

Handout 6 - Summary of development stage characteristics

Relationship feature	Exploratory	Basic	Cooperative	Interdependent	Integrated
Relationship Emphasis	Research, reputation	Transactional and price	Mainly transactional but positive	Mutual and developmental	Open and strategically focused
Supplier status	One of several/many	May be one of several	Preferred	Principal or sole, possibly managing secondary suppliers	Sole, possibly primary
Ease of exit	Easy: not started trading	Easy	Not difficult, slight inconvenience	Difficult	High exit barriers, separation traumatic
Information sharing	Careful, as necessary	Very little, based around transactions	Limited	High volume, some sensitive	Open, even on sensitive subjects
Contact	Channelled through individual key account manager	Channelled through key account manager and buyer	Close: key account manager and Buyer, Logistics and Order Processing & Others	Close: all functions as necessary	Intimate: focus groups and teams
Access to customer	Customer request only	Limited	More, but not quite enough	Much more, enough	Constant, both sides
Adaptation of organization and process	Standard	Standard	Mainly standard	Streamlining of processes, some organizational adaptation	Joint processes, new organisations
Relationship costs	May be small or large. Speculative investment	Limited	Increasing for selling company, few savings if any	Major running costs and investment, offset by savings and more business	As for interdependent: probably large sums but easier to identify
Level of trust	Exploring reputation and 'signals'	Neither trusted or mistrusted	Not wholly trusted	Real trust developing, protective barriers lowered	Trustworthiness assumed at all levels
Planning	Variable	Little or none, probably only short-term forecasts in any	Forecasting rather than planning	Joint strategic planning, though not all cases	Joint strategic, long-term planning
Relationship potential	Important, to qualify as key account	Limited	Could be good, but not easy to win from here	Very good	Very good/excellent in revenue and profits