Time-orientation in complex B2B service relationships

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STRUCTURED ABSTRACT

Purpose: To examine, based on a teleological time-orientation, the differences and similarities between actions that take place before and after the sales and purchases of advanced service solutions. To stress that an active consideration of time facilitates the development of satisfactory service solutions to the service provider and service receiver (both) and maintenance of the long-term and complex B2B service relationships in contrast to a passive consideration of time.

Methodology: We have applied a multi-method design based on: (i) in-depth interviews with key informants at software providers and their customers; (ii) analysis of textual documents and structured observations of customer-software provider actions; and (iii) follow-up interviews. This study is based on four phases in an industry to examine different views to enable data triangulation.

Findings: Complex B2B service relationships are affected by time in active way, namely time in the present is linked to customer expectations and their perceptions through two points: (i) the experience (from past) of the service provider and the service receiver. ii) the service solution, previsualized (from future) before the service is implemented. Each interaction between the seller and the buyer progressively changes the mindset of both from the initial position of each (active consideration of time).

Research implications: Highlight the importance of an active treatment of time and of cross-functional service provider teams, since the individual salesperson may not possess the knowledge or resources to deal successfully with service receiver demands in complex B2B service relationships.

Managerial implications: Service providers should train, support, supervise and evaluate the whole team so that it interacts properly and performs appropriate and timely actions towards a successful outcome with their service receivers.

Originality: Contributes to enhance the understanding of time-oriented sales and purchases in complex B2B service relationships based on advanced service solutions, all of which have rarely been addressed in either previous studies or in theory.

Keywords: advanced service, time, relationship, buyer, seller, Spain.

Paper type: Research Paper

1. INTRODUCTION

Complex business-to-business (B2B) relationships have been examined in previous studies based on person-to-person visits (e.g. Munnukka *et al.*, 2013). They have also been examined in terms of technology, such as social media and other digital communication platforms (e.g. MacDonald and Smith, 2004). However, previous studies on complex B2B relationships have rarely focused on a combined assessment of sales and purchase perspectives (Hohenschwert and Geiger, 2015). In complex B2B service relationships the service provider (SP) must offer a satisfactory solution to the service receiver (SR) because the main incomes of this business come from the maintenance of current SRs. Furthermore, the SR acts as prescribers for potential SRs. In the case of SRs, the fact of not obtain a satisfactory solution could lead to a waste of money and time. Therefore they (both) have to collaborate in making the best possible solution (Spekman and Carraway, 2006).

Furthermore, previous studies in complex B2B service relationships have seldom explicitly taken 'time' into consideration as a core issue of examination. Time has commonly been considered as a plane or static concept (i.e. passively) to describe which step comes first and which follows next and so forth in sales and purchase cycles (Lalonde and Zinszer, 1976), but seldom how time influences what happens in the sales and purchase cycles (Stacey *et al.*, 2000) of advanced service solutions in complex B2B service relationships (i.e. actively).

There is a gap in existing theory and previous studies in relation to complex B2B service relationships, namely that researchers have not delved sufficiently into the concept of time as an active part of advanced service solutions in complex B2B service relationships. The past, the present and future of sales and purchase cycles are not only sequentially interconnected (passive), but are also interchangeably connected (active) to determine the actions undertaken (Charon, 2007). For example, actions undertaken in complex B2B service relationships may be guided by past experiences to determine actions in the present, or they may be guided by continuous experiences in the present, so as to determine forthcoming actions, as well as future expectations which may guide the actions in the present (Rodriguez *et al.*, 2018). On one hand, SP and SR focus on the present in the passive consideration of time, in SR requirements. On the other, the active consideration of time focuses on a mix of the past, present and future in the present to obtain a satisfactory solution. In consequence, time may passively and actively determine the actions taking place in complex B2B service relationships. Furthermore, success in complex B2B service relationships depends on sellers'

actions undertaken at the right time in relation to buyers' actions in complex service solution sales. In addition, closing a business deal in complex B2B service relationships depends on the sellers' presence at the right moment for the buyer, as deals are often long-term and absence at that right moment leads to missed sales opportunities.

Spekman and Carraway (2006) state that the complex solution sales of B2B requires insightful knowledge of the variables that influence the best solution for the buyer (p. 12): "…*without which any collaboration is apt to run into insurmountable obstacles*…". The right moment for closing the agreement is something that buyers and sellers have to find out in collaboration. By extension, to succeed in the post-deal implementation process in complex service B2B relationships process relies on evolved maturity, and developed joint experience is sufficient for both the seller and the buyer at the right time. Charon (2007) comments that in each interaction the seller and the buyer adapt their messages progressively, using past experience and future expectations, to achieve their objectives (Blumer, 1969).

