what kind of information it already has from key accounts and for what purpose this information is used. After assessing the situation, the organization must make decisions about the targets.

In this case I handle the key account portal, so the data, content and structure are different than in company's CRM system. This Konecranes KAM portal does not have numerous data, which a normal CRM system usually has.

4.2.3 Where to get the customer data

Customer information is collected daily in different parts of the organization, by different tools and different data systems (Arantola 2006, 55-56). In this project the Konecranes owned databases are one of the most important information sources. Key account information can be collected from customer information that already exists. In this case the key account information was collected from sales personnel and country managers. In my opinion one of the best sources for customer data is the company's own sales personnel whose have collected data straight from the customers but also the above mentioned sources can be utilized if necessary. There is much tacit knowledge in organizations. Customer data can also be collected from different distribution channels. It is important that the same work doesn't have to be made twice: that the same information isn't collected and preserved in many places. (Arantola 2006, 55-56)

There are many sources from where it is possible to get customer data: government reports, private reports, trade associations, point of sale, employees, focus groups and surveys. (Anderson & Kerill 2001, 72-77)

Data from previous account plans, internal memos and call reports provide valuable data of key account. One potential information source is the firms own procurement department. Procurement practices are changing markedly and managers may gain important insights into their key account's procurement behaviour from their own procurement departments whose personnel may be facing similar challenges. (Capon 2001, 187-188)

Key accounts also publish a variety of material on themselves, such as annual and quarterly reports, proxy statements, press releases and newsletters, internal company magazines, product and applications literature, promotional brochures, web sites and speeches by executives. These may all provide valuable information, especially for understanding key account fundamentals. Key account personnel can also be useful. It can provide a host of insightful information on account plans, organizational functioning, roles and responsibilities and performance. The key account may share its strategic plan with the firm, or it may invite the firm's personnel into strategic planning meetings. All these situations may be potential information sources.

4.2.4 Collecting key account information

It is reasonable that the information is coming from sales personnel who operate with the customers in their daily work. They always have diversified and up-to-date information about the customers. It is important that every person who operates with the customers keep eyes open: every interaction with the customer has the potential to provide information about their needs, buying behavior, perceptions concerns and frustrations. (Cheverton 2004, 174)

The right person to collect the information is someone in the key account team. This person is responsible for collecting the data from sales personnel or other relevant persons and sending it forward for uploading into the system.

4.3 Why to store customer information?

It is very important that all the relevant company's customer information is saved into a database. But it is important to remember that the real value of information lies in its use, not in its mere existence. When all the company's customer information is saved into the same database, it is possible to share the customer information easily for example between team members and other relevant persons who need the information in their work. Then everyone who operates with the customer is able to utilize the information. When the relevant information is saved and analyzed, for example segmentation is lots of easier. I think these issues lead to better customer service and brings added value to the customer.

Another significant reason why it is important that customer information is saved into a database, is that when the person who has operated with customer leaves the company, he/she doesn't take all the customer information with him/her. If the information is only in one persons mind, there is a risk that customer follow him/her when leaving the company because only he/she can serve the customer in the best way. It is very difficult for others to co-operate with the customer if they do not know anything about it.

With the help of the database a company can also execute more individual marketing, because the database:

- gives more knowledge about the customers needs and purchasing behaviour
- gives ability to personalize marketing communications for each customer
- helps to allocate the marketing resources only for the most profitable customers
- gives ability to view the relationship between the company and customer as a long-term relationship
- leads to better customer service

When the company knows its customers and their needs, it can utilize the knowledge in research and development. Because the database gives the opportunity for personalized marketing communications for selected customers by using the right channel, others (for example competitors) are not able to see the content of the message. This also leads to better key account service: the company can provide special benefits (for example discounts) for its best customers as well as the fact that other customers don't know about it and don't then demand the same benefits. These issues can really give added value to customer.

It is said that the bigger database the company has, the more advanced it is in Customer Relationship Management. I think this is true, but the organization must analyze and utilize the information too and the customer information management process must be well organized. Otherwise the large database is not useful for the company. (Payne 2006, 228)

Customer information helps to make the segmentation and classification of customers. This is very important, because then it is easier to make right things at the right time to the right customer. It also helps forecasting: when an organization knows what has been done before, it can forecast the future and take appropriate steps early enough. Customer information also helps to notice which customers are the most profitable. These customers might be key accounts. They are the most important customers and need different actions than the other ones. One good solution to managing key accounts is to create their own key account portal to them, like at Konecranes.

Customer databases can be a useful tool for many different groups in organization. In fact, well organized customer information is needed almost by the whole organization. For sales persons it can be a daily used too when cooperating with customers and developing customer relationship. Databases can give sales personnel more information to sales situations. For company managing the customer database can give information of leads and sales opportunities. Sales teams can focus on profitable leads and customer service to automatic reporting. (Kiviharju 2008, 23). For example customer's purchase history is very vital information for sales team.

Also marketing departments can utilize the customer information in their work. With the help of the information marketing teams can plan and take the right marketing actions for customers. The customer information is valuable for research and development department, production and distribution too. Research and development team can utilize the customer information for example in product planning.

When an organization has information about its customers, it can transform customer knowledge into customer value. This can create significant competitive advantage. When high-value customers are identified and their needs are recognized, new value is created for them where it did not exist before. (Duane 2003, 24) To truly satisfy key accounts needs, an organization must understand the key account at a very deep level and identify ways to maximize the value that the firm can bring to the account. Key account needs to be satisfied of three types of level: functional, economic and psychological levels. Functional values relate to the solution of some tangible problem for the customer. It can for example mean that the supplier firm's raw materials enable the key account to manufacture its products. Economic values instead concern the economic cost to the key account including the price paid by the key account including the financial incomes from key account, credit arrangements and cost savings related to doing business with the firm. The third type of value, psychological values, includes such values as risk reduction, status and comfort with a relationship that do not fulfill a specific functional or economic need. (Capon 2001, 156) When a company can serve better solutions to its customers, it helps increase customer's productivity.

4.4 Ways to store customer information: databases

Database is a storage place for data that allows a company the needed data about the customers. That data can be turned into information. A database is often computerized, but it can be as simple as an organized filing cabinet. Before an organization can utilize the database, it has to make decisions about the following issues regarding the database:

- who will be responsible about the updating
- how the updating process is organized
- who will be responsible for allowing access rights to the database
- who will be responsible about the content
- how the information will be shared and with whom
- how it can be ensured that the organization is using the information

(Anderson & Kerill 2001, 61-63)

There are many different ways to store customer data. The database can be just a spread sheet, but especially in bigger companies the customer data managing is outsourced and system is bought or it is managed by some other company like at Konecranes. This is a decision which has to be made in the company. There is no one right solution, the system needed depends on the company itself.

