



**Vaasan yliopisto**  
UNIVERSITY OF VAASA

Sami Peltonen

# **Supplier Experience and Its Impact on Buyer–Supplier Relationship Performance**

A Case Study

School of Technology and Innovations  
Master's thesis in Industrial Management

Vaasa 2026

---

**UNIVERSITY OF VAASA****School of Technology and Innovations**

<b>Author:</b>	Sami Peltonen		
<b>Title of the thesis:</b>	Supplier Experience and Its Impact on Buyer–Supplier Relationship Performance: A Case Study		
<b>Degree:</b>	Master of Economics and Business Administration		
<b>Degree Programme:</b>	Industrial Management		
<b>Supervisor:</b>	Khuram Shahzad		
<b>Year:</b>	2026	<b>Pages:</b>	112

---

**ABSTRACT:**

This thesis examines how supplier experience influences the performance of buyer–supplier relationships in the context of a department within a Finnish multinational enterprise operating in the marine sector. Supplier relationship management has traditionally been studied from the buyer’s perspective through performance metrics and cost-oriented governance, but the experimental perspective of the supplier has so far received limited attention in research. This viewpoint offers a more comprehensive lens for the buyer side by showing how suppliers experience their practices. The purpose of this study is to map how suppliers experience the case department as a customer and to identify which aspects of interaction most strongly shape their experience.

The study is a qualitative single case study focusing on one department of a multinational enterprise. The primary data was collected through semi-structured interviews with eight of the department’s suppliers, representing different strategic positions within the supply network. Supplementary data was gathered through semi-structured interviews with two sourcing professionals from the department. Interviews were transcribed and analyzed using thematic analysis and coding proceeded deductively from a theory-based framework. Throughout the coding process a constant comparison approach was used to compare patterns across suppliers and Kraljic-based segments.

The results show that the department is perceived as a fair, attractive and partnership-oriented customer. The most consistent factors across suppliers were strong trust and day-to-day communication with department personnel. The main factors weakening supplier experience were limited predictability, inconsistent practices across the department’s different product lines and the fragmentation of digital tools.

Overall, the findings suggest that supplier experience is a multidimensional construct that influences the performance of buyer–supplier relationships through interconnected operational, relational and developmental mechanisms. The results also indicate that from the supplier perspective, a multinational enterprise is not experienced as a homogeneous customer. Suppliers describe the company as a set of disconnected interfaces, meaning that experiences vary depending on individuals, organizational units and project contexts. As a result, supplier experience is shaped more by local routines and individual interactions than consistently at the corporate level.

---

**KEYWORDS:** Supplier experience, supplier relationship management, buyer–supplier relationships, supplier satisfaction

---

**VAASAN YLIOPISTO****Tekniikan ja innovaationjohtamisen akateeminen yksikkö**

<b>Tekijä:</b>	Sami Peltonen		
<b>Tutkielman nimi:</b>	Supplier Experience and Its Impact on Buyer–Supplier Relationship Performance: A Case Study		
<b>Tutkinto:</b>	Kauppatieteiden maisteri		
<b>Opintosuunta:</b>	Industrial Management		
<b>Työn ohjaaja:</b>	Khuram Shahzad		
<b>Valmistumisvuosi:</b>	2026	<b>Sivumäärä:</b>	112

---

**TIIVISTELMÄ:**

Tämä tutkielma tarkastelee, kuinka toimittajakokemus vaikuttaa ostaja-toimittajasuhteiden suorituskyykyyn suomalaisen meriteollisuudessa toimivan monikansallisen yrityksen osaston kontekstissa. Toimittajasuhteiden hallintaa on perinteisesti tutkittu ostajan näkökulmasta suorituskymittareiden ja kustannuslähtöisen ohjauksen kautta. Toimittajan kokemuksellista tarkastelua ja näkökulmaa on toistaiseksi tutkittu vain vähän. Tämä näkökulma tarjoaa kokonaisvaltaisemman tarkastelukulman asiakasyritykselle siitä, miten toimittajat kokevat heidän toimintansa. Tämän tutkimuksen tarkoituksena on kartoittaa, miten toimittajat kokevat tarkasteltavan osaston asiakkaanaan, ja tunnistaa mitkä osa-alueet vaikuttavat heidän kokemukseensa kaikista voimakkaimmin.

Tutkimus on laadullinen tapaustutkimus, jossa tarkasteltavan yksikkönä on yksi monikansallisen yrityksen osasto. Ensisijainen tutkimusaineisto on kerätty kahdeksalta osaston toimittajalta puolistrukturoidulla haastattelulla. Nämä toimittajat edustavat toimitusverkostossa eri strategisia asemia. Täydentävä tutkimusaineisto on kerätty puolistrukturoidulla haastattelulla kahden tarkasteltavan osaston hankinnan asiantuntijan kanssa. Haastattelut litteroitiin ja analysoitiin teemaattisen analyysin avulla, ja koodaus eteni deduktiivisesti teoriaan pohjautuvan viitekehysten ohjaamana. Koodausprosessin aikana hyödynnettiin jatkuvan vertailun lähestymistapaa, jotta voitiin vertailla yhtenevyyksiä toimittajien sekä Kraljic-pohjaisten segmenttien välillä.

Tämän tutkimuksen tulokset osoittavat, että tarkasteltava osasto koetaan reiluna, houkuttelevana ja kumppanuuslähtöisenä asiakkaana. Tärkeimpinä yhteneväisinä tekijöinä toimittajien välillä on koettu vahva luottamus ja päivittäinen viestintä osaston henkilöiden kanssa. Suurimpina toimittajakokemusta heikentävinä tekijöinä havaittiin olevan rajallinen ennustettavuus, epäyhteneväiset käytännöt osaston eri tuotelinjojen välillä ja digitaalisten työkalujen hajanaisuus.

Kokonaisuutena tutkimuksen tulokset viittaavat siihen, että toimittajakokemus on moniulotteinen kokonaisuus, joka vaikuttaa ostaja-toimittajasuhteiden suorituskyykyyn toisiinsa kytkeytyvien operatiivisten, relationaalisten ja kehityksellisten mekanismien kautta. Tämän tutkimuksen tulokset osoittavat myös, ettei monikansallista yritystä koeta yhteneväisenä asiakkaana toimittajien näkökulmasta. Toimittajat kuvaavat yritystä toisistaan irrallisiksi rajapinnoiksi, minkä takia kokemukset vaihtelevat henkilöiden, organisaatioiden ja projektikontekstien mukaan. Tämän seurauksena toimittajakokemus muodostuu enemmän paikallisten toimintatapojen ja yksittäisten vuorovaikutustilanteiden takia, kuin yhteneväisesti koko yrityksen tasolla.

---

**AVAINSANAT:** Toimittajakokemus, toimittajasuhteiden hallinta, ostaja-toimittajasuhteet, toimittajatytyväisyys

## Contents

1	Introduction	8
1.1	Background of study	9
1.2	Case company description	12
1.3	Research question and objectives	12
1.4	Existing literature and research gap	13
1.5	Scope of this thesis	15
1.6	Structure of this thesis	15
2	Literature review	17
2.1	Supplier relationship management	17
2.1.1	Modern supply chain collaboration	19
2.1.2	Supplier segmentation	22
2.1.3	Supplier evaluation and development	25
2.2	Relational status and preference in buyer-supplier relationship	27
2.2.1	Preferred customer status	27
2.2.2	The impact of preferred customer status to innovation	29
2.2.3	Buyer-supplier relationship	30
2.3	Perspectives on attractiveness in buyer–supplier partnerships	33
2.4	Experience based approach	35
2.4.1	Customer experience	36
2.4.2	User experience	36
2.4.3	Supplier experience	37
2.4.4	Factors shaping supplier experience	39
2.5	Theoretical framework	42
3	Research methods	46
3.1	Research design	46
3.2	Data collection	47
3.3	Data analysis	50
3.4	Reliability and validity	51

4	Findings	54
4.1	Generic experience of the case company as a customer	54
4.1.1	General perception of the case department as a customer	55
4.1.2	Comparison to other company departments	56
4.1.3	Comparison to suppliers other customers	58
4.2	Dimension 1: Communication	59
4.2.1	Openness of communication	60
4.2.2	Quality of information	61
4.2.3	Frequency of operational updates and strategic reviews	62
4.2.4	Wording and tone of communication	62
4.3	Dimension 2: Relational practices	65
4.3.1	Trust	65
4.3.2	Attractiveness	66
4.3.3	Satisfaction	67
4.3.4	Prioritization	68
4.3.5	Innovation capability	68
4.4	Dimension 3: The use of power	71
4.4.1	Contractual fairness	71
4.4.2	Evaluation and development	72
4.4.3	Improvement prioritization	73
4.5	Dimension 4: The use of digital technology	75
4.5.1	Effectiveness of digital tools	76
4.5.2	Digital collaboration	77
4.5.3	Manual work created by digital tools	78
4.6	Summary of the interview findings	79
4.7	Cross segment analysis	82
4.7.1	Cross segment similarities	83
4.7.2	Cross segment differences	83
4.8	Interview with sourcing professionals	85
4.8.1	Interpretation of observed issues	86

5	Discussion and conclusions	88
5.1	Theoretical implications	92
5.2	Managerial implications	93
5.2.1	Communication	94
5.2.2	Relational practices	95
5.2.3	The use of power	95
5.2.4	The use of digital technology	96
5.2.5	Supplier segmentation	96
5.3	Limitations and future research	98
	Acknowledgements	100
	References	101
	Appendices	110
	Appendix 1. Supplier interview questionnaire	110
	Appendix 2. Sourcing professionals interview questionnaire	112

## Figures

Figure 1. Framework of Supply Chain Collaboration (adapted from Marty & Ruel, 2024, p. 13)	20
Figure 2. Supplier segmentation and interest for improvement (Kraljic, 1983; O'Brien, 2014, p-148).	25
Figure 3. Components of supplier experience (adapted from Rajala et al., 2025, p. 235)	40
Figure 4. Framework of this study (modified from Rajala et al., 2025, p.235)	45
Figure 5. Suppliers position in the Kraljic matrix.	82

## Tables

Table 1. Key dimensions of evaluation and measurement related to the nature of the buyer-supplier relationship (adapted from Iloranta & Pajunen-Muhonen, 2018, p. 316).	26
Table 2. Data-structure of supplier experience used for question formatting (Rajala et al., 2025, p. 230)	47
Table 3. Supplier interview respondents.	49
Table 4. Internal interview respondents.	50
Table 5. SWOT analysis of the communication dimension.	64
Table 6. SWOT analysis of the relational practices dimension.	70
Table 7. SWOT analysis of the use of power dimension.	75
Table 8. SWOT analysis of the use of digital technology dimension.	79
Table 9. Summary of the interview findings	81

## Abbreviations

<b>SRM</b>	Supplier Relationship Management
<b>RFQ</b>	Request For Quotation
<b>MNE</b>	Multinational Enterprise
<b>EDI</b>	Electronic Data Interface
<b>NPD</b>	New Product Development

## 1 Introduction

Modern supply chains operate as networks of specialized firms coordinating flows of materials, information and cash across geographic and institutional boundaries. Supply chains impact on the company's competitiveness and success is significant, and therefore the number of resources tied to them is also high (Chopra, 2019). Competition has shifted from firm-against-firm to network-against-network (Chrisopher, 2016). Many firms now compete not only to secure consumer loyalty but also to gain and preserve access to the most capable and reliable suppliers. This development reflects the growing strategic importance of supplier relationships in creating sustainable competitive advantages. Suppliers often possess scarce resources, specialized knowledge or innovative capabilities that can significantly enhance the performance of their buyers (Vos et al, 2016).