Subsequently, time taken into consideration as a core issue in complex B2B service relationships can influence the ultimate outcome of actions, although the remaining factors are the same, such as people, organizations and service solution. A teleological framework adapted from complexity science that explicitly takes into account time is therefore applied in this study (Stacey *et al*., 2000). The framework takes time into either passive or active consideration in the assessment of complex B2B service relationships.

The objective of this study is to examine, based on a teleological time-orientation, the differences and similarities between actions that take place before and after the sales and purchases of advanced service solutions between SPs and their SRs in complex B2B service relationships.

2. FRAME OF REFERENCE

2.1. Teleological Actions

Previous studies on final SRs find that time is significant in creating SR experiences (e.g. Woermann and Rokks, 2015). In B2B-relationships: "…*time is the first and probably most important issue when analysing interaction*…" (Ford and Håkansson, 2006, p. 7). Furthermore: "…*studies might misinterpret the beginning and end of processes*…" (Quintens

and Matthyssens, 2010; p. 97). This study contributes to explicitly addressing time, based on past, present and future actions as a core issue of complex B2B service relationships.

Halinen and Törnroos (1995) define time as a subjective experience and a sequential horizontal process. In addition, Mason, Oshri and Leek (2012) explore how various temporal modes (standardized, planned, vertical and horizontal) affect communication practices in a B2B-relationship. Tidström and Hagberg-Andersson (2012) examine critical events in time, so as to understand the process of change, extending from cooperation to competition in dyadic business relationships.

Through these previous time-oriented studies, this study contributes with an application of the teleological framework by Stacey *et al*. (2000), to investigate how past, present and future actions are interconnected and develop differently between sales and purchases. Previous conceptualizations of time are seen as a sequence in which actions progress from the past through the present to the future. The time-oriented conceptualization, based on teleological theory as applied in this study, indicates that purchase and sales actions are not necessarily sequentially progressive and based on unidirectional time-orientation.

Stacey *et al*. (2000) explain that teleological (time-oriented) actions are: "*…(i) the kind of movement into the future that is believed to provide solutions, either towards a predictable or unpredictable condition, or a known or unknown condition; and (ii) the reason for the movement of a phenomenon into the future in order to achieve some optimal arrangement, a chosen goal, a mature form of itself, even a continuity and transformation of its identity…*" (Stacey *et al*., 2000, p. 14). This framework has been used by Padin *et al*. (2015) and Svensson and Padin (2016), but with respect to simple (airline) service B2C-relationships. It has also recently been used by Rodriguez *et al* (2018) in complex business relationships.

The time-oriented framework of Stacey *et al*. (2000) is relevant, and contributes to existing theory and previous studies in the field of complex B2B relationships, as it considers both actively and passively the past, present and future. It also contributes by considering the actions in SR expectations and perceptions of advanced service solutions. Furthermore, it contributes by considering the actions before and after purchase, between SPs and its SRs.

The teleological theory of Stacey *et al.* (2000) considers various actions through time between purchase and sales in complex B2B service relationships, namely formative, rationalist and transformative. The formative time-orientation considers the role of the past in the present, so as to determine the future, while the rationalist one uses the past in the present to set a goal for the future. The transformative time-orientation excludes the past, and continuously applies the present to adapt the direction towards the future.

Table 1 shows the differences between the teleological time-oriented meaning of service sales and service purchases in complex B2B service relationships in this study.

Insert Table 1 about here.

On the one hand (see Table 1), the transformative purchase assumes that the SR (buyer) has no prior experience from the past, has low expectations in the present, and anticipates only a solution from the SP in the future. The formative purchase assumes some SR experience in the past, moderate expectations in the present, and anticipates an adapted solution from the SP in the future. The rationalist purchase assumes many SR experiences in the past, high expectations in the present, and anticipates a fully adapted solution from the SP in the future.

On the other hand, the formative sale assumes that the SP employs the established protocol from the past, is inflexible and makes no adaptations in the present, and does not take into account SR needs in the future. The rationalist assumes that the SP employs the established protocol in the past, being slightly flexible by making some adaptations in the present, and taking into account SR needs in the future. Ultimately, the transformative sales assume that the SP employs the established protocol in the past, being completely flexible and making many adaptations in the present, beyond the expectations of SR needs in the future.