If the company decides to use spread sheet (which is good for small companies which do not have so many customers and it is easy to use spread sheet), there must be made decisions which will collect the customer information and update it. These days there are many customer information management systems which are good for smaller companies too. When the company is bigger, it may need Customer Relationship Management systems which can be outsourced from another company. Both of these need lots of work, but if CRM is handled well, it is worth it. It is important that the process is very well organized.

The database can include many tools if the organization sees it as important. One good tool is for example search tool. There is often so much information in the database that it is lots of easier if personnel can search information via a search tool.

4.5 The data repository

To make a company customer-focused, it is not sufficient to collect data about customers from individual databases, because they normally provide only a partial view of the customer. To understand and manage customers as a unique way, it is necessary that large organizations have a powerful corporate memory of customers, in this case the KAM portal. This means an integrated enterprise-wide data store that can provide the data analyses and applications. The role of the data repository is to collect, hold and integrate customer information and thus enable the company to develop and manage customer relationships and key accounts effectively. (Payne 2006, 233-235)

4.6 Information process

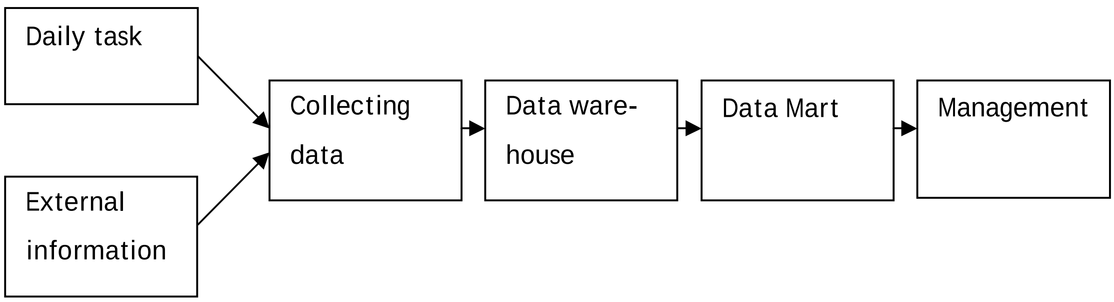

Figure 2. The value task of utilization of information

The information process can be seen in figure 2. It describes how the information is moving during the flow.

The information is collected from a person's daily tasks and from external activities. In collecting phase the data is collected, combined and processed. The data is organized and it has quite small value.

In data warehouse phase the information is summarized. The information is refined and it has some value. The data has become information.

In Data Mart the information is analyzed, reported and visualized. Information has become knowledge: information is organized and it has a big value.

In the last phase of the process the information supports management: it helps to make decisions. (Pia Kiviharju 2008, 24)

4.7 Customer insight

Customer insight has risen as a term that is often used, during last years. It usually means just information, but it can describe knowledge and insights too. Knowledge and insight are value added information about customers. Information becomes knowledge then, when it is possible to make conclusions about that.

There is no one common definition for the term customer insight. Here are a few definitions that Arantola 2006, (53-54) has collected from different sources. At this point these are used to describe term “customer insight”:

- Customer insight means deeply understanding customer needs and customer behaviour. Even customers themselves can’t describe this.
- Customer insight is customer oriented approach. The customer is central in creating knowledge.
- Customer insight is a function that collects customer information into one place from different parts of the organization. This organization can be described as a customer intelligence organization.
- Customer insight means that it is possible to collect all the specific customer information about one customer from different parts of the organization.

Customer intelligence means information collecting, saving and modifying. It also means organizations’ intelligence to modify customer information as knowledge. (Arantola 2006, 53-54)

5 Case: Konecranes Global Key Account Management Portal -project

In Konecranes the main idea in the Key Account management project is to collect all the key customer information into the same place. The information is published in a Konecranes internal KAM portal website with restricted access (to those who will be working in the KAM organization). At the moment we collected information only from region EMEA (Europe, Middle East and Africa). Key account information from the regions NEA (North East Asia) and SAP (South Asia Pacific) will be added later when available. Also the other key account information will be added, e.g. attached to specific business units, if available. Konecranes USA key account information already exists in the KAM portal.

The purpose of the Global KAM portal is to share key account information internally within KAM responsible personnel. It is planned as a tool for sales managers responsible for key accounts. The timetable for this project was September 2008-February 2009. The main question in the project was: how all Konecranes key account information can be collected into one place and how to manage this information?

The target is to find the total picture of Konecranes Key Accounts in one place in order to utilize and share information. This information should include the following levels without taking a stand in which Business Area the customers represent:

- Global
- Regional
- Country level

In the Americas this system has been up and running and it was time to develop this portal also for the EMEA region used. The portal will offer all-around information about key accounts worldwide and it will offer a new internal tool for sales and KAM personnel. The front page of Konecranes global key account management portal can be seen in figure 3.