The effectiveness and reliability of a supply chain are closely tied to the performance of its suppliers, making them critical contributors to both operational continuity and strategic success. Rather than being treated as transactional vendors, suppliers are increasingly regarded as integral contributors to a company's competitive advantage. They play important role in value creation, innovation, and strategic growth (Chopra, 2019). As buying firms move toward a smaller supply base, they cannot overlook the importance of Supplier Relationship Management (SRM) in maximizing the value of their remaining supplier partnerships (Benton, 2020, p.168-169). Since purely price-driven purchasing strategies are often ineffective when dealing with scarce suppliers or those providing advanced technologies that offer competitive advantages, a shift away from the traditional purchasing philosophy is taking place (Hüttinger et al., 2012, p. 1194)

Traditionally the management of buyer–supplier relationships has been approached from the buyer's perspective, emphasizing supplier evaluation, performance measurement and cost management (Iloranta & Pajunen-Muhonen, 2018). Although the significant relevance of managing the suppliers is based on mainly quantitative factors, it has

become increasingly evident that suppliers' perspectives also matter for relationship success (Schiele et al., 2012).

While buyer satisfaction has long been studied and increasing number of studies about supplier satisfaction are emerging, supplier experience remains underexplored. Ganguly (2021) identifies communication quality, buyer policies and coordination as key determinants of supplier satisfaction. Supplier satisfaction can be understood as the perceived value of a relationship, determined by the extent to which the supplier's expectations are met or surpassed (Pulles et al., 2016). Essig and Amann (2009, p. 104) define supplier satisfaction as a supplier's feeling of fairness with regard to buyer's incentives.

Rajala et al. (2025, pp. 226-227) propose a definition for supplier experience "as the cumulative set of reactions and responses that emerge from ongoing interactions and collaborative processes within the supply chain". Unlike supplier satisfaction, which primarily results from the fulfillment of suppliers' needs and expectations and reflects perceptions of fairness, supplier experience encompasses the entirety of relational exchanges and perceptions across the supplier–buyer relationship (Essig and Amann, 2009). It is a broader and separate construct that goes beyond satisfaction, yet strongly influenced by it, shaping the overall dynamics of supplier–buyer interactions.

## **1.1 Background of study**

This study focuses on examining supplier experience and its impact on buyer–supplier relationship performance within the specific department of the case company. The aim of this study is to map out how suppliers perceive the case department as a customer and identify which aspects of the interaction most strongly affect their experience. By capturing and analyzing supplier perceptions, this study seeks to provide insights for improving relationship quality and strengthening the company's supplier collaboration strategy. The findings are expected to contribute to industrial management literature by extending the conceptual understanding of supplier experience and providing practical

implications for the case company to enhance their supplier relationships through a more experience-oriented approach.

Ultimately the target for any company is to gain access to supplier base which enhances their competitiveness in the market. This can be achieved by obtaining resources that are more valuable, unique or higher quality compared to their rivals (Insead & Chatain, 2008). However, competing firms may target the same resources within a shared supply base. It is not evident that companies collaborating with their suppliers will gain a competitive advantage from such partnerships as other players in the market might obtain better resources from the same supply base. It is clear that gaining a resource advantage increases the likelihood of achieving a competitive edge (Hunt & Davis, 2008; Pulles et al., 2016).

The goal for the case department is to appear as attractive customer to secure access for the most competent suppliers and continuously develop its own processes and relationships. This study is needed because the case department does not currently have a relevant evidence-based picture where it is standing as a customer. According to Hüttinger et al. (2012), suppliers' perceptions of fairness and recognition are crucial determinants of supplier satisfaction and their willingness to grant preferred customer status. When buyers do not acknowledge their position of power, they risk eroding these relational foundations. This also gives the possibility for the suppliers to give honest and critical feedback about the relationship and performance. This dimension may be neglected in buyer-supplier relationships and studies have shown that in relationships characterized by power asymmetry, suppliers may refrain from voicing negative information or constructive criticism out of fear of retaliation, reduced business opportunities or because of damage to their reputation (Makkonen et al., 2023; Vos et al., 2021). In worst case scenarios this means that suppliers may choose to remain silent about delays, process inefficiencies or dissatisfactions, preferring to avoid confrontation that might jeopardize future contracts.

The marine market which the case department operates in is characterized by strict regulatory compliance, long project cycles and technical complexity which result in long and collaborative partnerships with suppliers. While the mature relationship between buyer and suppliers promotes cooperation, joint investment and trust, it also creates risks that have to be acknowledged. Asymmetric dependency, where one party relies more heavily on the other, represents a major risk in close cooperation (Kumar et al., 1995). Such dependency toward suppliers often arises unintentionally when products are customized for a specific customer. Customization reduces the ability of other suppliers to compete for future contracts. The supplier that has invested in specialized machinery or tailored resources gains a cost advantage and becomes more attractive in subsequent bidding rounds. Genuine competition weakens, as rival firms perceive bidding as pointless when one supplier appears predetermined to win. Over time, the buyer's capacity to control costs diminishes, and the supplier's bargaining power increases. Contracts requiring customer-specific investment create a structural dependency between the buyer and the supplier, which constrains future commercial flexibility even without formal contractual restrictions (Iloranta & Pajunen-Muhonen, 2018, pp. 282-283; Ma et al., 2021)

By conducting this research and showing interest and willingness to develop as a customer, multiple non-direct beneficial outcomes are possible. Apart from the objectives from the study, this can lead to suppliers being less reluctant to communicate openly in the future. By aiming to foster a collaborative and open business relationship by enhancing supplier experience, a shift towards more open and collaborative partnerships apart from the technical and operational standpoint is possible. The sample size of the suppliers involved in the study is limited, but further development with bigger supplier pool is possible. Development based on the findings and insights of this study can benefit suppliers outside the sample used in this study.

## **1.2 Case company description**

The case company is a Finnish MNE operating in the marine and energy sector. This study focuses on supplier base of one of the company's departments operating in the marine sector, characterized by complex engineering projects, long product lifecycles and high interdependencies between buyers and suppliers. Given the industry's technical complexity and the importance of trust and information exchange, suppliers' perceptions of their experience with the case company can directly affect relationship quality, responsiveness and joint problem-solving. The supplier base consists of both local and global suppliers with mainly highly engineered components. In addition to the technical suitability of the components, there are restrictions coming from maritime laws and class societies narrowing the pool of potential suppliers.

In practice supplier relationships are primarily evaluated through performance metrics, compliance systems and cost-based evaluations. Focus is more on the operative and performative aspect which runs the business. This leaves less attention paid to the experiential and relational dimensions of these partnerships. However, the majority of the suppliers have worked a long time with the case company given the long timespan of the projects and high interdependence, creating strong relationships. Still suppliers may perceive differences in how they are treated depending on their size, strategic importance, or geographical location which may lead to variations in relationship satisfaction and commitment. This highlights the need to systematically explore how suppliers view their relationship with the case company, how they perceive the buyer's communication, relational practices, the use of power and the use of digital technologies (Rajala et al., 2025), and how these factors shape the overall performance of the relationship.

## **1.3 Research question and objectives**

The aim of this paper is to examine how the case company is seen as a customer from the perspective of its suppliers through supplier experience. The research focuses on understanding suppliers' perceptions of their relationship with the case company,

identifying the key experiential factors that shape these perceptions and examining how such experiences affect overall relationship outcomes.

The primary research question for this thesis is following:

*How does supplier experience influence the performance of buyer–supplier relationships?*

This research question aims to provide insights into how suppliers evaluate their relationships with the buyer side and also help to identify mechanisms which such experiences translate into operational and relational performance.

This research question is supported by three key objectives.

1. To identify how the case department is seen as a customer from the perspective of its suppliers.
2. To identify key factors that shape supplier experience with the case department.
3. To identify the key factors helping or hurting supplier performance through supplier experience.

These objectives aim to first capture suppliers' subjective evaluations and overall perceptions of their interactions with the case company. Then to seek to understand the main drivers influencing supplier experience. Lastly, to link these objectives to performance outcomes and propose managerial implications based on the findings.

#### **1.4 Existing literature and research gap**

Despite the growing recognition of experience-based approach in organizational behavior and relationship management, its role within the buyer–supplier context remains underexplored and scarce in the field of industrial management and supply chain studies. Most existing literature focuses on supplier satisfaction or supplier relationship management as operational practices rather than perceptual factors. Studies tend to investigate

how buyers assess and influence supplier performance, while fewer studies explore how suppliers themselves perceive the relationship and what factors drive their overall experience (Paulraj et al., 2008; Jääskeläinen et al., 2023; Rajala et al., 2025). This imbalance leaves a gap in understanding the relational dynamics from the supplier's point of view, particularly in contexts where long-term cooperation and innovation are critical. As supplier networks become increasingly global, understanding how suppliers perceive fairness, communication quality, and collaboration practices becomes essential to ensuring sustainable and productive partnerships (Pulles et al., 2016).

The works by Schiele et al., (2012) and Hüttinger et al., (2012) focuses on supplier satisfaction, customer attractiveness, and preferred customer status as central determinants of relationship quality and performance. Schiele et al., (2012) conceptualize linkages between these variables and reasons how mutual satisfaction and attractiveness contribute to the achievement of preferred customer status, while Hüttinger et al., (2012) focused on identifying the drivers between these concepts. Empirical studies by Pulles et al., (2016) and Vos et al., (2016) provide quantitative evidence that supplier satisfaction and perceived customer attractiveness are key predictors of long-term relational success. While these studies have deepened understanding of supplier satisfaction, they have not explicitly addressed the role of supplier experience as a formative antecedent influencing preferred customer status and supplier satisfaction.

The exploratory study from Rajala et al., (2025) provides one of the few empirical investigations focusing directly on supplier experience. They introduce the formation of supplier experience in the context of SMEs and form a proposed framework for supplier experience. Still these findings remain preliminary and the research is limited by SME-centric sample, which constrains the generalizability of results to broader industrial contexts or large-scale supply networks.

This thesis draws on the supplier experience framework suggested by Rajala et al., (2025), but is differentiated by its aim, context and research design. Rajala et al. (2025) primarily

focus on how supplier experience forms whereas this thesis applies the concept to examine how supplier experience is reflected in, and how it contributes to buyer–supplier relationship performance. The empirical context shifts from manufacturing SME suppliers to a single MNE context.

Current studies provide insights into supplier satisfaction and related constructs but fall short of explaining how the qualitative nature and depth experiences influence future relational outcomes such as collaboration, trust development and performance improvement. Understanding the experiential dimension could offer firms a more comprehensive approach to managing and improving supplier relationships. This study aims to contribute to this emerging topic by investigating the impact of supplier experience on buyer–supplier relationship performance through a MNE case company.

## **1.5 Scope of this thesis**

The scope of this thesis is limited to one department of a Finnish multinational enterprise operating in the marine sector. This thesis examines how the case department manages and interacts with its suppliers in practice, and how suppliers perceive the department as a customer. The unit of analysis is the buyer–supplier relationship between the case department and an individual supplier. Suppliers interviewed are purposively selected to represent different strategic positions based on Kraljic-based segmentation, while routine suppliers are excluded due to the case context and the available supplier pool.