2.2 Actions in Services

A service generally involves people, and is dependent upon the actions between SPs and SRs (Vargo and Lusch, 2004). Mead (1938) and Blumer (1969) introduce the symbolic interactionist (SI) perspective, which conceptualizes human interactions as social and interpretive. Charon (2007) explains social interaction as individuals listening to, interpreting and responding to other individuals, according what the message symbolizes or means for them. Blumer (1969) points out that the central concept of joint action is based on the idea of

individuals making constant adjustments to their perceptions and actions, because they know that without the agreement, neither can achieve their respective objectives. Therefore, in each interaction, the individuals give new sense to their message and situation. This new sense is related to past experience or future expectations between others, as Charon (2007). Hohenschwert and Geige (2015) state, that if the complex service encounter is conceptualized following this framework the SP can try to anticipate and create value for the SR to direct the complex service encounter (pre-service), but it is "…*ultimately dependent on buyer interpretations and cooperation…*" (Prus, 1989, p. 22).

Lalonde and Zinszer (1976) stated that it is appropriate to divide services according to the sales cycle of the provider, taking into account whether the service is offered before, during, or after the sale, using a sequential perception of time.

The service literature stresses the importance for SPs of comprehending and providing what SRs expect (Munnukka *et al*. 2013; Williams *et al*. 2017). This present study makes an additional contribution by emphasizing corporate SR expectations before, and their perceptions after the purchase of an advanced software solution in complex B2B service relationships, based on a teleological time-orientation. Such insights are meaningful in B2B-markets, because service companies find it difficult to sell advanced service solutions to their potential SRs, due to the complexity of visualizing the services solution in advance.

Both SRs and SPs engage in complex and evolving processes characterized by high levels of uncertainty, which increase SRs' perceived risks associated with their purchase decisions (Liu *et al.*, 2015). Services offered by the SP are a continuous part of the complex B2B services for the SR that uses them. The way in which the services are performed serves as a differentiating element from the SP and other companies (Sodomka and Klcova, 2016). Mathieu (2001) stated that in advanced services, the SP objective is never fulfilled completely, because the SP not only has to ensure the functionality at the beginning, but also has to help the SR maximize the actions, strategies and associated process.

There is still a need for in-depth insights into how SR expectations before purchase, and their perceptions after purchase, are not only formed *through* time in these complex B2B service relationships (Zolkiewski *et al*., 2017), but also *by* time. Consequently, it is important for SPs

to manage the actions undertaken, before, during and after those occurring in complex B2B service relationships Hohenschwert and Geiger, 2015).

2.3 Time-Oriented Actions in Complex B2B Service Relationships

B2B service relationships are generally competitive and the costs of convincing potential SRs are often high and the loss of existing SRs may endanger the existence of the SP (Oliver, 1999). These B2B service relationships typically entail technical complexity, long-term processes, heterogeneous SR requirements, a large economic value of transactions and high levels of buying-center involvement (). The sale and subsequent delivery of an advanced software solution includes many time-oriented actions of people between the SP and the SR (Breidbach and Maglio, 2016).

Based on previous studies (e.g. Padin *et al*. 2015, Svensson and Padin, 2016), this study applies three groups of teleological actions in complex B2B service relationships, including transformative, formative and rationalist. Previous studies indicate differences between SR and SP perspectives (e.g. Tuli *et al*., 2007) and their perspectives on relational actions (Tähtinen and Halinen, 2002).

Existing theory indicates that it is meaningful to explore actions based on the SR. Stafford and Stafford (2003, p. 40) also comment that: "…*models of customer-salesperson interactions can be more complete and more robust when the effects of customer perceptions are determined and empirically assessed*…"

In addition, the following implementation processes of an advanced software solution as explored in this study includes many time-oriented actions of people between the SP team and the SR team, based on teleological approaches. *Formative actions* are pre-determined and directed towards a known and predictable state or condition (see also Rodriguez *et al*., 2018 and Table 1 for further details). A formative B2B service relationship refers to pre-determined and past-based actions, on which the SR has some experience of the same or similar situations with any SP. *Transformative actions* are continuous and variable towards an unknown and unpredictable state or condition. A transformative B2B service relationship is related here to continuous and present-based actions predicated on the SR having no previous experience of the same or similar situations with a SP. *Rationalist actions* are goal-directed towards a known and predictable state or condition. A rationalist B2B service relationship refers to goal-

directed and future-based actions, predicated on the contention that the SR has repeatedly experienced the same or a similar situation with a SP (Padin *et al*., 2015). Svensson and Padin (2016) stress the importance of balancing the SR's learning curve (i.e. lower or higher expectations) with the SP's adaptive curve in service relationships.

3. METHODOLOGY

This study applied various different methods in a stepwise manner, to gather the information necessary for accomplishing the research objective.

Following the notion that individual acts are socially located and thus dependent on the specific situation, the research method is based on interviews (Terho *et al*., 2012), and the observation of planning and non-planning process that make up complex service encounters (Blumer, 1969; Charon, 2007).