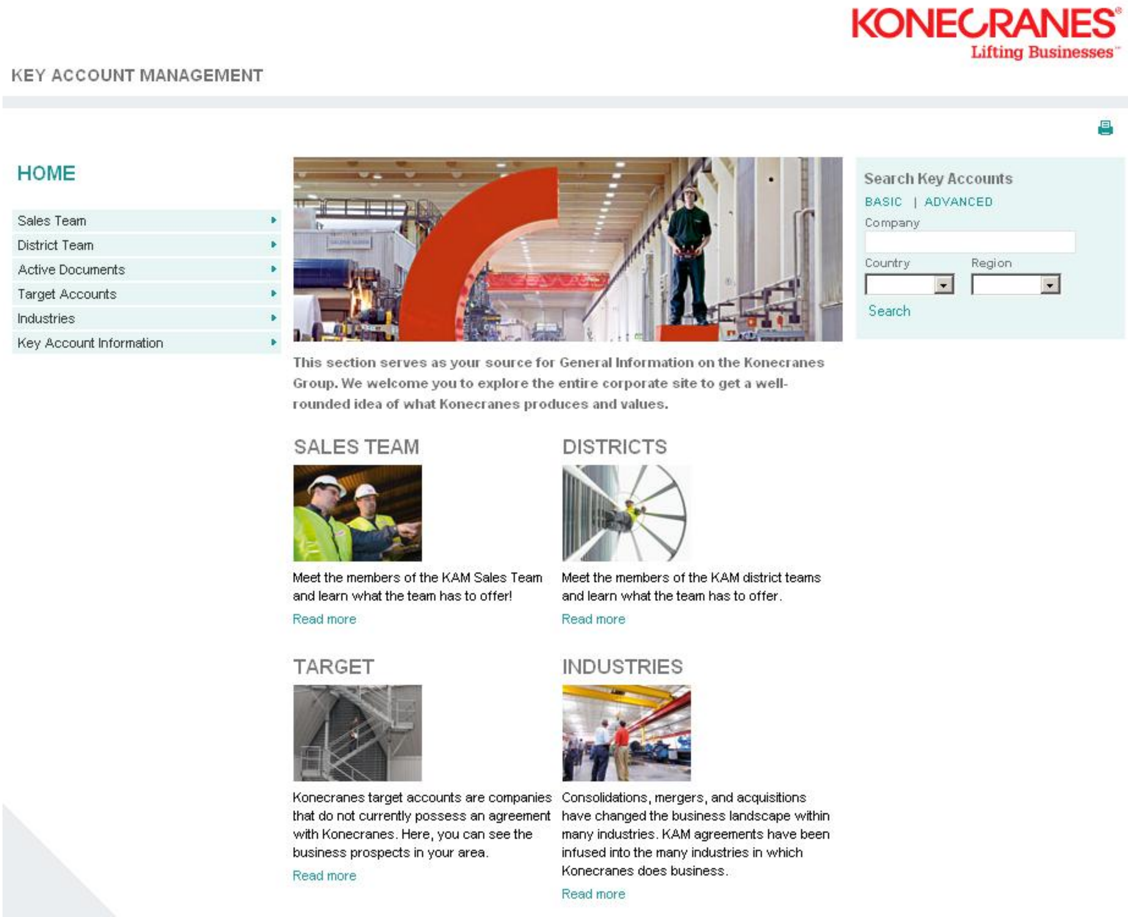

Figure 3. Konecranes KAM portal

Participants of this project are located in different countries and they have different roles. HQ Marketing is responsible for this development project. Also the other participant's work at Konecranes, except Stimulus Worldwide Communication, which is subcontract company. Stimulus is responsible for adding the information into a global site and other technical implementation. At the first phase the access to the portal is limited to appointed of KAM personnel, Country and Region Managers, Head of Business Areas and Units, Industry Champions and Konecranes employees who have been involved in this project. The participants are listed in formal project plan as enclosed in attachment 1.

5.1 Background and basis of Konecranes KAM project

Konecranes Americas marketing team has successfully implemented a KAM customer portal for the Americas, and also started to create a basis for the site's global use. So before this global KAM project, this system has been up and running only in Konecranes Americas. It was not possible to copy the system straight from there and utilize it in Europe, so a system that could be used in Europe and other regions needed to be created. The different business areas and units have had their own customer management systems, but this information was not handled in a systematic and unified manner. The global KAM portal would offer a common site for managing and distributing the key account information. As Konecranes is developing its sales process, the role of this KAM portal project is important in supporting the development project.

5.2 What information does Konecranes KAM portal have?

The portal includes the following information:

- Konecranes sales teams with contact information
- Key account owners and accounts information
- KAM documents
- Information about industries/segments
- Target Accounts information
- News and announcements about key accounts

There has been a collection of the basic data of the customer: company, address, contact information, status owner, segment/industry of key account, key account countries. It is also possible to add additional information connected to one key account.

5.2.1 Features

There are several features on KAM portal: Sales Team, District Team, Active Documents, Target Accounts, Industries, References, Key Account information and search. All of these offer a useful tool for portal users. Next I am going to give more information about each feature.

5.2.2 Sales Team

Under sales team can be found sales team contact information for regions AMER and EMEA. Information from the regions NEA and SAP will be added when available. Each KAM team member is responsible for directing the sales efforts of the accounts that exists within territory.

5.2.3 District Team

Within each sales team it is possible to divide key account specialists into smaller teams, district teams who are responsible for organizing the key account management locally.

5.2.4 Active Documents

On active documents the user can access documents with information about key accounts. This section is excellent tool for exchanging information internally.

5.2.5 Target Accounts

Target accounts are companies that do not currently possess an agreement with Konecranes, but can be seen as important business prospects.

5.2.6 Industries/Segment information

This section serves as a knowledge base on the key industries that Konecranes serve. In this section can be find information about industry specific key accounts. More information (articles and up-to-date research etc.) will be added too. At the moment this section includes basic information but later there will be added more information about the industries customers.

The segment information includes:

- Name of the Key Account
- Segment/industry of the Key Account
- Contact person and contact information of the Key Account
- What countries does belong to this account
- Konecranes contact person responsible for this Key Account
- Other relevant information

Customers in key segment face constant pressure: regulatory/environmental issues, ever-changing technologies, and unrelenting competition. To better serve its key accounts, Konecranes must understand their daily concerns/challenges. This segment/industries section serves as a knowledge base with information, articles, and up-to-date research on the key industries that Konecranes serve.

5.2.7 Key Account information

This tool allows managing the status of key accounts. In this section can be viewed customer status, add new customers and modify the status of existing customers. This database is fully searchable.

5.2.8 Search

There are two types for search on the KAM portal: basic and advanced search. Searching is to sort data in different ways to study activity levels, or customer status, or targeting specific geography. In a basic search KAM personnel can search key account data by country or region. In an advanced search the information can be searched by country, priority, district, status, state/province, region, segment or status owner.

5.2.9 References

There will be added a link from KAM portal to Konecranes Reference Bank. Into the Reference Bank there has been collected all the company's references. That site exists in Konecranes Brand Portal.

5.3 The Access Rights

In the first phase the access to the portal is limited to appointed KAM personnel, country and region Managers, heads of business areas and units, members of executive board, industry champions and Konecranes employees who have been involved in this project. Above-mentioned persons are able to access the KAM web site with their username and password, in other words the KAM site uses the existing Konecranes user data. KAM portal works only in Konecranes network. Additional access requests must be sent to named contact persons for approval after which they will contact the technical contact person.

Technically the site is currently configured for centralized user management; though, if needed it is possible to empower some regions/country managers, etc. to manage their local permissions (add local users, etc.). There are advantages to doing it either way (centralized vs. decentralized user management.). This is a business decision what has to be decided in the future.

5.4 Updating the site

In the beginning we had to solve one important issue: who would update the site in the future when the volumes are growing. The most important issue when updating the KAM site is that the system had to be easy, logical and fast.

At the moment all new data is being added centrally by Konecranes Americas. HQ Marketing will coordinate together with Konecranes Americas updating of the portal. In the future, as Konecranes account processes are further developed, the update process will be reviewed.