## **1.6 Structure of this thesis**

This thesis is structured as follows. Chapter 1 introduces the research topic and the case context, defines the research question and objectives and positions the study by reviewing relevant literature and identifying the research gap. Chapter 2 presents the theoretical background, covering supplier relationship management, supplier segmentation, relational status in buyer–supplier relationships, experience-based approaches and

concludes the theoretical framework for the study. Chapter 3 describes the research methods, research design, data collection, data analysis and reliability and validity considerations. Chapter 4 reports the empirical findings, first describing suppliers' overall perceptions and then presenting the results across the four supplier experience dimensions and the cross-segment analysis. Chapter 5 discusses the findings in relation to theory, presents theoretical and managerial implications and concludes with limitations and suggestions for future research.

## **2 Literature review**

This chapter systematically pieces together research that frames the study. It first observes the concept of supplier relationship management and outlines how modern supply chains collaborate through information sharing, joint practices and digital integration. Next, it reviews how firms segment suppliers and steer supplier contributions via supplier evaluation and development. It then covers buyer-supplier relationships, the concept of preferred customer status and factors affecting supplier satisfaction, the results supplier experience serves as antecedent for (Rajala et al., p.227). Perspectives of attractiveness are then covered as it shapes the parties willingness to engage, prioritize and invest (Schiele et al., 2012). Finally, it introduces an experience-based lens, adapting ideas from customer and user experience to conceptualize supplier experience and the organizational and technological factors that shape it. These sections provide the theoretical foundation for the thesis framework and hypotheses by linking collaboration mechanisms, relational status, evaluation systems, and supplier experience to performance and innovation in buyer–supplier relationships.

### **2.1 Supplier relationship management**

Supplier relationship management (SRM) is defined as “the management of strategic collaborative relationships between buying and selling organizations” (Benton, 2020, p.168). SRM has been conceptualized as a proactive process through which firms develop and strengthen positive relationships with suppliers to enhance mutual value creation. Most scholars consider SRM a strategic and systematic process integrated into organizational management rather than merely an operational function (Yang et al., 2023, p. 168). Many firms have shifted away from producing entire products in-house toward greater reliance on contract manufacturing and external sourcing, which drives the strategic importance of quality of buyer–supplier relationships. The majority of a product’s revenue, in some industries reaching up to 80%, flows to external partners in the form of payments for materials, labor, and equipment. This significant transfer of value downstream highlights how critical structured relationship management has become across

the supply network (Benton, 2020, p.168). As a result, competitive advantage increasingly depends on how well a firm can leverage its supplier network rather than on internal operations alone. This logic connects with the relational view of the firm, which argues that inter-organizational routines, joint investments, and knowledge sharing can generate “relational rents” that are not attainable by either party in isolation (Dyer & Singh, 1998).

Studies commonly define SRM through three main activities: relationship initiation, relationship development, and relationship maintenance. Relationship initiation involves identifying and selecting suitable suppliers that align with the company’s strategic goals. Relationship development focuses on building strong partnerships through cooperation, trust, and effective communication. Relationship maintenance refers to monitoring supplier performance and making timely adjustments to keep the relationship stable and productive (Yang et al., 2023, p. 168).

The behavioral dimensions in SRM can be looked through model of the four Cs: counterproductive (lose-lose), competitive (win-lose), cooperative (win-win), and collaborative (win-win) relationships. Counterproductive relationships occur when both parties prioritize their own interest to the extent that they harm each other. It goes without saying that this kind of relationship prevents either side from achieving meaningful outcomes and creates mistrust and inefficiency, potentially damaging the organization’s reputation (Benton, 2020, p.169). Jamaluddin & Saibani (2021) find that relational governance, trust and information sharing are consistently associated with better supply chain performance than purely transactional, price-focused arrangements.

In competitive relationships each party seeks the best immediate deal for itself, often disregarding the other’s interests and the possibility of shared outcomes. They typically depend on relative bargaining power, the stronger party secures short-term advantages while giving little attention to future collaboration. This approach weakens relationship continuity and can reduce total value for both sides (Aitken & Paton, 2017). However,

this type of approach can be appropriate when dealing with non-critical, easily substitutable suppliers and standardized goods, where switching costs are minimal and market competition effectively disciplines price (Benton, 2020, p.169).

Cooperative relationships acknowledge that both the buyer and the supplier can create greater value when each attains its key objectives, focusing on continuity over single-transaction gains. The parties typically align pricing frameworks and performance expectations resulting in reliable outcomes and reduced friction in routine exchanges. Cooperative relationships frequently appear among preferred or tier-two suppliers that are important enough to warrant continuity and favorable consideration, but not so strategically critical as to justify deep integration (Benton, 2020, pp.169-170).

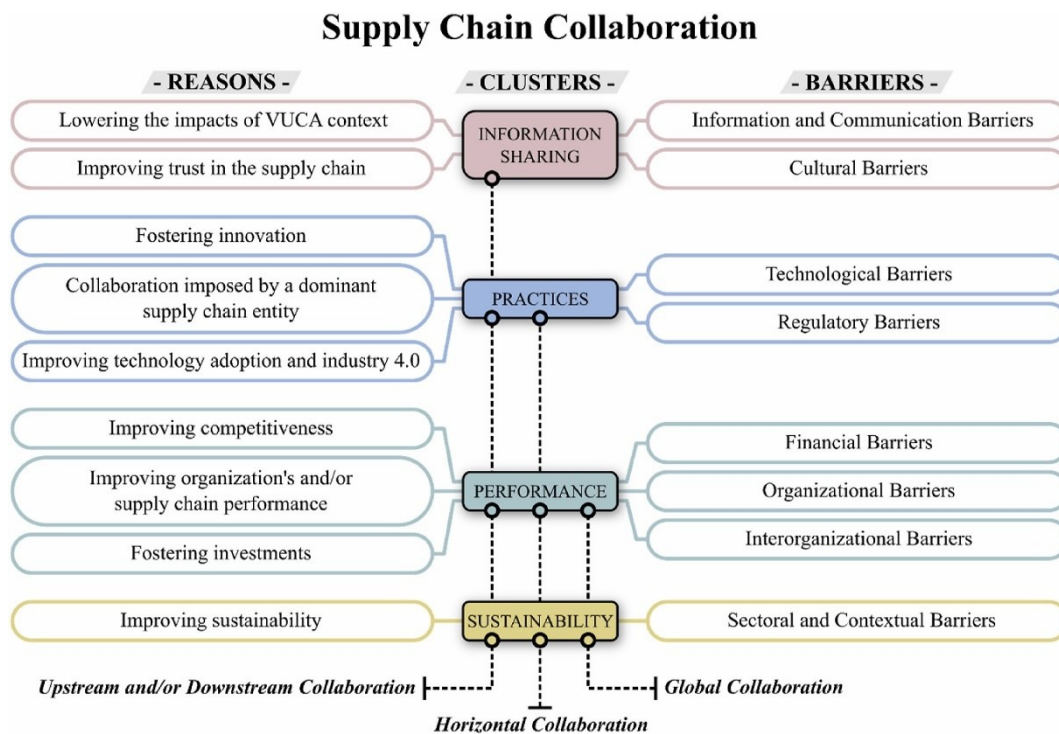
Collaborative relationships are most often established with a buying firm's strategic suppliers and are characterized by a high degree of joint working. They differ from cooperative relationships by enhancing structured and cross-functional teamwork aligning objectives across the two organizations. The parties engage in joint planning and execution to improve total system performance rather than optimize outcomes for only one side. These relationships also promote the highest level of trust due to the close coordination and information sharing (Benton, 2020, p.170).

This chapter focuses on core SRM concepts and practices related to the topic of the thesis, covering aspects of collaboration, supplier segmentation and performance management of suppliers.

### **2.1.1 Modern supply chain collaboration**

Global supply networks are pressured from a mix of forces such as economic uncertainty, geopolitical tensions, armed conflicts and fast technological change. For many businesses, these pressures reveal vulnerabilities and hurt efficiency, often disrupting daily operations (Kim, 2025). Collaboration is purposeful inter-firm coordination that links information, decisions, and incentives across partners to improve system outcomes (Marty

& Ruel, 2024). Effective information sharing in supply chains rests on trust among trading partners. Because so many stakeholders are interlinked, building mutual confidence is essential rather than optional. Trust provides the groundwork for collaboration and seamless data exchange, which boosts operational efficiency and agility. Supply chain performance requires partners to share accurate information which depends on a strong, corresponding trust relationship (Kim, 2025, p. 2).



**Figure 1.** Framework of Supply Chain Collaboration (adapted from Marty & Ruel, 2024, p. 13)

Marty and Ruel (2024, pp.12-13) combined a comprehensive framework of their literature analysis of Supply Chain Collaboration (Figure 1). This framework presents major clusters identified through co-citation analysis, linking them to reasons for collaboration and barriers to collaboration. The term VUCA (volatility, uncertainty, complexity, and ambiguity) is used in literature to describe today's era that companies have to operate in (Marty & Ruel, 2024; Kim, 2025; Wieland & Wallenburg, 2013). These factors can result for example in demand swings, supply disruptions or cyber risks in supply chains.

Collaboration mitigates these shocks by expanding the information horizon and pooling buffering capacity (Wieland & Wallenburg, 2013).

Regulators, customers and other stakeholders are pressing companies to disclose far more about their supply chains, and the reputational damage for falling short can be significant. This has increased the need and interest of supply chain transparency. “Supply chain transparency requires companies to know what is happening upstream in the supply chain and to communicate this knowledge both internally and externally” (Bate-man & Bonanni, 2019). With digitization, the single point interactions will shift towards using software which makes the coordination and information sharing visible to all concerned parties, increasing total transparency and leading to better trust (Choi, 2025). One key emerging key technology associated with the visibility issues is the use of block-chain. In today’s non-blockchain systems, companies sustainability and sourcing claims are hard to verify, leaving big trust caps. Blockchain could address these issues by boosting data visibility, accuracy, and transparency through multi-party validation. It can also improve information exchange and create more adaptive, reliable, responsive, and accountable supply chains (Kshetri, 2021, pp. 9-10). Choi et al. (2025) argue that the accelerated digitization of supply chain operations will help to manage supply chain collaboration with the constantly evolving environment.

Chopra (2019, pp. 213-215) states that real benefits in closer liaison have been achieved by linking together information systems which provide timely and accurate data of demand, stock levels and reduces the possibility of stockouts. Furthermore, a collaborative planning, forecasting and replenishment process is introduced, where companies jointly work together to improve the efficiency of their supply chains. Factors impeding such approach have been technical difficulties aligning different information systems, fear of security breaches and intellectual property rights, and practical difficulty agreeing with how to share the benefits gained.

Taken into collaborative relationship context with suppliers, most effective relationships originate from human interaction. Much like relationships in personal life, they have to be carefully managed and pursued with right suppliers to gain the best possible outcomes. It is essential that both parties want to pursue the relationship and are willing to make efforts for it. It is crucial to understand that “strategic collaborative relationships are founded upon the relationships with individuals in those other companies” (O’Brien, 2014, p.319). This means that the relationships originate from human interaction, but the companies act as the driver and coordinator for motivation to build the relationships (O’Brien, 2014, pp.319-320).