Figure 2 summarizes the methodological procedures, objectives and expected benefits of each phase, so as to collect data and apply the mixed method approach. Phase 1 was based on a selection of in-depth interviews with key informants at SPs and SRs. Phase 2 was focused on collecting information from 88 SRs to verify the findings from Phase 1. Furthermore, Phase 3 is based on the analysis of textual documents and Phase 4 on structured observations of SR-SP actions, in Phase 4, follow-up interviews are used to justify and verify the findings in Phases 1, 2 and 3. Further details are described in the section on data collection.

Insert Figure 2 about here

The multi-method design made it possible to investigate a broader selection of different views permitting data triangulation and a deeper understanding of business relationships in the context of advanced service solutions. This study is based on the SR-SP service exchange relationship with an advanced software solution product (Enterprise Resource Planning/ERP) and its related services for handling contextual bias. The research design facilitated the control of unique product effects which can impact on the findings.

3.1 Context and Sample Characteristics

This research was carried out in private industry in Spain.- The common denominator between SRs is generally that all belong to the service industry, but specifically all use the ERP service solution.

This ERP implementation service was selected, because the outcome relies on each service staff member and their commitment to perform adequately in complex B2B service relationships. The outcome of complex B2B service relationships also relies on SP staff training to handle the actions with SRs. Furthermore, this advanced software solution was selected as it is crucial to manage organizations (Uwizeyemungu and Raymond, 2012).

The causal teleological framework by Stacey *et al*. (2000) ensured the internal validity of the findings (Yin, 2009). The combined method design has been used in previous studies of buyer-seller relationships in the advanced software solution industry (Parry *et al*., 2011).

3.2 Data Collection

All the phases of collecting data follow an analogous procedure. The industry of this study is based on two ERP-software providers' solution for B2B service relationships with their customers, such as private, small and medium sized Spanish SRs. The first SP studied has 200 employees with a turnover of approximately 15 million euros: The second one has 100 employees with a turnover of approximately 100 million euros. We contacted the CEO or the Technology Information Manager (TIM) at the SP and the project managers at the SR.

Phase 1

Initially, we performed seven in-depth and semi-structured interviews (5 CEO´s from SR and 2 project managers from SPs), which is a widely accepted procedure in the business relationships literature with open questions focusing on key informant in private Spanish companies . The number of interviews was determined by emerging common themes and the repetition of information. Each interview lasted approximately one hour, which was documented continuously and converted into case summary notes, all of which were approved by each key informant. The research team identified common emerging themes and patterns. This process ensured a sound empirical foundation.

Phase 2

The case study approach was suitable as teleological actions in complex B2B service relationships are explored. As in previous studies (Cascio *et al*., 2010), the CEO or TIM at 88 SR organizations were contacted and asked to answer some questions related with teleological framework based on Padin et al. (2015) based on their customer perspective. The questions shown in Table 1 were related to expectations before purchase and perceptions after purchase and were adapted to the complex B2B service context of the present study, based on feedback gathered from the previously reported phase 1.

Each key informant was instructed to answer the questions from their own perspective of a complex B2B service relationship, with respect to the same SPs. The key informants were asked to bear in mind a specific purchase from the SP about which they were knowledgeable

Phase 3

Finally, a follow-up study was conducted, based on a wide range of textual artefacts (e.g. sales proposals, contractual agreements, sales reports), and visual data was collected to enable data triangulation in accordance with the precepts of industry case study research (Yin, 2009).

Five direct and non-participant observations of buyer-seller interactions were performed by one member of the research team at a number of SRs over two weeks. The researcher observed and made notes without interfering with the SR-SP relationship.

Phase 4

Previous findings were further validated and examined in-depth through semi-structured interviews with one project manager, one salesperson, and one SR service/support manager from one of the SPs.

The research team also interviewed three managers at SRs of the SPs, who had not participated in the online survey, based on a random selection procedure, until the gathered follow-up information offered explanations complementary to the survey findings. Each of these in-depth face-to-face interviews lasted approximately one hour. Written notes were made and subsequently verified by the key informants.

4. EMPIRICAL RESULTS AND DISCUSSION OF FINDINGS

The empirical findings of time-oriented sales and purchases reported in this section are based on the previously described phases 1, 2, 3 and 4.

4.1 Perceptions Before and After Purchase in Complex B2B Service Relationships

Managing director 2 at a SR stated *"...I have been working a **long time** with software providers and I do not want just a solution based on our requirements, I want the provider to offer all their accumulated previous **experience** to us..."* This is aligned with the fact that the SRs require something more than an adapted solution, and they are basing this improvement on the time. However, managing director 1 at a SR company commented: *"...there are few professionals in this sector and the software solution to meet our needs is complex... ...we would be happy if at least the software solution is adapted to our minimum requirements..."* This quote reflects that the SPs often cover the SR needs, but they do not exceed them, when they don´t consider the time.