It is planned that in the future every country will be chosen one contact person for updating key account information for that country/segment and the update process can in the first phase be centralized. I think this is a good way to keep up the KAM portal. I found it important that there is one person who is responsible for updating and technical implementation. Konecranes HQ marketing and Americas marketing team could be responsible for planning the content and make co-operation sales personnel instead of country responsible. The key account information could also become straight from the salesmen for responsible persons in the future. This would be a good solution and possible option when deciding about the updating process. However, any decisions in relation to this have not yet been made.

It is very important to keep the site always updated in the future. Otherwise it is not possible to utilize the information and use the portal as an active tool. The roles have to be very clear too: who will take care of the updating and who will take care of collecting the information. This is something that needs to be developed in the future. Key account managers might be one option.

6 Phases

6.1 Key account information collection

At the moment there is no dedicated Global Key Account Management organization in Konecranes. That is why one of my first's jobs was starting to collect the sales contact information. The only way to get the key account information is that sales managers or country managers send it to us. In the beginning we had to make decisions which customers are key customers and which are important customers. Until this project there hasn't been any consistent definition of that, so that was a challenging task. In this project key account has defined as a large customer, with whom Konecranes makes regular business and who has locations worldwide. But one target for this project was to find a definition which can be used in the whole company. We started to collect the information from sales organizations in different countries based on this definition.

It was very challenging to find the right sales person who would be able to give the customer information. There are many countries in the EMEA area and I had to find out the right sales person of every country. I had a list of persons who work with marketing and sales and I called or sent an email to them and asked who is responsible for sales in their country.

After listing the sales contacts we contacted them in order to get the needed information. I created email distribution list. I contacted the country managers too. My job was to collect key account information and send it to Stimulus Worldwide for uploading.

In the future, one way to collect the information is to receive it for example from sales or marketing personnel. Their connection to the firm's customers is obvious.

6.2 Industry/Segment information

Konecranes has chosen to focus on nine segments at the moment: Automotive, General Manufacturing, Intermodal & Rail, Mining, Oil & Gas, Paper, Ports, Power and Steel. The purpose of this phase is to offer key account information for different segments. In order to receive key account information about top 5-10 customers from every segment, an email distribution was sent to the segment managers (industry champions). I also found information from another Konecranes internal database and sent it to Stimulus for uploading.

6.3 Launching the Konecranes global KAM portal

Just before publishing we sent an email to country and region managers, business area and business unit directors and industry champions in order to inform them about the portal. I also created instructions as to how to use the KAM portal. The instructions can be seen in an appendix section as attachment two. That document will be added to the KAM website as a "Help" section. From instructions users can find information about the purpose of the KAM site, what is it, what kind of information it includes, how people can use it and contact information for additional information and updates.

Just before publishing it was important to check that all the relevant persons had access into portal. That is why I made a list of users that I sent to Konecranes Americas organization. They confirmed that access rights are fine. It is very important that everyone who should have access to this site can log in into the portal on launching day.

Konecranes global KAM portal was launched on the 31 December 2008. Before launching we prepared a message, which we sent via email to all the country and region managers, business area and unit managers and executive board. All these persons and EMEA and Americas KAM personnel have access to this KAM portal too. The message is headlined: "Konecranes Global Key Account Management Portal". To this email message was added KAM instructions PDF file as attached. Instructions included information about the following issues: the purpose of the KAM site, how to use the portal, features, what kind of information does it include, contact persons and updating process. My manager and I were responsible for the instructions.

7 Why do Konecranes need Key Account Management?

There are several benefits for Konecranes about key account management. With KAM it is possible to achieve better long-run profitability at the company. The most important are that the key account manager offers concepts and products designed for one application and replicated for other customer locations with cost benefits from economies of scale and pre-engineering savings. Konecranes potential for increased account penetration improves dramatically when customers communicate positively with other plant location personnel. In many ways, the customer becomes a sales force. Key account management also allows Konecranes to penetrate closed markets. The KAM allows Konecranes to enter markets where key account plant locations exist and create conditions to open new branch offices using key accounts as anchor accounts.

I think that it is very important to develop Konecranes customer portal and create a new system to manage key accounts globally. Maybe in the future key account managers are something that should be thought about for every country. There are several other programmers in Konecranes to take care of the customers. In different business areas there are different systems, but KAM portal collects all the information together. I found this portal very useful for sales personnel. It is important that changes and developments are implemented well in the organization. Then it is possible to use KAM portal as an active tool in daily work.

Segmentation means that a company classifies its customers to different groups. The target is to allocate company's resources to the right customers by a cost effective way, because it is impossible and unnecessary to notice every customer as much as the most profitable ones. Segmentation offers a possibility to plan actions for different groups, choose them the right communication channels and personalize marketing and communication actions and messages. With the help of multifaceted customer information, a company can choose customers individual behaviour as a segmentation criterion and move towards dynamic segmentation.

Key account management also leads to better customer service. When a company knows its customers well and has good knowledge of them, it can forecast their behaviour and needs. Company can provide new products and services to the customer at the right time, so that a customer might not even ask for offers from competitors. Company must always provide special service for key accounts. Key accounts are the most important and profitable group of customers, which must always be satisfied.

Customer information also helps an organization when it is planning how to contact customers. Organizations can plan which marketing channels are best in each cases and how often these contacts (for example personal visits, phone contacts, email) should be made. This kind of planning leads to specific customer- and customer group treatment models, which define the right ways to act with customers. This kind of tool is important to a company in order to get unified view in an organization about how and when an organization should make contact to customers. Customer treatment tool is especially useful with key accounts. The tool is useful especially with the key accounts, when both parties (a company and customer) are thinking about the cooperation. When communicating with key customers, personal selling is one of the most important tools. Phone calls and emails are suitable communication ways with smaller customers. (Helmann et al 2005, 67–70). It is important that key accounts are satisfied with the suppliers' products and services. If they are satisfied, they are more probably loyal customers.

All these actions help to keep key accounts satisfied and loyalty in the future too. It increases the profits. This portal is also a good internal information channel in the sales development process. It supports the process and offers a new tool. Sales personnel can use it for analyzing the customers and for planning the future and cooperation with the customer.

8 Project working

Over the last few decades the growth of project working has been phenomenal. A project is a permanent time taking process and it always has a target. For fulfilling the target the organization has to be flexible and face all the changes and new needs that appear during the project. A project can be a part of bigger plan or it can be one big project which is ready after everything is made. For making the project succeed, it has to planned, organized, implemented, supervised and evaluated well. (Vilkka & Airaksinen 2003, 48)

A project has a budget and a timetable. A project plan is based on these. It is difficult to make a perfect project plan in relation to implementation, because it is impossible to forecast all the changes that are going to happen in different phases of the project. In figure four can be seen the subtext of Konecranes global KAM project.