Thomas et al. (2025) highlight that digitalization and the use of digital tools change how buyers and suppliers work together. As more of the work moves onto shared platforms and data portals, companies need to rebalance formal mechanisms like contracts and KPIs, and relational mechanisms like trust and norms. Leaning too hard on the formal mechanism have a risk to turn suppliers to replaceable vendors and leaning too much on the relational mechanism have a risk getting excessive dependent on the suppliers and missing problems. Routine activities within these relationships are increasingly automated. Much of the procurement transaction flow is already performed by robotic process automation, and emerging technologies are set to become similarly embedded. For example, smart contracts promise comparable impact by minimizing time spent on rebates, price modifications, and chargeback negotiations (Choi et al., 2025, p.52). Even with the broadening use of digital tools, relational quality remains central. It determines how information is shared, communication is handled, and conflicts are resolved. Successful buyer-supplier performance management requires investments on interpersonal relationships and to social capital (Jääskeläinen et al., 2023, p.1).

### **2.1.2 Supplier segmentation**

In order to unlock the value from the supply base, the important suppliers must first be identified. This allows allocating resources and time to actually relevant suppliers (O’Brien, 2014, p.58). Supplier segmentation allows firms to prioritize and manage

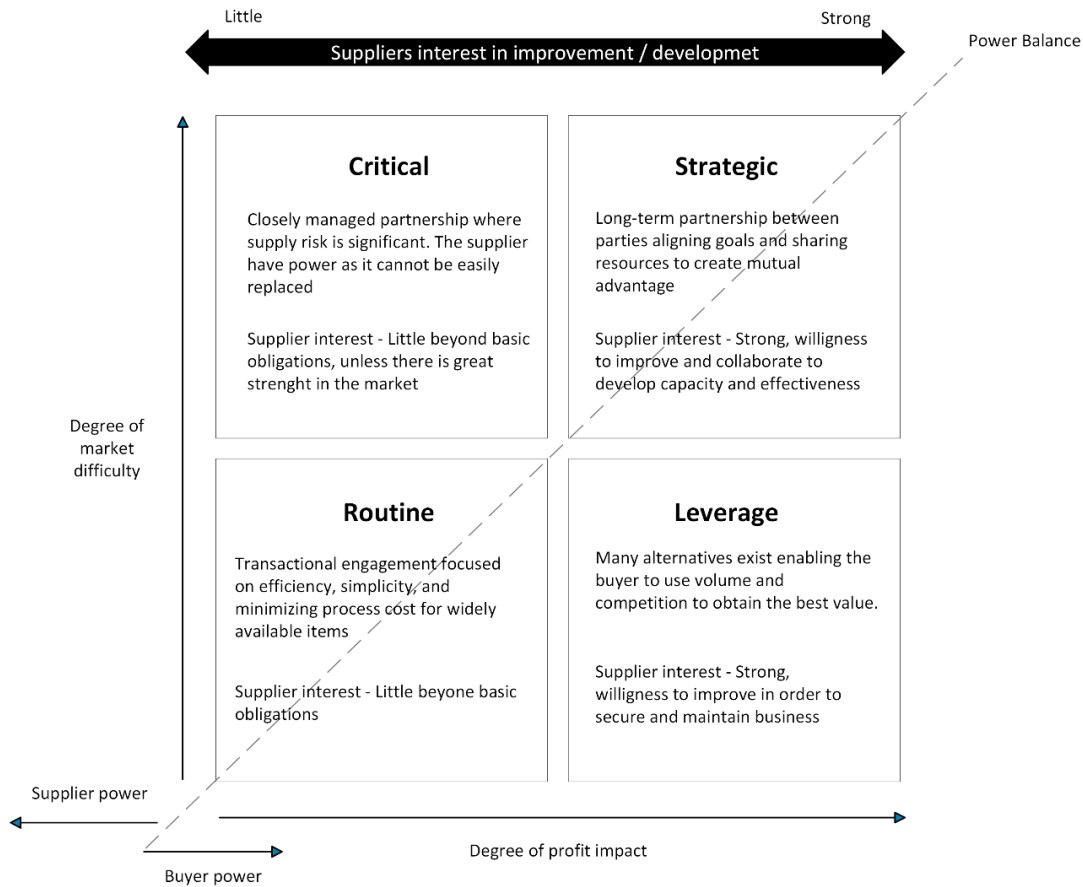
supplier relationships according to their strategic significance as company's external resource base can contain a wide spectrum of supply situations, ranging from highly standardized commodities to irreplaceable, high value partnerships (Caniëls & Gelderman, 2005). One of the most influential frameworks underpinning this strategic segmentation is the portfolio perspective introduced by Peter Kraljic in the early 1980s. By classifying suppliers according to profit impact and supply risk, it provides a structured approach to managing procurement strategies. This enables firms to differentiate management approaches based on the strategic value, risk and criticality of supplier relationships (Olsen & Ellram, 1997; Kraljic, 1983). The matrix was originally made for examining the product and service groups to be procured, not the suppliers, although for some products or services these are closely linked together. However, it can be used also in the supplier segmentation context by altering the original dimensions (Iloranta & Pajunen-Muhonen, 2018, pp.115-116).

Caniëls and Gelderman (2005) state that although the Kraljic matrix is widely accepted as a strategic tool for managing supplier relationships, its main weakness lies in its lack of clarity and objectivity in positioning products or suppliers within the matrix and in translating those positions into concrete purchasing strategies. The matrix helps classify purchases based on supply risk and profit impact, but it does not clearly explain how to determine these dimensions objectively or how power and dependence dynamic between buyer and supplier influence strategic choices. The study from Montgomery et al. (2018) propose making the matrix more objective and quantitative by using measurable value functions to calculate and rank products or services instead of relying on subjective opinions.

Figure 2 is a variant of the Kraljic matrix classifying supplier relationships by two core dimensions, the degree of market difficulty (vertical) and the degree of profit impact (horizontal). Profit impact reflects how much a category or supplier influences the buyer's business outcomes and market difficulty displays the supply risk and the relative power of suppliers. It also adds a third dimension, which is suppliers' interest in

improvement and development. The diagonal power balance of the relationships can shift depending on the position of the buyer in the market. If the buyer has a high strength of position in the market, the line shifts left and vice versa. High power increases interest from suppliers to drive improvements (O'Brien, 2014, pp.147-149).

The four quadrants translate these dimensions into clear relationship types. Suppliers who provide routine items sit in low market difficulty and low profit impact. The goods are widely available and best managed through process efficiency and automation, goal being to reduce transaction costs. Leverage items are high in profit impact but low in market difficulty because multiple alternatives exist. Buyer power is relatively strong, enabling the use of competition to obtain the best value. Supplier interest is strong because they want to secure the volumes and maintain business with the buyer. Critical items occupy high market difficulty with comparatively lower direct profit impact; they are hard to replace and expose the buyer to supply disruption risk. Strategic relationships combine high profit impact with high market difficulty. Mutual dependence motivates long-term partnerships that align goals, information, sharing and co-investing to build capability and resilience (Kraljic, 1983; Ilonranta & Pajunen-Muhonen, 2018; O'Brien, 2014).



**Figure 2.** Supplier segmentation and interest for improvement (Kraljic, 1983; O'Brien, 2014, p-148).

### 2.1.3 Supplier evaluation and development

Supplier evaluation refers to the “process of quantifying the efficient and effectiveness of supplier action” (Hald & Ellegaard, 2011, p. 890). In order to systematically assess suppliers’ ability to meet the performance criteria supplier evaluation is needed. The achievement of accurate deliveries and services to final customers is tied to the performance of suppliers. Continuative monitoring of supplier performance and intervening poor performance is necessary for organizations (Chopra, 2019, p. 214). Alignment with strategic and operational objectives is necessary to ensure reliability and cost efficiency for the procurement organization. The empirical findings from the study from Hald & Ellegaard (2011) highlight the complex and dynamic nature of supplier evaluation

processes. In their study supplier evaluation systems were found to be shaped and re-shaped through a variety of organizational, cognitive, and relational factors. These dynamics can distort intended performance signals, affecting supplier motivation and ultimately preventing the realization of performance improvement objectives. The study emphasizes that performance measurement goes beyond being a purely technical activity, it is also a social and interpretive process shaped by negotiation, power relations, and personal judgment.

The nature of the buyer-supplier relationship	Dimensions of evaluation and measurement
Simple	Fulfilling the basic operative goals and needs, such as delivery and quality targets. Willingness to serve and communicate with the buyer with a good attitude.
Longer and more complex	Attitude towards problems arising and ability to solve them. Tendency to constant improvement with the service level.
Longterm relationship including joint development	Aiming to lower cost level constantly. Enhancing common processes.
Longterm strategic relationship including joint design and innovation	Joint innovations and technical improvement. Joint development of abilities and resources.

**Table 1.** Key dimensions of evaluation and measurement related to the nature of the buyer-supplier relationship (adapted from Iloranta & Pajunen-Muhonen, 2018, p. 316).

Supplier evaluation and development are needed regardless of the nature of the buyer-supplier relationship. Regular control enables following of suppliers to meet standards and contribute towards continuous improvement goals (Iloranta & Pajunen-Muhonen, 2018, p. 315). “Once an investment in developing supply chain relationships is made,

buying firms must actively manage these relationships” (Benton, 2020, p. 171). Table 1, drafted by Ilonranta & Pajunen-Muhonen (2018, p. 315), illustrates the key dimensions of evaluation and measurement related to the nature of the buyer-supplier relationship. The authors state that surprisingly many firms still use subjective feelings and observations to evaluate the performance of their suppliers. Even in those firms where evaluation is present, the whole supplier base can be measured the same, regardless of the importance or scale of the supplier. All suppliers will have problems occasionally, but how these are handled matter the most. If the buyer ignores the occasional poor performance and is unwilling to push and demand better, it may attach itself to chronically poor supplier, hurting its performance significantly. Without open and evidence-based feedback no improvement is ever made.

Hald and Ellegaard (2011) question the assumption that a well-designed supplier evaluation system will inevitably result in improved performance. Their study highlights that such systems do not guarantee success on their own and suggests that other contextual and relational factors play a significant role. The findings state the importance of understanding how performance information is constructed, communicated and acted upon within and across the organizational boundaries. Supplier performance data is continuously refracted through the power relations that bind buyers and suppliers. These power dynamics can have significant effects on performance interpretations. For example, high targets make supplier performance look worse than it really is even when acceptable. Softening these judgments later on makes the system seem unfair and turns the evaluation into more of a bargaining tool than a reliable measure of performance.

## **2.2 Relational status and preference in buyer-supplier relationship**

### **2.2.1 Preferred customer status**

In the field of supply chain management and marketing, the concept of the preferred customer status has emerged as a factor in shaping long-term business relationships. A preferred customer is generally defined as a buyer who through loyalty, purchasing

behavior or strategic importance, is granted priority access to resources, services, or advantages by a supplier. This status reflects not only the customer's economic value but also the strategic significance of cultivating collaborative partnerships that extend beyond transactional exchanges (Schiele et al., 2012). Companies are shifting their approach as price focused purchasing strategies don't always work. In cases when suppliers have technology or capacity advantages a more comprehensive approach is needed. Special conditions in current supply markets force firms to focus more on strategic supply management to build strong relationships and become preferred customers. This helps them maintain access to important suppliers and stay competitive in the future (Hüttinger et al., 2012, p. 1194).

Resources can be broadly understood as tangible and intangible assets, such as financial, human, intellectual, organizational, and physical entities that a firm can deploy to enhance its performance and strengthen its competitive position (Hunt & Davis, 2008). The strategic value of supply base resources depends not just on their availability but also on how much better they are compared to those obtained by competitors. When firms gain more valuable, unique, or higher-quality resources from suppliers than their rivals, these resources are more likely to create a lasting competitive advantage (Insead & Chatain, 2008). To secure stronger advantages from shared suppliers, companies must identify ways to access better resources compared to those obtained by their competitors (Pulles et al., 2016, p. 130).