Project manager 1 at a SP pointed out: "...*my previous **experience** is that if you as a customer describe your requirements and your expectations to the service provider, and all this information is reflected in a contract with penalties, the final solution will exceed the initial requirements...*". This reflect that part of the key informants have enough experience to achieve the best result from the interaction. Project manager 2 at a SP expressed: *"...the worst situation is when the customer does not know how to describe what their company needs and the seller does not know how to guide or how to ask what the minimum requirements are for a software implementation..."* which is an unfortunate situation.

Managing director 1 at a SR stated: *"... perhaps you as the customer know what you need and how to describe it, but the service provider knows the tricks for adapting the contract and saving costs just for covering necessities without going beyond the contract..."*. Managing director 3 at a SR commented *"...what usually does not happen is to find a service provider who gives you the best possible solution, telling you what requirements you have, because you do not know where it should start ... this is a utopia..."*. SRs could not obtain a solution beyond their expectations, when asking just for a solution.

In summary, the findings reported from Phase 2 are verified and justified by the quotes gathered in Phases 1 and 4, which provide an understanding of the time-oriented sales and purchases in complex B2B service relationships.

4.2 Factors Affecting Time-Oriented Sales and Purchases

The factors affecting time-oriented sales and purchases reported and discussed here are accompanied by supporting quotes from the key informants interviewed from Phases 1 and 4.

Differences Between Time-Oriented Sales and Purchases

The characteristics of the time-oriented purchases in complex B2B service relationships are different from the time-oriented sales across a range of factors. For example, the advanced software solution in focus here is vital to the SRs, as it affects to the core of their organizations. CEO of customer organization 2 stated: *"...even a single software mistake could cause important damage to this organization… think for example of an invoicing department…"* The characteristics of the time-oriented sales from the SP is that it is merely another offer to a potential SR. SRs are important to the SP, but each SR is just one of many. Project manager of software provider 2 commented: *"...in this business, caring for customers is fundamental, but our human resources are limited so we have usually to prioritize the customer projects…"*

Furthermore, the whole SR organization is involved, because an advanced software solution affects the organization. Although there is an assigned purchase team, it is necessary for software users to get involved. TI Manager Customer Organization1 asserted: *"...at the beginning of the software implementation, the administration chief had to write the orders on paper and send them by fax… this situation was not better for the other departments…"* An advanced software solution may require the SR to make organizational changes to fit the solution. TI Manager Customer Organization3 claimed: *"...the ERP service company is trying to convince us that we must change our logistic department organization…it argues that we have to order all the purchases through a main store"*. In the implementation project, the entire SR organization is involved, but only limited human resources from the SP are assigned to the project. Project manager of software provider 1 indicated: *"...we usually assigned three people to each project customer…"*

In addition, there are few SPs available in the market which can offer an advanced software solution. CEO of customer organization 1 affirmed: *"...perhaps I had not chosen the best software service provider…but I have to say that it was difficult to find one that really convinced us"*. The SP on the other hand must make service adaptations of the solution to

each SR. Salesperson of software provider 1 claimed: *"...it is impossible for a standard software to fit an organization perfectly, so we always have to adapt the ERP ...this causes non-planning costs..."* The SP suffers from the shortage of knowledgeable IT/industry-people available in the market, so it may be difficult to hire skilled and competent people. TI Manager Customer Organization 2 stated: *"...it is complex to hire personnel resources with enough knowledge in this business...this is one of the reasons because we are always short of personnel..."*

It is also an infrequent purchase for the SRs, making it difficult to acquire sufficient information and experience on their own, so as to obtain an appropriate software solution. CEO of customer organization 6 asserted: *"...this was the last time in my life that I´m going to be the CEO of a company which is involved in an ERP implementation... this has been really hard..."* However, it is a frequent deal for the SP who gains experiences with each new SR. Salesperson of software provider 2 stated: *"...my work is closing deals, I cannot say that I close one per day... ...but I achieve at least three new implementation per year..."*

Finally, the SRs may not fully understand the advanced software solution from the beginning and the full range of implications of the purchase. CEO of customer organization 4 commented: *"...when I signed the offer I didn´t know what I had done... the implementation process has been more complex than I expected...."* The SP thus has more previous experience for becoming aware of the subsequent implications of the implementation process. Project manager of software provider 1 claimed: *"...over all of these years, I have learned that each customer organization is different and although we are improving the implementation methodology, unexpected problems appear in each case..."*

Similarities Between Time-Oriented Sales and Purchases

Though there are evident differences between time-oriented sales and purchases in complex B2B service relationships, there are still similarities between SPs and their SRs. For example, the implementation process of an advanced software solution requires long-term investment by the SP and the SRs. It could take years to develop a properly adapted and implemented software solution. Project manager of software provider 1 stated: *"...the implementation process in each customer organization takes at least a year for basic functionality work..."*