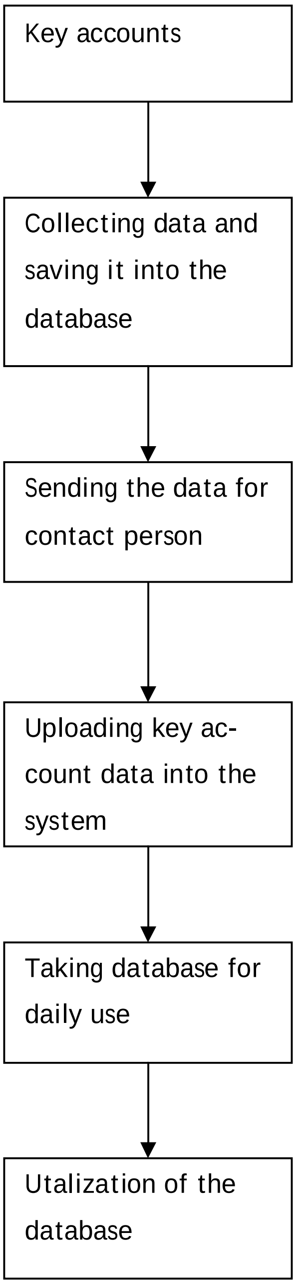

Figure 4. The subtext of the Konecranes global key account management portal project

The subtext describes the process from a customer based perspective. At the beginning of this project there must be planned the timetable and what kind of data needs to be collected. After this it is possible to start to collect the key account data. The data was collected into a spread sheet in a certain format and it will be loaded into system. When the information is loaded in the system, it is possible to take the system in daily use and utilize it in work.

It is important to make a project plan at the beginning of the project. In the global KAM project we made a project overview which can be seen in attachment one. In the project overview we focused especially on what would we do during the project, what are the next steps, timetable, who are involved in it and responsibilities. We updated it a few times during the autumn and we sent the final version to all the participants. At the same time we arranged a phone meeting with KAM responsible persons in order to get their opinions and for the developing of suggestions.

9 Results

9.1 Evaluation

As a result of this phase of the project, key account information of region EMEA was added into Konecranes KAM portal, which was one the main targets. I think this phase of the project succeeds pretty well. Together with Konecranes Americas key account information it creates a good base for further development of KAM portal.

There are also a few issues that need to be developed before the whole portal is able to serve the users in daily work. There might be added more tools in the system. Also the form of the information should be developed: the information must be in user friendly form that it is possible to utilize it in work.

Another target of this project was also clarifying the key account definition. The key account definition is something that needs to be developed in the future. When the definition is clear globally in the organization, it allows collecting more information into portal.

The project was well organized, and thanks for the project plan, which was made at the beginning, all the phases were suitable. The tight timetable and information collection were the most challenging parts of the project. I think it is good solution to create an own database for key accounts, and collect all customer information into own database, like we did at Konecranes. Then it is easier to manage the information.

For me the project was very interesting and challenging. I learnt lots of new issues about key account management and customer information management and how these issues are handled in international company. One of the best issues was to combine theory and practice in a real case. This was a very interesting project and a huge possibility for me to develop myself and improve my English.

The portal will serve users better in the future than right now, because the development work continues and more information will be added. It is important to collect feedback from users and utilize it in development work. In the future it is planned to provide a good internal channel for sharing key account information globally with KAM responsible persons. Embedding the KAM portal in the organization might be a challenge.

9.2 Further development

Konecranes Americas marketing team is developing the KAM portal all the time. In the future the key account information from the regions NEA and SAP will be added into Konecranes KAM portal too. The timetable will be determined. Also a new section for news and announcements for key accounts will be added, and other possible features will be created.

I think that the meaning of digital databases will increase in the future. I also believe that customer databases will increase their popularity especially in b-to-b business. I also believe that new tools will be developed and databases will become even more diversified. One challenge for developing is work that the benefits of these databases can be seen only in a long run. That might be one reason why all the companies do not want to allocate resources on it. For achieving profits by databases, it is important the database is tailored for the organizations needs.

A digital database needs lots of developing work in the company, and there are many issues a company has to decide before a database can be used as a daily tool. A useful database is a result of huge investment of resources. An organization has to believe it is worth of it, and develop the database purposeful based on the targets.

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Table of figures

Appendixes

KONECRANES
Lifting Businesses™

20 October 2008/sk, tl

Global Key Account Management Portal project

A. Project overview

Konecranes Americas marketing team has successfully implemented a KAM customer portal for Americas and also started to create a basis for the site's global use. HQ marketing was given the task to transform the site into a company wide application, so that all Konecranes key account information will be found in one place.

The purpose of the Global KAM portal is to share key account information internally, and include e.g. the following features:

- Konecranes sales teams with contact information
- Key account owners and accounts information
- Copies of actual KAM contract documents
- Information about industries/segments
- News and announcements about key accounts
- Target account information

B. Participants

KC Americas:
- Mike Williams
- Mandy Bible

KC EMEA:
- Derek Reece

HQ Marketing:
- Satu Kaukaranta
- Taina Luoto
- Kalle Rosti

Service Marketing:
- Nelli Paasikivi
- Marko Äkräs
- Valeria Zimenkova

IT:
- Johnson Li/Americas
- Juha Lähde/Global

Risk Management:
- Atso Mattila

Partner:
- Stimulus Worldwide Communication

C. Project plan

1. Sales email group for the whole of Konecranes in order to get a communication channel (HQ Marketing)
- Contacting all sites
- Establish email group into Groupwise
- Responsible organization: HQ Marketing

2. KAM Team, key account owner and key accounts data for EMEA
- Responsible organization: HQ marketing
- Responsible for adding the information into a global site: Stimulus

3. Target data for EMEA
- Contacting EMEA KAM team in order to get the needed information
- Collecting information, sending it to Stimulus for loading
- Responsible organization: HQ marketing
- Responsible for adding the information into a global site: Stimulus

4. Copies of EMEA KAM contract documents to the website
- Collecting information, sending it to Stimulus for loading
- Responsible organization: HQ marketing
- Responsible for adding the information into a global site: Stimulus

5. Industry/segment information to the website
- Responsible organization: HQ marketing
- Responsible for adding the information into a global site: Stimulus

6. Instructions**,** user interface, updates, access rights
- What, how and who (updating, adding customer information, how does it work etc.)
- NOTE: Should be discussed in the team first, decision to be made before producing instruction documents
- Responsible organization for producing instructions: HQ Marketing