Firms that attain preferred customer status, whereby suppliers allocate better resources compared to less favored buyers due to the buyer's desirable behaviors, practices or business values are more likely to gain competitive advantages from their supplier relationships (Pulles et al., 2016, p. 136). It should be a central objective of a mature buyer-supplier relationship (Yang et al., 2023). The allocation of supplier resources to relationships with buying firms represents a selective process, wherein competing customers may receive unequal treatment (Mitshuhashi & Greve, 2009). Jääskeläinen et al. (2023)

describe that shared understanding and well-structured interaction enable effective performance management and foster preferred customer status.

Schiele et al. (2012) suggest that achieving preferential treatment from suppliers requires not only supplier satisfaction but also an initial level of customer attractiveness sufficient to stimulate the supplier's willingness to engage in a business relationship. They conceptualize this progression as a three-stage process: (1) establishing customer attractiveness, (2) fostering supplier satisfaction and (3) attaining preferred customer status.

Piechota et al. (2021) argue that supplier's relative satisfaction with the focal buyer compared to its best alternative is what matters the most in earning preferred customer status. Supplier's resource allocation favors the buyer that outperforms rival customers, not merely the one that achieves absolute satisfaction. This implies that firms should measure and manage their relative position in the supplier's customer portfolio.

### **2.2.2 The impact of preferred customer status to innovation**

Modern innovation rarely originates inside a single firm. Rosell and Lakemond (2012) argue that the creation of new products and services is becoming increasingly dependent on collaboration across organizational boundaries, with outside partners taking on a more active role in shaping and contributing fresh ideas. Suppliers often contribute design know-how, manufacturing insights, and technology platforms that complement internal capabilities (Love et al., 2014; Schiele, 2012). Research from the field has found that suppliers are the key source of technological innovation for buying firms (Ellis et al., 2012). Especially the focus for early supplier involvement has been interest in research and shown benefits for organizations (Pihlajamaa et al., 2019; Rosell and Lakemond, 2012). Securing access to supplier innovation is often difficult as innovations are often valued by buyer company's competitors as well (Pulles et al., 2016).

Because high-capability suppliers have to allocate scarce engineering and lab resources, buyers benefit from achieving a preferred customer status (Nollet et al., 2012). Ellis et al. (2012) found that early supplier involvement and relational reliability are the two key reasons which positively affect achieving preferred customer status and access to innovative technologies. The share of sales has no effect, which implies that buyers seeking innovative advantage through suppliers should focus on relational aspects. Some operationally strong, compatible suppliers may still be unwilling to commit resources to higher-risk new product development. Assessing the buyer firm status with supplier helps avoid pursuing intensive collaboration with partners who lack the interest or readiness to engage (Schiele, 2012, pp.47-48).

However, innovation collaboration raises hazards. It requires information sharing and usually includes valuable knowledge, creating risks. Possibility that someone runs off with the idea, offers the knowledge or products to competitor or become tied to one another are all relevant risks in business. Supplier side is usually selective about what they share and reveal and to whom. Confidence toward that the value of their innovation will be taken seriously is the main driver for suppliers to share information of their innovations with customers. Therefore, they can also value technical or design staff more than procurement when discussing about innovations. It gives the supplier's side confidence that they are immediately understood and valued (O'Brien, 2014, p. 348).

### **2.2.3 Buyer-supplier relationship**

Companies don't have relationships with companies. It is the individual humans and their counterparts who build and foster the relationship that firms have with each other. In every business relationship there is a degree of social interaction between the individuals defining the relationship (O'Brien, 2014, p. 241). The nature of buyer-supplier relationships have changed from transactional, price-driven exchanges to strategic, collaborative partnerships that influence firms' innovation, resilience, and sustainability performance (Choi et al., 2025). Contemporary developments like digitalization and technological innovation are reshaping how buyers and suppliers interact. Tools such as

e-procurement platforms, big data analytics and artificial intelligence are transforming coordination and transparency (Bag et al., 2022). The tightening regulatory environment like EU's Carbon Border Adjustment Mechanism and national laws tightens expectations for human-rights and environmental oversight in supply chains (Fransen et al., 2024). This highlights the need for better supplier engagement, risk mapping, and multi-tier transparency across the supplier base. Effective management of the buyer–supplier interface supports long-term contracting with essential suppliers, which in turn cuts transaction costs and enhances adaptability in supply management. With trusting relationships suppliers are more comfortable performing value assessments and recommending substitutions and improvements (Choi et al., 2025, p. 51).

Chopra (2019, p. 212) describes traditional adversarial buyer-supplier relationships to be competitive in nature. Both parties pushing their own agendas inevitably leads to conclusion that other party wins in any negotiation. Factors affecting this win-lose situation are much tied to the power relationship with the parties. This can be seen as the dependability of the parties, suppliers having critical components or skills with no other availability in the market or buyer being the major source of revenue for the supplier. Because both parties are secretive and defensive, it leads to inefficiencies in the supply chain. Forms of inefficiency can be seen as excess buffer stocks, stockouts and poorer customer service and collaboration. The behavioral dimensions of SRM are characterized more in detail in Chapter 2.1 of this thesis.

Example of a more partnership approach is Toyotas approach with its supplier base. Like many Japanese organizations, they have long seen suppliers as co-makers of the product (Chopra, 2019, p. 212). Beyond cost and quality, the most distinctive advantage is purposeful knowledge sharing. Toyota has institutionalized joint learning which creates well performing knowledge sharing system that disperses methods rapidly across firms while simultaneously maintaining competition among them. Both parties benefit more from this type of relationship, but it also creates higher level of dependence (Dyer & Nobeoka, 2000). Chopra (2019, p. 213) also mentions that not all suppliers wish to engage in this

kind of partnership, and it is not suitable for all situations. The terms of partnership are often dictated by the company that holds greater power.

Post-pandemic and geopolitical shocks have refocused attention on buyer-supplier relationships as ways to ensure resilience and agility in inventory management. Guo et al. (2025) connect inventory and coordination strategies with resilience outcomes. Supply chain visibility, dual sourcing and possibility to rapid reconfiguration together with collaborative planning ensure resilience capabilities for both parties. The authors highlight that inventory's contribution to resilience is naturally inter-organizational. Decisions about where to place buffers, who holds them, and how they are replenished depend on coordination with suppliers. Lead-time reliability, accurate information sharing, allocation rules under shortage and the contract mechanisms that spread cost and risk fairly are the key factors driving resilience.

Also, the non-ideal relationship between suppliers and buyers has to be considered. Recent study from Prajogo et al. (2025) examines how customers unethical practices shape suppliers' intentions to continue or exit buyer-supplier relationships. This study highlights two forms of unethical practices, unfair business practices and socially irresponsible practices. The findings show that both of these unethical practices reduce suppliers' intention to continue the relationship, and the magnitude of these two effects is not significantly different. This suggests that suppliers treat both forms of unethicality as consequential for continuation decisions, despite the expectation that direct harm would matter more than broader social harm. The authors present a "weak reciprocity" logic in cases where customers behave unethically. Suppliers' willingness to continue depends on self-interest and resource dependence, where survival and dependence can override moral outrage. This shows why opportunism, and unethical practices can persist even when recognized.

### **2.3 Perspectives on attractiveness in buyer–supplier partnerships**

Attractiveness in business relationships means how appealing or valuable a potential or current partner seems to another organization. This depends on how much value the partner can create, how well they can reduce risks or uncertainty and how satisfied they make the other party feel in the relationship (Pulles et al., 2016). Attractiveness is not only about money or performance, but it also includes social and emotional aspects such as reputation, trust, and respect (Schiele et al., 2012). The study from Tanskanen & Aminoff (2015) advances understanding of how buyer and supplier attractiveness function in strategic buyer–supplier relationships. They state that attractiveness is comprised of four broad categories.

Economic-based attractiveness represents the backbone of every buyer-supplier relationship and is the basic requirement for a partnership. It represents the financial and operational benefits that one party has to offer for another (Tanskanen & Aminoff, 2015, p. 135). For suppliers, this may include stable demand, competitive pricing and reliable payments from the buyer. For buyers it could mean consistent product quality, cost savings or delivery reliability from the supplier.

However, in a long-term or strategic partnership money alone isn't enough and other factors are also needed for the relationship to succeed. Behavior-based attractiveness reflects the relational and ethical quality of interaction between partners. It captures how a company communicates and treats its counterpart. Even if a firm offers strong economic value, it is possible that unethical or uncooperative behavior makes it unattractive (Schiele et al, 2012; Hüttinger et al, 2012). In strategic partnerships that aim for innovation or shared growth, behavioral attractiveness often become a differentiator between short-term transactions and long-lasting partnerships (Pulles et al., 2016).

Resource-based attractiveness is about the unique assets, capabilities, and competencies a firm brings into the relationship. As stated by Rosell and Lakemond (2012) modern innovation rarely originates inside a single firm, and organizations must seek partners

who can provide access to new technologies, capabilities, or expertise they do not possess internally. This form of attractiveness supports co-development projects and long-term innovation partnerships. As mentioned by Ellis et al., (2012), buyers who seek this kind of relationship should focus on the relational aspects of the partnership as the share of sales was proven not to have effect on the attractiveness.

Bridging-based attractiveness which refers to a partner's network position and external linkages. These have ability to open doors to new markets and technologies which one party alone couldn't have access to. This type of attractiveness is especially valuable in strategic, explorative relationships where innovation and market expansion are key goals. In these situations, the relationship doesn't rely only on what the firm owns, but who it knows and can reach (Tanskanen & Aminoff, 2015, p. 137).

In many industries buyers are no longer seeking transactional efficiency but also strategic partners who can co-create value through innovation and shared learning (Pihlajamaa et al., 2019). Still ultimately buyers expect suppliers to meet their demands without errors or delays at the highest degree possible. This refers to perfect order fulfilment, ability to deliver the correct product to the customer, in the right condition, in the right quantity, with the right documentation at the right cost and time (Chopra, 2019, p.50). Supplier attractiveness can be seen as the buyer's overall perception of a supplier's potential to fulfill current and future needs (Hald et al., 2009).

A customer is seen as attractive by a supplier when the supplier expects that working with the customer will bring positive value or benefits. This perception is based on how rewarding the supplier believes the relationship will be. When buyers show that they can offer good value such as profits, growth or cooperation, they make themselves more appealing to suppliers and encourage closer collaboration. Customer attractiveness is about the supplier's belief that partnering with a buyer will be worthwhile. If suppliers see enough potential value, they are more likely to choose and invest in that relationship (Pulles et al., 2016, p. 131). Customer attractiveness is considered to be influenced by

expected market growth and risk factors of the customer (Hüttinger et al., 2012, p. 1194) La Rocca et al., (2012, p. 1246) suggest that customer attractiveness is always relative and supplier specific. Because attractiveness emerges from the interaction between specific buyers and suppliers, it cannot be defined in absolute terms. This means that a customer is attractive only in relation to a particular supplier's expectations, capabilities, and strategic objectives.