Furthermore, advanced software solutions require continuous negotiations between the SPs and the SRs. It is not only the software solution that evolves continuously and rapidly, but also both the SP and SR organizations which evolve too. This implies that both are engaged in ongoing negotiations. Salesperson of software provider 1 asserted: "…*most of my time is invested in selling partial offers with functionalities that complement the initial one...*" The SPs and the SRs wish to maintain the relationship, because in industrial markets, the cost of a breakup and of building a new one is high in terms of time, human and economic resources. Salesperson of software provider 2 commented: "…*this market is small and really competitive, so we need to maintain our customers …*"

For these reasons, it is important that both the SPs and the SRs of advanced software solutions play by the same rules, or at least can understand the other party. ´The importance of balance and stability between time-oriented sales and purchases should not be underestimated in complex B2B service relationships. CEO of customer organization 6 stated: "…*In the pre-sale phase I did not realize about the number of different themes that I had to take into account for a satisfactory implementation…now I realize…*"

5. RESEARCH IMPLICATIONS

The empirical findings reported, based on time-oriented sales and purchases in complex B2B service relationships, in connection with SR expectations before and their perceptions after purchase provide, an active time-oriented foundation for describing the actions that take place between SPs and their SRs in complex B2B service markets.

Two important research implications that link time to SR expectations and perceptions are: (i) the experience of the SP and the SR – both are important for examining true SR expectations. Experience is something that comes from the past. Both also enable aligning realistic expectations and perceptions in the present, as well for the future; (ii) the service solution, previsualized before the service is implemented – is linked with the objectives of the SR and the promises offered by the SP. It helps to visualize the future aims of both parties (seller and buyer), through aligning their expectations with perceptions, because the teams work to achieve their aims (although the aim could change or be adapted in the planning and implementation process). The empirical findings also examine SR expectations of the service solution offer before purchase (i.e. teleological purchase), and the same SR perceptions of the

same service solution offer after purchase (i.e. teleological sales) in the complex B2B service relationship.

Interestingly, the literature does not provide straightforward guidelines for service companies on how to manage expectations. In particular, recommendations range from raising expectations (e.g., Boulding *et al*., 1999), to keeping expectations at the level of actual performance (e.g., Parasuraman *et al*., 1994), to even decreasing expectations (e.g., Davidow and Uttal, 1989). Before a SP presents a business proposal to a SR in complex B2B service markets, it should make sure that the organization is able fulfil any promises made, so as to accomplish a balance between teleological sales and purchases. For example, the SP's protocol of flexibility (past-oriented) should consider the SR's previous experiences (also past-oriented). The SP's adaptations (present-oriented) should also match the SR's expectations (also present-oriented) in complex B2B service relationships. Furthermore, an imbalance between teleological sales and purchases in a complex B2B service relationship may increase the probability of unsatisfactory SR perceptions (future-oriented).

At the same time, SPs should strive towards setting realistic expectations, and to delight SRs by aiming sufficiently high and delivering on these expectations of SRs. For example, the SP's protocol of flexibility should be in balance with the SR's previous experiences that address the past. The SP's adaptations should also be balanced with the SR's expectations that address the present. Furthermore, the SP's solution should be in balance with the SR's needs that address the future.

6. MANAGERIAL IMPLICATIONS

Each interaction between the seller and the buyer progressively changes the mindset of both from the initial position of each. Therefore, we recommend a few basic steps to the SP, so as to succeed in the pre-service/sale stage of advanced service solutions in complex B2B service relationships: (i) an adequate number of visits, neither too many nor too few visits ; (ii) to choose the right moment for each visit when the SR is receptive; (iii) it is essential that the SP prepares each visit properly, using information updates and gathered past experiences. Furthermore, SPs of an advanced software solution should increase the involvement of technically-oriented staff members during the stage of offer preparation. This step will have a clear influence on the expectation generated for the SR; and (iv) to follow an established

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protocol from the SP to guide the pre-sale/service phase (using past experiences of this SP and relate to others).

Further, we advise the SP, for the service phase of advanced service solutions: (i) to take time thinking through and understanding the main aim of the SR, acquiring the advanced service solution and fulfilling what the buyer aims to achieve in the future; (ii) to use the SP's past experiences to guide the SR in achieving the best way forward so as to get the advanced service solution in place.; (iii) to be flexible, but assessing the consequences of the modifications undertaken to the advanced service solution.; (iv) to establish a joint signed document with the agreement details of the service phase between the SP and the SR. The SP must propose that both service-provider and service-receiver organizations maintain the same staff who participated in the initial stage, making the decisions for planning and implementation of the software solution.