7. Publishing and Communication
- Email to sales personnel

- Information in intranet
- Responsible organization: HQ Marketing

8. Further development of the global KAM site, including following actions:

1. Development of NEA and SAP sections
2. Creation of news and announcements section for key accounts
3. Other possible new features

D. Timetable

1-7: before end 2008
8: To be determined

KONECRANES Lifting Businesses

HOW TO USE KONECRANES KAM PORTAL

31 December, 2008

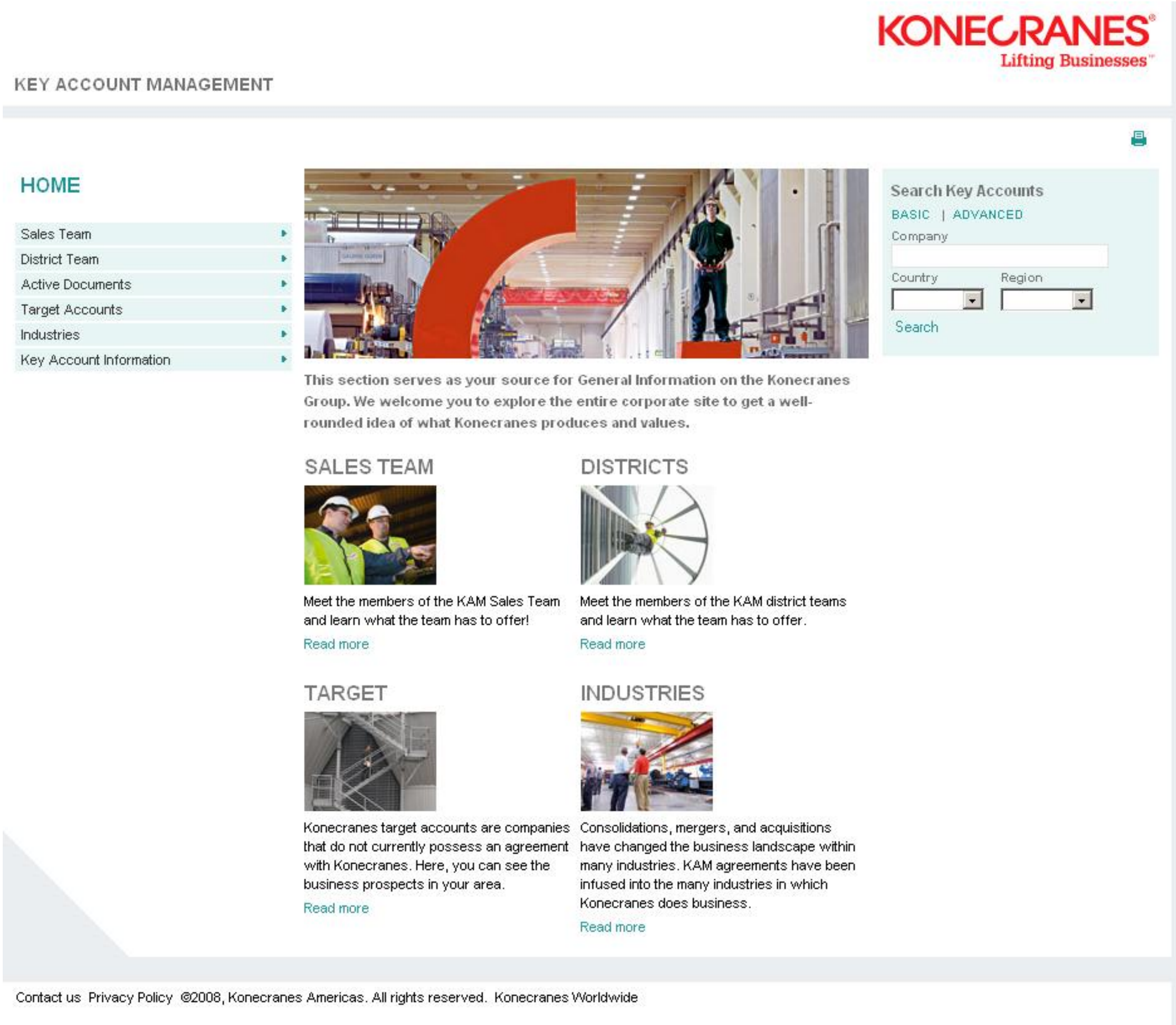

Figure 1: KAM Portal

1. PURPOSE OF THE KAM SITE

KAM website serves as a portal for the all Konecranes Key Account information. The purpose of the Global KAM portal is to share key account information internally within KAM management responsible persons. It is planned as a tool for sales managers responsible for key accounts.

At the first phase the access to the portal is limited to appointed of KAM personnel, Country and Region Managers, Head of Business Areas and Units, Industry Champions and Konecranes employees who have been involved in this project. Additional access requests will be sent to Mandy Bible (Americas) and to Taina Luoto (other areas). KAM portal works both in the internal and external Konecranes network.

2. FEATURES

2.1 SEARCH

There are two types of search on the KAM portal: basic and advanced search. Searching is to sort data in different ways to study sales activity levels, or customer status, or targeting specific geography.