The research from Hüttinger et al. (2012) connect the elements of customer attractiveness and supplier satisfaction as constructs for achieving preferred customer status. They propose that high attractiveness encourages suppliers to invest in new relationships and allocate attention or resources to the buyer but is alone insufficient to guarantee preferential treatment, it just opens the door to cooperation. Supplier satisfaction captures whether interactions with a customer meet or exceed expectations formed during the attraction stage. While customer attractiveness is about what suppliers expect and the potential value they see before working with a buyer, supplier satisfaction is based on what actually happens in the relationship. It depends on how well the buyer performs in practice. Preferred customer status indicates the supplier's favoring a specific buyer relative to others, as described in the Chapter 2.2. It is realized when both constructs, attractiveness and satisfaction are consistently high, rewarding such buyers with preferential treatment.

## **2.4 Experience based approach**

In recent years, research has witnessed a growing emphasis on the experience-based approach, which moves beyond traditional measures of efficiency and cost reduction to consider the broader quality of interactions between organizations and their stakeholders. Most notably the concept of customer experience has emerged as a popular topic in managing and marketing. "By prioritizing and optimizing experiences of users, employees, and customers, businesses can create sustainable competitive advantages and drive long-term growth" (Rossi & Anttila, 2024, p. 23).

As stated by Rajala et al. (2025, p. 227), there is no universally recognized definition of supplier experience. The concept of supplier experience will be examined through other experience thinking approaches, to gain a collective understanding of the concept.

#### **2.4.1 Customer experience**

“Customer experience refers to the overall perception and interactions that customers have with a company throughout their entire journey, including prepurchase, purchase, and post-purchase stage” (Rossi & Anttila, 2024, p. 23). Lemon and Verhoef (2016) view customer experience as a multidimensional concept that includes cognitive, emotional, behavioral, sensory and social responses to interactions with a company. Customers don’t just look at whether a product or service works. They also care about the enjoyment and emotional payoff of dealing with the company.

Ideas about customer experience took shape in the 1980s–90s, drawing on service quality research (Parasuraman et al., 1988) and experiential marketing (Holbrook & Hirschman, 1982; Pine & Gilmore, 1999). Insights from these studies showed that customers don’t just value what a product or service does, but also the emotional and hedonic payoff of interacting with a firm. Meyer and Schwager (2007) frame customer experience as the internal, subjective response to any direct or indirect contact with a company.

Recent literature highlights that customer experience changes with context. It looks different across sectors, touchpoints, and cultures and is increasingly shaped by digital tools (Kandil et al., 2024). Arkadan et al. (2024) argue that customer experience is not just outcome of interactions but also strategic orientation that shapes designing processes, resource allocation and driving innovation.

#### **2.4.2 User experience**

With the digital transformation in the modern technological era, the need for anthropocentric approach is being prioritized. Emerge of the user experience represents shift

from building around technology to designing around people. User experience covers all aspects that a user has with a product, service, or system. That means usability, visual appeal, emotional reactions, clarity, and the overall impression the experience leaves over time. In center is the subjective feelings, attitudes, and behaviors of a user before, during and after their engagement with a product. This includes the ease of use, efficiency, and effectiveness of the interaction, as well as the satisfaction and delight derived from the experience. When the user experience is positive, it makes sense without much explanation. It helps users get their jobs done and is enjoyable in everyday use. It meets user needs in a clear way, while still advancing what the organization is trying to achieve (Hassenzahl, 2010).

Definition by the International Organization for Standardization (ISO 9241-210, 2019), describes user experience as “a person’s perceptions and responses resulting from the use and/or anticipated use of a product, system or service”. Norman (2013) argues that user experience is a recognition of what the end user is trying to accomplish. This needs understanding how the users behave in real contexts and what are their needs, behaviors and emotions. This is needed in order for any product or service to succeed.

### **2.4.3 Supplier experience**

As the experience focused research suggests, supplier experience is about bridging the gap between what a company promises and what suppliers actually encounter day to day. The goal is to deliver consistent, transparent, and dependable interactions that build trust and strengthen the relationship. Beyond transactional efficiency, this approach requires that suppliers perceive themselves as respected and valued partners, with their needs acknowledged and their contributions supported throughout the course of collaboration. Because supplier relationships have different power dynamics than customer relationships, the processes shaping supplier experience won’t mirror customer experience. Still, supplier experience is just as multidimensional: it covers what suppliers think, how they interact, what they encounter, how they feel and how they share those feelings. (Rajala et al., 2025; Nyaga et al., 2010). The idea of gaining a competitive advantage on

the supply side through preferential treatment by suppliers has received surprisingly little attention in academic literature, despite its potential to significantly influence business success (Hüttinger et al., 2012).

In practice it is difficult to really know a supplier and typically buyers see what the supplier wants them to see. If a supplier is important to the firm, it is essential to get to know them well, what really happens behind the scenes (O'Brien, 2014, p. 197). Suppliers often feel that customers do not live up to their partnership promises when there is little transparency, commitment, loyalty, long-term thinking or a cooperative relationship climate. According to Rajala et al. (2025, pp. 226–227), “supplier experience refers to the collective set of reactions and responses that evolve over time from sustained interactions and collaborative engagement across the supply chain”. Rajala and others also propose that supplier experience should be viewed as an antecedent of supplier satisfaction and attaining preferred customer status. Supplier experience recognizes that suppliers too are key stakeholders whose perceptions and experiences influence organizational performance.

Rossi & Anttila (2024) state that the nature of supplier experience can be examined through two significant viewpoints. First is a transactional perspective which emphasizes efficiency and contractual exchanges. Second is a relational perspective, which highlights trust, collaboration, and long-term value. The transactional perspective is rooted in transaction cost economics (Williamson, 1975). It says that every business exchange has costs beyond the price paid. These include negotiating, writing contracts, monitoring performance, and solving disputes. In a supplier experience context, it helps explain how contracts, governance choices and management practices affect how suppliers feel about fairness, trust, and efficiency.

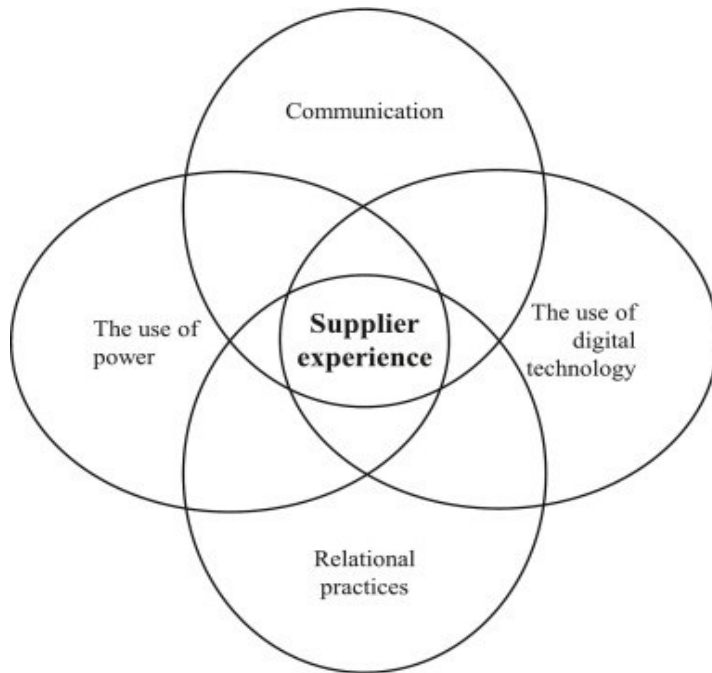
The relational perspective focuses on collaboration, continuity, trust and fairness. The relational perspective can be looked through social exchange theory (Blau, 1964) as done by Rajala et al. (2025) & Schiele et al. (2012). Social exchange theory suggests that the

continuation of a relationship depends on the balance between costs and benefits; when costs exceed benefits, the relationship is likely to end (Blau, 1964). Schiele et al., (2012) state that if buyer-supplier relationships are seen as social exchange processes, customer attractiveness depends on the expectations a supplier has of the buyer when starting or deepening a business relationship. The supplier's comparison level is then an evaluation of how satisfied they are with the relationship, based on whether the outcomes match their earlier expectations.

#### **2.4.4 Factors shaping supplier experience**

Given the prior definition for supplier experience by Rajala et al. (2025), supplier experience can be understood how it feels for suppliers to do business with a buying firm. Satisfied suppliers are more likely to allocate capacity and talent and foster better cooperation with customers they prefer (Schiele et al., 2012). A relational strategy view from Dyer and Singh (1998) explains how these advantages come from inter-firm routines and governance, aspects that neither party can create by themselves.

Because a little literature exists in the context of supplier experience alone, factors affecting it have to be examined within a framework of supply chains, buyer-supplier relationships and experience-based approach. A literature review of customer attractiveness, supplier satisfaction and preferred customer status done by Hüttinger et al. (2012) suggest that at least three functions in a firm contribute to supplier satisfaction, production, purchasing and R&D. Research from Ganguly & Roy (2021) extracted five factors influencing supplier satisfaction the most. These included purchasing policy, financial/payment policy, coordination policy, cooperation and technology & digitalization.



**Figure 3.** Components of supplier experience (adapted from Rajala et al., 2025, p. 235)

From their explorative study, Rajala et al. (2025) modelled data structure of components of supplier experience based on their interview of Finnish manufacturing SMEs (Figure 3). Communication turns contracts into coordination, metrics into decisions, and intentions into action and promotes strategic collaboration among firms (Paulraj et al., 2008). Evidence from the study from Jääskeläinen et al., (2023) shows that cognitive capital matters most. It makes daily information sharing smoother and helps both sides manage supply chain performance in a mature, constructive way. Findings from Kembro et al., (2017) highlight that collaboration fails when shared data is late, incomplete, inconsistent or siloed. Even when information sharing is proactive, data quality can be a constraint. Hazen et al. (2014) underline data quality as a key problem for modern, data driven supply chains. Managerial decisions can only be as good as the data that they rely on. Somapa et al. (2018) point out that in many supply networks the information is fragmented and spread out across different teams, systems and file formats. Fragmentation shows up in simple ways: a supplier plans to an old forecast, a plant builds to the wrong drawing revision or quality data sits in a spreadsheet that the other side never sees. These small breaks in the information chain create big effects. Buyers and suppliers lose

visibility into what is really happening, can base decisions on distorted signals and over-react to surprises.

Relational practices and collaboration play key role in all relationships and direct whether partners experience dealings as fair. Matopoulous et al. (2019) highlight three main points of the role of perceived justice in buyer-supplier relationship. The commitment born of fair treatment produces benefits in day-to-day business. When taken into crisis context such as supply disruptions, “suppliers who perceive themselves to be fairly treated by their customers will devote additional resources to the relationship”. In strong buyer-supplier relationships, how partners collaborate matters more than how benefits are split on paper. It remains unclear whether attractiveness, satisfaction, and preferred customer status primarily emerge at the micro level through interpersonal interactions between individuals, or at the meso level, within the broader portfolio-based relationships between firms. For example, are entire firms considered satisfied with one another due to the achievement of organizational objectives such as sales targets, or is satisfaction instead rooted in the quality of personal interactions experienced by individuals engaging with their counterparts in the partner firm? (Hüttinger et al., 2012, p. 1204). As mentioned by Schiele et al. (2012), customer attractiveness and supplier satisfaction jointly increase the preferential treatment of customers. Low perceived customer attractiveness and the lack of supplier development may weaken the long-term commitment (Glock et al., 2017).