We advise the SP in the post service/sale phase: (i) to define one or few main gatekeepers at the receiver service side.(ii) to use an automation system to index the incidents, so as to gather insights into: when the incident happened and how much time was required to resolve it.(iii) classify the incidents (e.g. degree of urgency and importance to the SR);–and (iv) to have a detailed document established by the SP detailing the included services in the guarantee and any new services SPs can also rely on behavior-based control systems in order to closely supervise and monitor the actions of its staff.

In consequence, SPs can train, support, supervise and evaluate their staff in their attempts to perform appropriate actions towards a successful outcome, while interacting with their SRs at the same time.

We recommend a few basic steps to the SR: (i) strive to use the experience of other organizations with the same advanced service solution, as well as use the same SP, due to the fact that complex service solutions are not usually frequently purchased, and the SR may not have enough experience on its own; (ii) to request the same technical team from SP, as the knowledge of complex service solution is located in people, not in the organization itself; (iii) The CEO of the SR organization should not take the decision alone, but should be encouraged to include the managers from each department of the SR organization who can communicate their users' needs.; (iv) to request demonstrations of the advanced service solution; (v) to

request that all promises made by the SP of the advanced service solution be documented and signed.

We recommend the SR in the service stage: (i) to request that the same team in the pre-phase of the SP be in charge of the service phase; (ii) to follow the outlined document agreed to before signing the deal and just asking about the modifications that influence the achievement of the final service solution that is needed; and (iii) to follow the schedule, each element in the correct order and within its proper time-frame.(iv) to ask the SR team about their perceptions periodically, which allows acting and interacting with the SP and correcting adverse incidents.

Our recommendations to the SR in the post-service stage are as follows: (i) to assign a responsible person for upcoming incidents to communicate with SP. (ii) to differentiate between a mistake in the service (a cost that the SP must pay) and a new desirable feature (a cost that the SR must pay for) (iii) to take its time with the new service before asking for modifications. Analyze whether it is better to adapt the service solution or to change the procedure in the SR company (iv) to ask the SP for ongoing information about new services or updates related to the service solution offered by the SP.

7. CONCLUSIONS, LIMITATIONS AND SUGGESTIONS

This study contributes to enhancing the understanding of time-oriented sales and purchases in complex B2B service relationships between SPs and SRs, all of which has rarely been addressed in previous studies and theory.

We conclude that complex B2B service relationships are formed by the actions influenced by the time elapsing between members of the SP team and those of the SR team. This is one reason why the B2B service relationships of advanced software solutions are complex. This study *highlights the importance of cross-functional SP teams, since just one individual may not possess the knowledge or resources for dealing successfully with customer demands in* complex B2B service relationships, it is also important that the concept of *time be an active part of the actions between SR and SP teams, so as to achieve the success of the B2B relationship.*

We also conclude that the SP should pay careful attention to the SP team actions and the use of time concept in its strategies, as they determine the organizational perceptions in the

marketplace. We therefore encourage SPs of advanced service solutions to develop formal cross-functional teams (e.g. consisting of salespeople, service technicians and service support) based on mutual understanding and information sharing.

There are a few limitations worth reporting as they provide opportunities for further research. This study focused on an advanced software solution (ERP) in complex B2B service relationships. Further research into other advanced service solutions is an option for further research. The study was limited to a Spanish software industry, thus opening up opportunities to validate the findings in other service industries as well as in other countries. A longitudinal study to follow the time-oriented sales and purchases of advanced service solutions from inception to the end of implementation is an additional opportunity for further research. Taking into account that advanced service solutions are different from simpler ones, a final suggestion is to develop a scale for measure SR expectations before the purchase of advanced service solutions, and then the perceptions after purchase.

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Figure 1: Methodological Procedures and Objectives

METHODOLOGICAL PROCEDURES **OBJECTIVES** **BENEFITS/RESULTS**

Case study
(2 Service Providers)

Phase 1

Service Receivers: 5 in-depth and semi-structured interviews with managing directors

Service Providers: 2 in-depth and semi-structured interviews with projects managers

Ensure the adaptation of the teleological framework to complex service situation in B2B context

A preliminary understanding of how are formed the actions and interactions before and after purchase, between service providers and their service receivers

Phase 2

Data collection of 88 service receivers

Qualitative analysis of teleological actions and interactions before and after purchase, between service providers and their service receivers

Preliminary findings from the service receivers´ perspective are obtained

Phase 3

Analysis of documents and 5 direct observations of service provider-receiver interactions

Initial validation of findings

Phase 4

Service Receivers: Additional series of in-depth interviews with 3 managing directors of organizations outside the previous sample

Service Providers: Additional series of in-depth interviews with 1 project manager, 1 salesperson, and 1 customer service/support