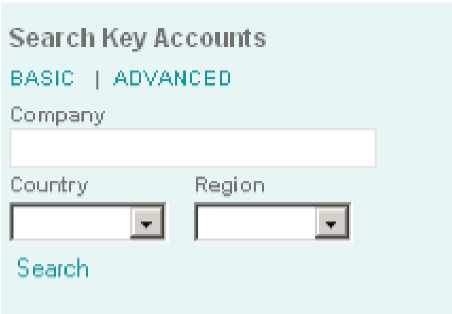

Figure 2: Basic search

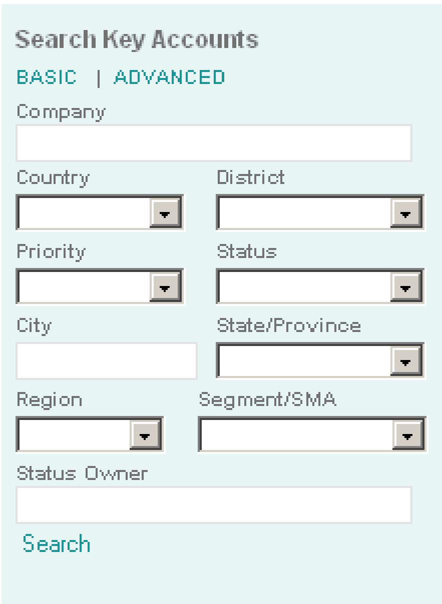

Figure 3: Advanced search

2.2 SALES TEAM

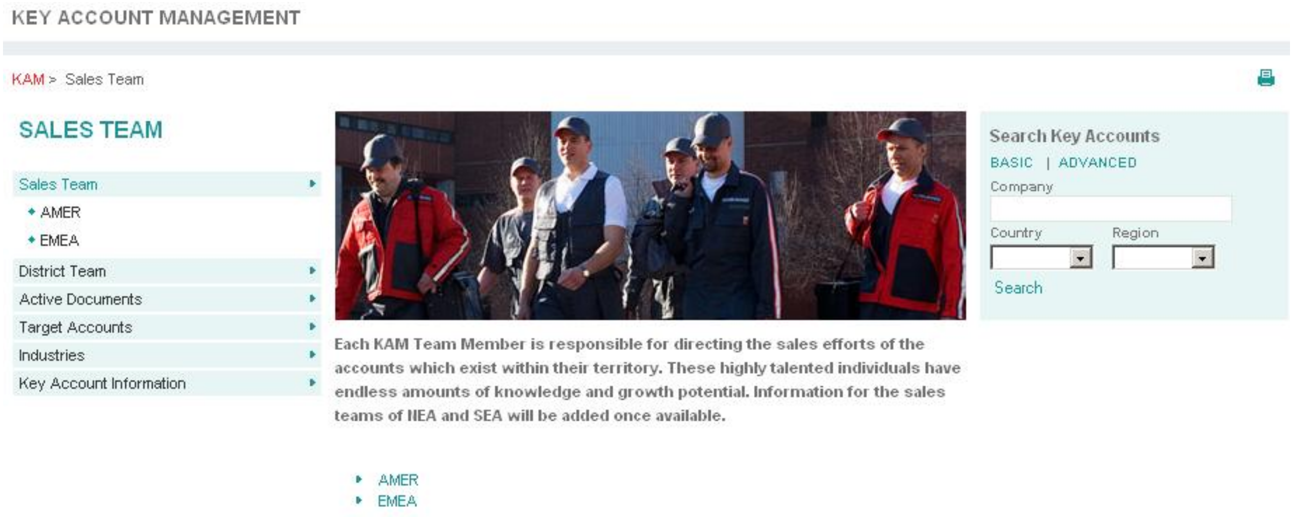

Figure 4: Sales Team

Under sales team you can find sales team contact information for AMER and EMEA. NEA and SEA sales team information will be added when available. Each KAM team member is responsible for directing the sales efforts of the accounts that exists within their territory.

2.3 DISTRICT TEAM

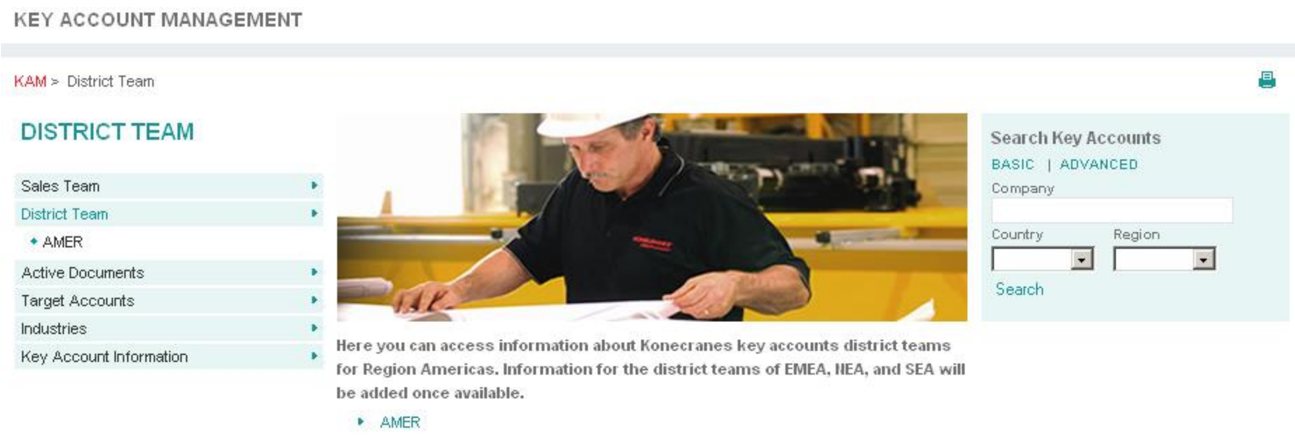

Figure 5: District Team

After the district teams are established, there will be added contact information for each team member. Right now there is district team only in Konecranes Americas.

2.4 ACTIVE DOCUMENTS

Figure 6: Active Documents

Within active documents you can access important documents with information about Konecranes key accounts. This page will provide valuable information about the many companies that are currently designated as "key accounts."

2.5 TARGET ACCOUNTS

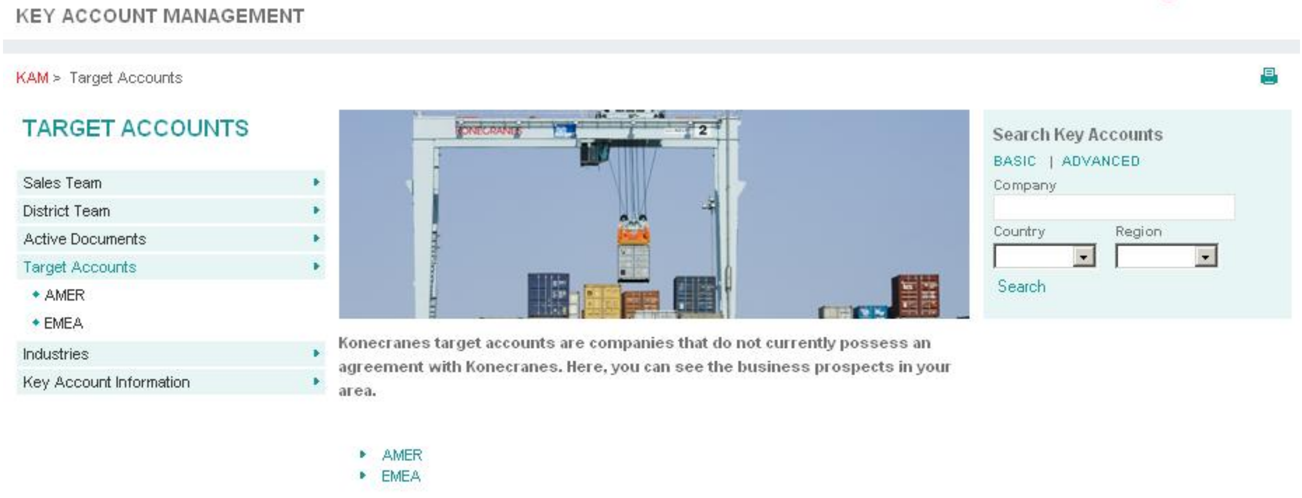

Figure 7: Target Accounts

Konecranes Target Accounts are companies that do not currently possess agreement with Konecranes. In this section you can see the business prospects of AMER and EMEA, and business prospects for SAP and NEA will be added when available.

