

Reply to Commentary on:
“The Pedagogy of Executive Education
in Business Markets,” by Elizabeth J. Wilson

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The commentary advances our paper in two significant ways. First, it highlights the importance of the “relationship” construct which has become a central organizing theme for many business markets. Second, it points to concrete opportunities for implementing our action-learning agenda. In this reply, we embellish each of those points.

There is no doubt that relationship marketing is an important conceptual thrust, and we should have included it in Table 1 of the paper. While we would not go so far as to claim that “relationship marketing is everything” (as implied by the modified Regis McKenna quote in the commentary and as referenced by us in the paper), we acknowledge its all-pervading quality across the value chain. At the customer interface, it has been shown to improve quality and process performance in addition to gaining cost reductions (Newman 1988; Trevelen 1987; Wilson, Dant, and Han 1990). At the distribution interface, it has been used to coordinate channel activities and stimulate cooperative activities among independent channel members (Weitz and Jap 1995). And, finally, at the vendor interface, it has been shown to lead to higher sales growth, lower marketing and sales costs, and higher profitability (Kalwani and Narayandas 1995).

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The focus on “relationship” poses two unique challenges for executive education. First, the phenomenon demands cross-functional and inter-firm coordination skills—a point that we have discussed in great detail in our paper. Second, the phenomenon requires that line managers in touch with customers, distributors, and vendors show an appreciation for the value creation possibilities of such contacts. An executive’s capacity to empathize with and gain insights from customers is the single most important skill that he or she can use to direct a company’s strategy (Gouillart and Sturdivant 1994). The reality is that most managers, given their current training and skills, maintain only a limited contact with their customers and suppliers, especially those in non-selling functions of the marketing organization. Executive education programs must be redesigned to address these new challenges as well. Managers need to have a broader understanding of their customers, distribution, vendors, and other parties in the supply chain.

Now for the second observation regarding the real challenge of incorporating action learning elements in “general” or “open” executive education programs. The idea of building exercises like the one (conjoint analysis) suggested by the author of the commentary is a very good one. We ourselves use similar exercises on segmentation, distribution (audit), pricing (audit), and positioning (maps). The only reason we did not elaborate on this is that our paper focuses on executive education at the senior-management level, and as a result addresses strategic learning opportunities. The suggestion emanating from the commentary is pitched at the middle-management level. Moreover, our concentration was on organization renewal and change, while the commentary addresses functional effectiveness. Nonetheless, the suggestion is a good one and an important one.

The big advantage (and also the challenge) of educating such middle managers is their constant return to the work environment. The executive education program content has to be relevant to their work even as it trains their mind to think expansively outside the current boundaries. It also needs to blend the strategic and conceptual elements with hands-on tools and techniques carefully and judiciously. If done well, this could be a real live laboratory and for a change we in marketing education who talk and write of customer feedback will have a chance to experience it firsthand.

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