Final validation of findings

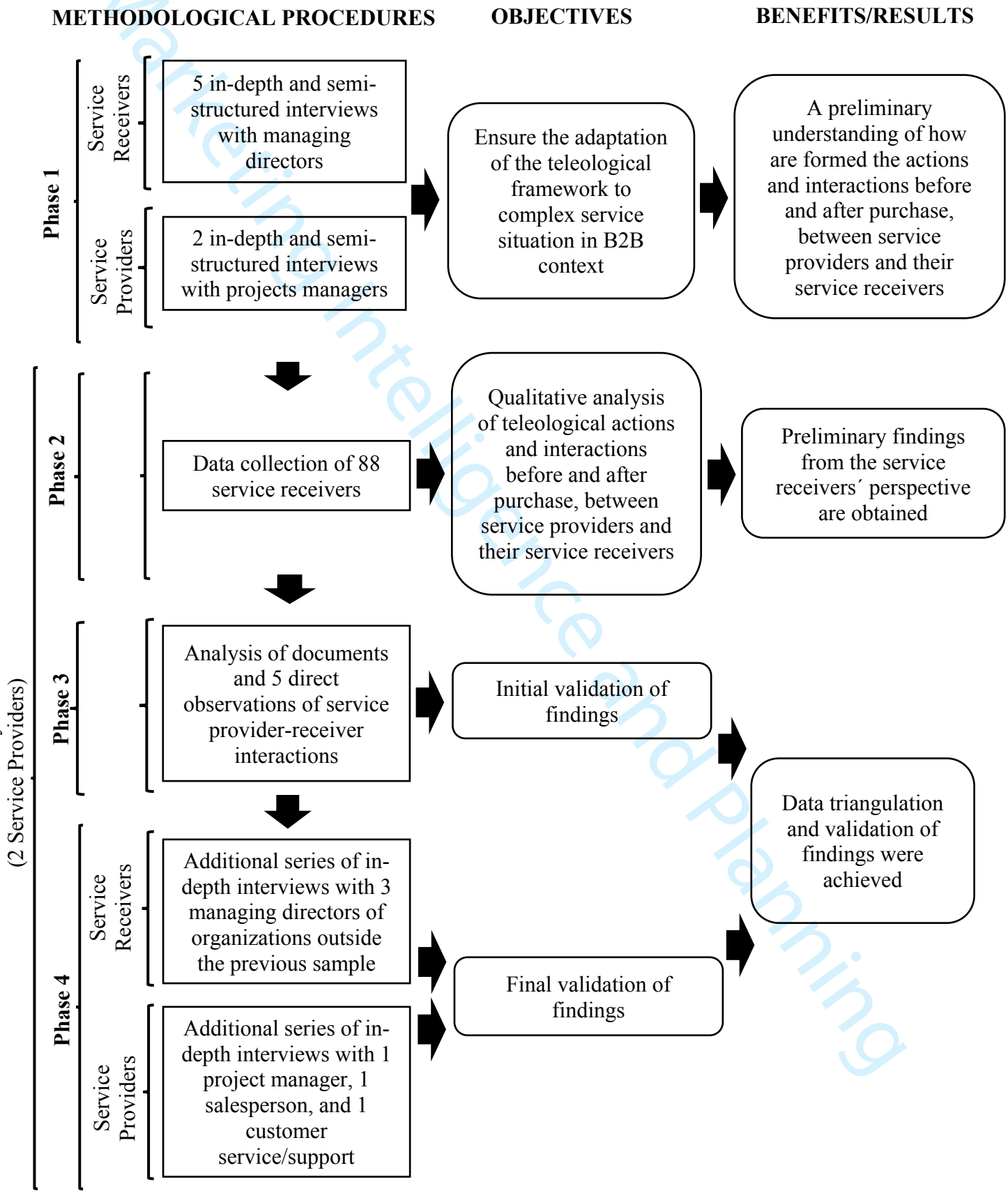Data triangulation and validation of findings were achieved

Table 1: Framing Sales and Purchases.

Sales and Purchases in Complex B2B Service Relationships*

Service Provider (Seller)

	Past	Present	Future
Formative	Protocol inflexible	No adaptations	Without taking into account customer needs
Rationalist	Protocol slightly flexible	Some Adaptations	Taking into account customer needs
Transformative	Protocol completely flexible	Many adaptations	Beyond expectation taking into account customer needs

Service Receiver (Buyer)

	Past	Present	Future
Transformative	No prior experience	Low expectations	Suggest just a solution
Formative	Some experience	Moderate expectations	Suggest adapted solution
Rationalist	Many experiences	High expectations	Suggest fully adapted solution

* Adapted from Rodriguez *et al.* (2018)