2.6 INDUSTRIES

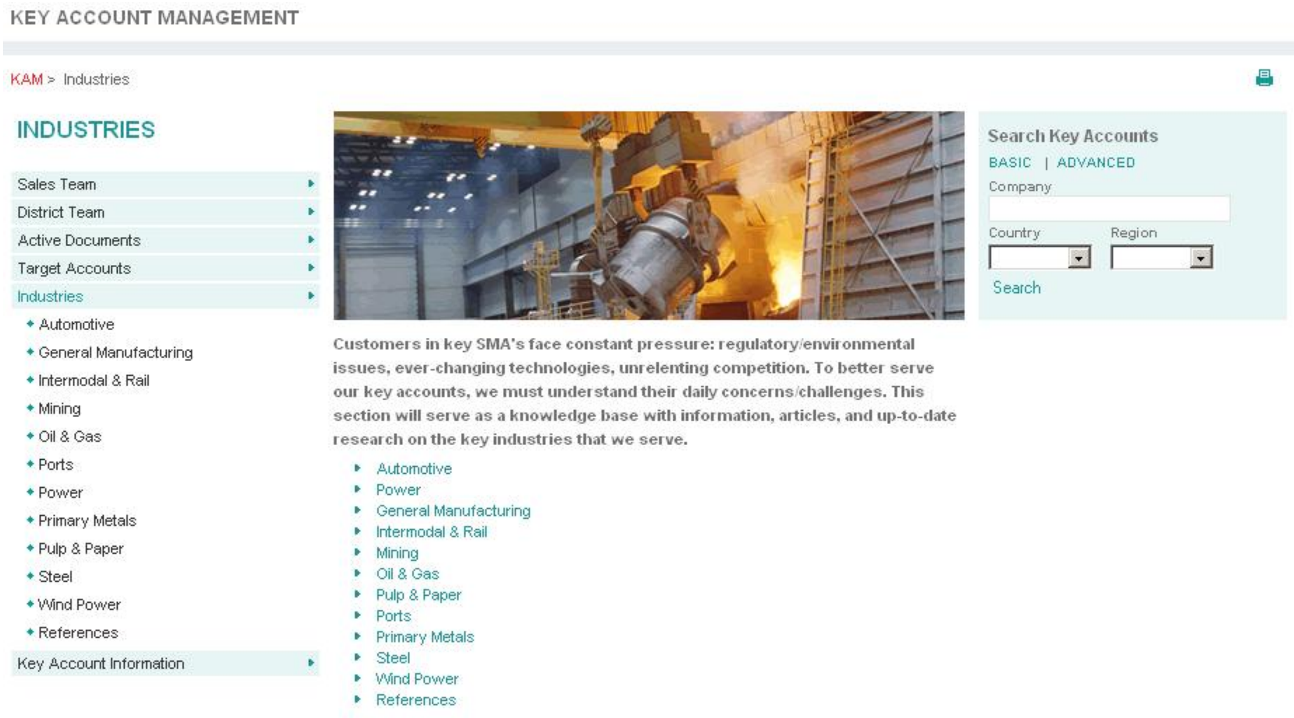

Figure 8: Industries

This section will serve as a knowledge base on the key industries that we serve. Here you can find information about industry specific key accounts available. More information (articles and up-to-date research etc.) will be added later.

2.7 KEY ACCOUNT INFORMATION

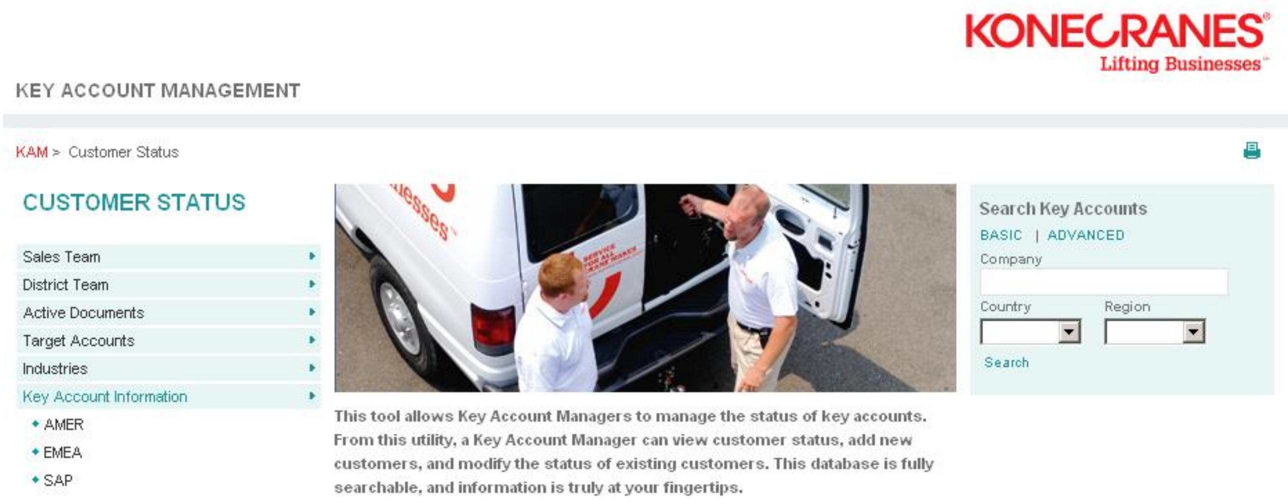

Figure 9: Key Account Information

This tool allows managing the status of key accounts. Here you can view customer status, add new customers, and modify the status of existing customers. This database is fully searchable.

3. UPDATING AND ADDING INFORMATION

At this point all new data will be added centrally by Konecranes Americas (Mandy Bible). HQ Marketing will coordinate together with Konecranes Americas updating of the portal. If you notice that there is some vital information missing, please send it to Satu Kaukaranta/HQ Marketing (Satu.Kaukaranta@konecranes.com) or Mandy Bible/Konecranes Americas (Mandy.Bible@us.konecranes.com). The update process will be reviewed, as the Konecranes Key Account Management processes are further developed.

4. ADDITIONAL INFORMATION

For questions, please contact Taina Luoto/HQ Marketing (taina.luoto@konecranes.com) or Mandy Bible/Konecranes Americas (mandy.bible@us.konecranes.com) for further information.