As depicted by Chopra (2019, p. 212), a traditional buyer-supplier relationship creates dependability among the parties. When one party depends on the other for volume, access, or specific capabilities, the weaker side anticipates exploitation and withholds cooperation. Kumar et al. (1995) describe this as asymmetric interdependence, which elevates conflict and depresses trust and commitment. More recent literature shows that dependence asymmetry raises suppliers’ psychological uncertainty, throttling innovation investment and collaborative effort (Ma et al., 2021). With increasing dependability among parties, opportunism can increase leading to unsatisfactory collaboration.

Gelderman et al. (2020) argue that buyer opportunism is not random misconduct, it is situational and patterned. Drivers such as internal pressure, perceived supplier non-responsiveness, tempting short-term gains or unclear governance can provoke a rational choice of acting opportunistically. The consequences of this can range from short run wins to relationship deterioration and termination. Analysis from Rajala et al., (2025) revealed that the use of coercive and non-coercive power shapes the supplier experience. Coercive power weakens normative commitment, the willingness to stay because it feels right, and fuels supplier defensiveness. Non-coercive power like persuasion, information exchange and support, build both normative and instrumental commitment and thereby enables integration (Zhang et al., 2020).

In literature buyer-supplier relationships have been described either adversarial or cooperative with a focus on interaction between the single buyer and single supplier. Many organizations have supply management representatives overseeing the relationship and handling the operative and strategic functions (Choi, 2025; Chopra, 2019). Digital supply chains and the use of digital technology may restructure and change how operational matters and relationships are managed in the future. A lot of operational work can be automated in the future and emerging technologies like smart contracts would also reduce the time consumed by price negotiations, discounts and responsibilities. Supply managers will be focusing more on strategy and managing supplier ecosystems than daily operative tasks (Choi, 2025, p. 52).

## **2.5 Theoretical framework**

This chapter summarizes the literature and introduces the framework to be used in this thesis. First the concept of SRM is observed to understand the overall picture and aspects of supplier relationships and their management. SRM is the proactive process enabling management of strategic collaborative relationships between buying and selling organizations (Benton, 2020). Modern collaboration sets the tone of joint work. When collaboration is open and predictable, suppliers know what to expect and can plan their resources with confidence. Shared digital platforms reduce rework and delay and can

widen visibility and streamline coordination but cannot substitute for relational quality and social capital (Kim, 2025; O'Brien, 2014). Because collaboration ultimately originates from human interaction, firms must invest in the right supplier relationships and the people who manage them to convert technology and data into sustained performance gains (Jääskeläinen et al., 2023).

By segmenting the supply base buyers can govern and prioritize those relationships by their strategic role. This enables buyers to focus and allocate resources into most value creating suppliers (Caniëls & Gelderman, 2005). This connects to supplier evaluation and development as many companies still rely on subjective judgments or apply one size fits all metrics to all suppliers regardless of their importance (Ilonranta & Pajunen-Muhonen, 2018). Research shows evaluation is not purely technical: organizational, cognitive, relational and power dynamics shape how performance data is created, interpreted and used, sometimes distorting signals and dampening supplier motivation. A formal system alone doesn't guarantee improvement. What matters is how information is communicated and acted across firm boundaries, affecting the experience of suppliers (Hald & Ellegaard, 2011).

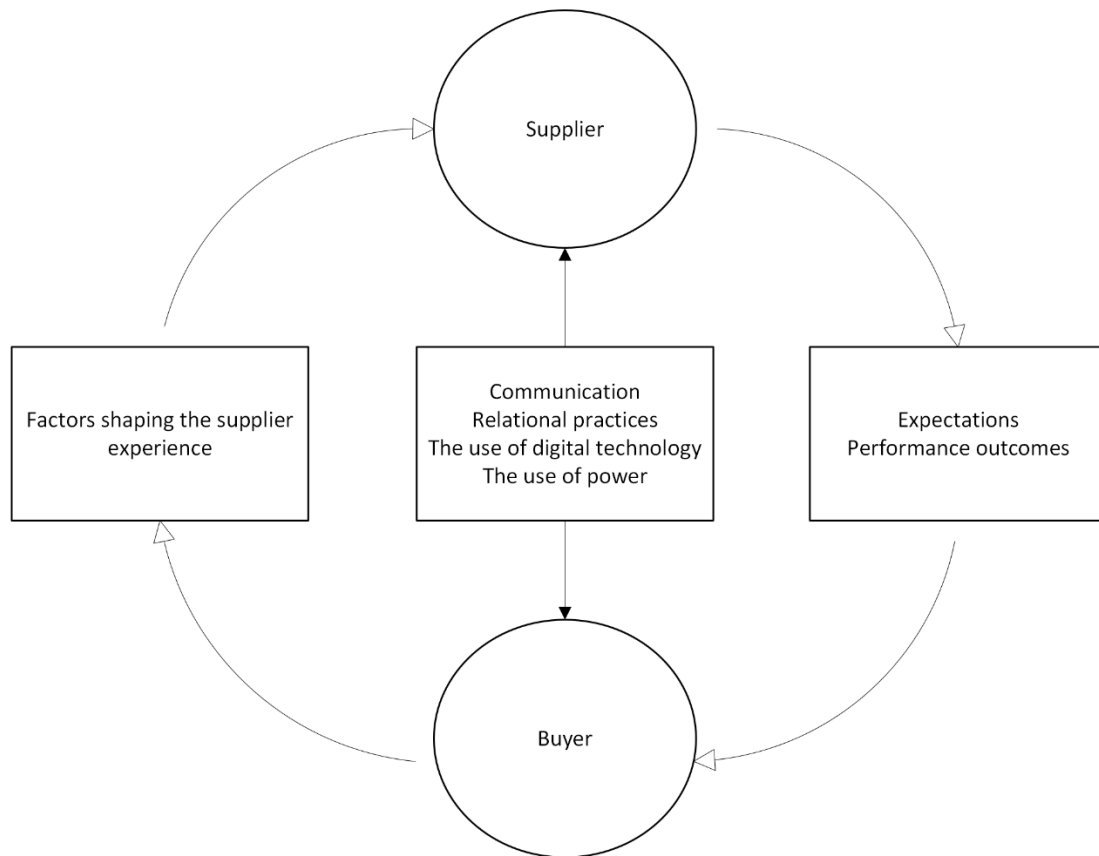
Next the relational status and preference in buyer-supplier relationship is reviewed. As competing firm often share suppliers, competitive advantage comes from getting better resources than rivals. When suppliers see buyers especially attractive and are satisfied with them, they might obtain preferred customer status. This allows the buyer to priority access to resources and other benefits. However, this status doesn't reflect just to spend, but also to buyers' strategic importance and relationship quality (Schiele et al., 2012). This affects firms' innovation potential as suppliers are major sources of new technology and know-how. Preferred customers get earlier involvement and easier access to scarce engineering resources (Nollet et al., 2012). This is driven more by relationship reliability between the firms and early supplier involvement, not by sheer purchase volume (Ellis et al., 2012). As stated by O'Brien (2014, p. 241) companies don't build relationships,

people do, and its these personal connections are what form a company-to-company relationships.

Attractiveness in buyer–supplier relationships is the upstream driver that servers as the entry point of the relationship and shapes the parties willingness to engage, prioritize and invest (Schiele et al., 2012). Important aspect of this thesis is customer attractiveness, which refers to suppliers’ belief that working with a buyer will be worthwhile. It is relative and supplier-specific, influenced by expected growth and risk (Hüttinger et al., 2012, Pulles et al., 2016,).

These all ultimately connect to supplier experience, the key viewpoint of this thesis. As Rajala et al. (2025, p. 226) define, supplier experience refers to the collective set of reactions and responses that evolve over time from sustained interactions and collaborative engagement across the supply chain. It also serves as an antecedent of supplier satisfaction and attaining preferred customer status (Rajala et al., 2025, p. 227).

The framework of this study can be seen in Figure 4, modified from the proposed model of supplier experience by Rajala et al., (2025, p. 235). As conceptualized by the authors, supplier experience is formatted by four dimensions (Figure 3), communication, relational practices, use of digital technology and use of power. By adapting these four quadrants into context of the case company, a comprehensive overview of the supplier base experience will be formed.



**Figure 4.** Framework of this study (modified from Rajala et al., 2025, p.235)

### **3 Research methods**

This chapter focuses on research design, data collection, and analysis of the data used to address the study's research questions. The validity and reliability of the study are also considered.

#### **3.1 Research design**

As this study focuses on single department of a company, a case study is a natural choice of research design. Bryman & Bell (2011, p. 60) states that differentiating factor of case study compared to other research designs is the concentration to a "bounded situation or system, an entity with a purpose and functioning parts". The nature of this thesis is qualitative, as it tries to research the experiences of the suppliers with the aim to offer a theoretically meaningful interpretation of the phenomenon under study (Puusa et al., 2020). This thesis can be also seen as exploratory by nature, as no prior studies about supplier experience in a single MNE context have been made.

The data used in this study relies on primary data collected by the researcher via interviews. This allows tight alignment between the research questions and what is measured, as they capture context and meaning in natural settings (Puusa et al., 2020).

The research questions were drafted from the basis of supplier experience data structure, proposed by Rajala et al. (2025, p. 230) (Table 2). The purpose of this is to use established data structure as a theory-based template for interview design and coding to ensure that the interview covers the key interaction domains through which supplier experience is expected to form. Questions were positioned in the case company's context, aiding to develop a comprehensive understanding of the topic and to meet the research questions for the study. The interview was divided to four main themes, and the questions were derived from the second-order themes proposed by the authors. Generalist questions were asked in the beginning of the interview to capture larger image of the context and the case company's position from the suppliers perspective.

Dimensions	Second-order themes
Communication	Openness
	Continuation
	Wording and tone
Relational practices	Cooperation
	Commitment
	Trust
The use of power	Coercive power
	Non-coercive power
The use of digital technology	Information sharing
	Digital collaboration
	Digital effectiveness paradox

**Table 2.** Data-structure of supplier experience used for question formatting (Rajala et al., 2025, p. 230)

In order to strengthen validity and reliability of the results a supplementary interview was held with two sourcing professionals from the case department. This way the themes emerging from the supplier data could be further validated by adding the internal perspective and reducing the risk that findings would reflect only one side of the relationship.

### 3.2 Data collection

Sampling of the suppliers being interviewed is done by purposive sampling, so the participants were not selected on random basis. This is suitable in qualitative research where the goal is deep understanding rather than generalization. As the focus of the study is a single entity, the results are not expected to be generalizable on a broader scale (Bryman & Bell, 2011).

The participants were selected with a usage of the Kraljic matrix and observations alongside with sourcing representatives from the case company. The base criteria set for supplier selection was that each quadrant of the Kraljic matrix would be as equally represented as possible, but also that there would be diversity also from other areas than just monetary point of view. This aimed at diversity of the number of departments product lines the supplier works with, suppliers age with the company, suppliers technological sophistication and observed tendency for difficulties with the supplier. Due to the characteristics of the case company described in Chapters 1.1 and 1.2, the supplier pool doesn't divide equally to all quadrants of the Kraljic matrix, notably lacking the routine suppliers.

Already after 5 interviews it was seen that the answers were describing similar issues and phenomena with only a little variation. After 8 interviews it was determined that no further interviews are needed because theoretical saturation point was reached (Eisenhardt, 1989), and it was expected that there is no added value to the research for conducting additional interviews.

The data collection was done in form of semi structured interviews. Semi structured interviews are interviews where the researcher prepares the questions beforehand using the available theory. The questions are open ended so no structured answers are prepared. This enables more open and comprehensive answers, some that the researcher hasn't maybe thought of (Puusa et al., 2020). All of the interviews were done via Microsoft Teams, recorded and transcribed. As seen from Table 3, number of participants at the interviews was one or two. This enabled capturing perspectives of the department as a whole. The aim was to capture both strategic top-level view as well as operational aspects rooting from day-to-day business activities. As each supplier has their own way of working and personnel responsibilities differ, the invitations were sent accordingly. All the questions were displayed in English to ensure the cohesion of the subject. The duration of interviews ranged from 44 minutes to 86 minutes.

Supplier	Number of respondents	Position	Interview duration
Supplier 1	1	Sales manager	62 minutes
Supplier 2	1	Key account manager	83 minutes
Supplier 3	2	Executive vice president Project engineer	76 minutes
Supplier 4	2	Sales manager Sales engineer	70 minutes
Supplier 5	2	CEO Sales manager	86 minutes
Supplier 6	2	CEO Production director	66 minutes
Supplier 7	1	Key account manager	54 minutes
Supplier 8	1	Key account manager	44 minutes

**Table 3.** Supplier interview respondents.

The interviews included a general presentation of the research topic to educate the basic concepts to respondents. After this the questions were displayed one at a time, grouped by the themes of the study. Questions were not sent to participants beforehand to ensure the authenticity of answers. At the beginning of every interview the anonymity of the responses and usage of the recordings were clearly highlighted to each of the participants. All recordings were to be deleted after analyzation of the material and anonymity of the participants and companies were guaranteed so no identification from the answers would be possible. The position of the interviewer was clarified and distinguished as independent and as neutral as it could be. This way the researcher tried to foster a trusting atmosphere and encouraged the interviewee to engage fully. Openness and participants own reflections were highlighted to be the key deliverable aiming for mutual development, ensuring there would be little “socially desirable” responses (Puusa et al., 2020).

The interview with the case department also followed a semi-structured format. Participants were selected through purposive sampling: both respondents work in procurement and have the best visibility to supplier interaction practices and differences across product lines. The interview guide was built from preliminary supplier findings and focused on the same central topics and issues that were reported by suppliers. The interview was recorded and transcribed similarly than the supplier interview described previously. All personal identifiers were removed during reporting ensuring anonymity.

Buyer	Position	Interview duration
Buyer 1	Senior Strategic purchaser	65 minutes
Buyer 2	Strategic purchaser	

**Table 4.** Internal interview respondents.

### 3.3 Data analysis

Data analysis for this research follows methods of qualitative data analysis. The interview data were analyzed using a thematic analysis approach, following the logic of template analysis. “As qualitative data deriving from interviews typically take the form of a large corpus of unstructured textual material, they are not straightforward to analyze” (Byram & Bell, 2011, p. 571). As the qualitative research seeks to understand people’s experiences, meanings and interpretations, the data is often rich and complex, offering detailed descriptions and explanations of social phenomena (Saunders et al., 2023, pp. 652-655).

The process of data analysis can begin when the unit of analysis is defined. In this study, the unit of analysis is each supplier relationship between the case company and an individual supplier, as described by the interviewees. As mentioned earlier, the data for this study is collected via semi structured interviews. The recording and transcription of the interviews were done with the Teams app and after each interview, primary notes were done to capture the most important ideas and comments aiding the deeper analysis. The

data are organized into themes or categories, which is guided by a theoretical framework that directs how meanings are identified and grouped, known as coding. It involves classifying segments of text according to recurring ideas or patterns (Bazen et al., 2021, p. 243). Saunders et al. (2023, pp. 652-655) state that researchers must also manage large volumes of data carefully to avoid overload and ensure that emerging ideas are recorded and explored systematically.

The coding frame can be seen more as a deductive, top to bottom approach, as the four dimensions and related second order themes (Table 2) were used as sensitizing concepts. The question was naturally formatted to follow this frame, aligning the empirical material and the theoretical data structure. Alongside this, patterns not captured by the pre-defined data structure were tried to identify. This allows the analysis to remain sensitive to the specific characteristics of the case company and its supplier relationships, supporting the exploratory nature of the study.

Throughout the coding process a constant comparison approach was used. This means that similar statements were continuously compared from different interviews and examined how they were alike or different and differences across suppliers or Kraljic quadrants were noted. Based on these comparisons for each of the four main dimensions (communication, relational practices, use of power, use of digital technology) all related codes were reviewed together. The deductively defined second-order themes from Rajala et al. (2025) served as an anchor, but the content of these themes was refined based on empirical findings.

### **3.4 Reliability and validity**

The validity and reliability of the research have to be considered. Reliability refers to “the stability of findings”, whereas validity refers to the “truthfulness of the findings” (Altheide & Johnson, 1994). In qualitative case study research, reliability and validity are often discussed in terms of the overall trustworthiness of the study rather than through statistical indicators (Bryman & Bell, 2011; Saunders et al., 2023). Given the qualitative

and exploratory nature of the study and its focus on a single department within one multinational enterprise, the goal is not statistical generalization but a transparent, systematic and well argued structure of how the findings were produced and interpreted.

Reliability in qualitative research, closely related and often look through dependability (Bryman & Bell, 2011; Saunders et al., 2023) concerns the stability and consistency of the research process over time. Saunders et al. (2023, p. 215) highlight some key threats to reliability, with participant bias being the most topical concerning this study. A possible source of participant bias in this study is that the interviewer was also employed by the case company. Even though anonymity and a neutral research role were clearly emphasized, suppliers may have been prone to describe the relationship in a slightly more positive or careful way. The position of case company as a MNE and big customer can further influence some filtration of answers.

At the same time, the interviewer's insider status may have improved the quality of the data in some respects, as familiarity with the company's processes and terminology enabled more focused questions and better understanding of context. The use of a theory-based interview guide and explicit assurances of confidentiality were intended to reduce the effects of participant bias. However, the dual role of employee and researcher remains an important limitation and the findings should be interpreted with this in mind.

Reliability is supported by a consistent use of methods across all interviews. All interviews were conducted in a similar way with an exact question set asked from all participants. Room was also left for probing and follow-up questions appropriate for qualitative research (Puusa et al., 2020). At the same time some other limitations remain. Most notably is the question formatting which is based on a proposed framework of a single study.

Saunders et al. (2023, p. 521) state that validity is often divided to internal and external validity in research. In questionnaire context, internal validity refers "to the ability of

your questionnaire to measure what you intend it to measure.” The research questions and interview themes were directly derived from the four dimensions and second-order themes of the supplier experience framework by Rajala et al. (2025). This close alignment between theory, interview design and subsequent coding supports internal validity of this study. External validity refers to “the extent to which the findings from your questionnaire are generalizable to other real world relevant contexts” (Saunders et al., 2023, p. 521). This study focuses on a single department of one multinational enterprise and is therefore context bound by design. Because the study is tied to a specific organization, industry, sourcing structure and national context, it places natural limits on their external validity in the conventional sense. The results should not be directly generalized to all supplier relationships or all MNEs. Instead, the study aims to extend and refine the supplier experience framework of Rajala et al. (2025) by examining how its dimensions appear in a large MNE context.

The interview with the case department was analyzed using the same thematic structure applied to the supplier interviews. The case department responses were then used as an internal cross-check to assess the validity and reliability of the findings. When the internal explanations aligned with supplier perceptions, they supported the consistency of interpretations. When differences emerged, the case department interview helped clarify potential reasons behind the identified issues. These insights were incorporated into the findings chapter to strengthen the credibility of the results and conclusions.

## 4 Findings

This chapter focuses on the empirical findings of the study and describes how suppliers experience the case department as a customer and highlights the factors that shape these experiences in ways that are relevant for relationship performance.

First the chapter outlines suppliers' generic experience of the case department as a customer, including comparisons to other departments within the same company and to suppliers' other customers. This overview is followed by the four supplier-experience dimensions: communication, relational practices, use of power, and use of digital technology, each presented through the most prominent subthemes observed in the data. To increase transparency and preserve the supplier voice, illustrative quotations are included to represent both common patterns and notable differences across suppliers.

### 4.1 Generic experience of the case company as a customer

First part of the interview introduced three questions with a bit broader and general aim to capture the overall perception of how the suppliers see the case department. Aim of these questions was also to lead the interviewee on the topic and make primary impressions of the case company. The questions were following:

1. How do you experience the case department as a customer?
2. Do you do business with other case company's departments or business units and if so, do you experience them differently?
3. If you compare the experience working with the case company to your other customers, what are the main differences, good or bad?

This question set allowed a three-way observation about where the case department stands as customer. By first catching the impressions of the suppliers of the case company, then comparing it to other company's departments and finally to suppliers other customers developed a comprehensive overview of how the case company is perceived.

The first question had the purpose of giving suppliers the freedom to express their experiences of the case company without priming or strict categorization. This way it was possible to consider what suppliers see as substantial and capture the overall perception of the case company as a customer.

#### **4.1.1 General perception of the case department as a customer**

Clear similarity among the responses was seen in the general experience of the department as a customer. Theme that could be distinguished from every single response was the collaborative and open relationship. Case department is described in positive terms, with suppliers emphasizing partnership rather than a purely transactional buyer–seller relationship.

*“Most notable is the open communication and cooperation with you, maybe like a desire to benefit both parties is conveyed well with you” (S5).*

*“Of course, competition and price pressure is tough in the market, but communication and cooperation still remains open and rapid with you” (S1).*

Several suppliers underlined that working with case department involves technologically complex, often novel applications, which they experience as both challenging and attractive. Working with this “new tech context” is seen as demanding but is aligned with their own strategic interest to develop. It was also seen when trusted with complex or prototype projects, this trust contributes to sense that the collaboration is meaningful and professionally rewarding.

*“It’s demanding but interesting to be involved with the new solutions and technology you are developing and it’s exactly what we also aim for” (S4).*

*“We experience that you trust our company and personnel, which is maybe best reflected in our possibility to be involved in developing prototypes for you” (S6)*

Although the overall experience of case department is positive, suppliers detect meaningful differences between product lines (M1, L1, G1) within the department. S3 remarks that the processes inside case departments products “differ completely”. S4 likewise notes that G1 constitutes the only stable, standardized product link, while the rest of the collaboration is project-driven. S6 offers a similar assessment: G1 is described as more structured and mature, whereas the M1 segment is perceived as less clear in terms of roles, responsibilities and design quality. These variations suggest that case department as a customer is not experienced as fully homogeneous, instead, the positive partnership frame coexists with differing levels of process maturity and clarity across product families.

#### **4.1.2 Comparison to other company departments**

When asked to compare the case department to other departments inside the company a clear divergence was seen. All of the interviewed suppliers did business to some extent with other company departments, but the significance varied a lot. One clear emphasis was that the case department was clearly seen as a partner, with open and easy communication. Other units were displayed to interact more hierarchically or transactionally, increasing interactional distance. Many of the interviewees highlighted this partner versus vendor approach and commended it. This open and collaborative approach was observed in all supplier segments, highlighting the uniformity of approach towards suppliers.

*“Yes, there is clear difference between the departments even inside same business unit. When working with another business unit it feels like doing business with entirely different company” (S3).*

When asked about what the main differences are compared to others inside same company, multiple suppliers contrast case department openness and accessibility with more distant or hierarchical interactions elsewhere in the company. S1 finds that formal order handling processes are largely similar across departments, but experiences

communication with case department as “more open and informal” and easier than with these other units. S2 uses a similar contrast: case department is described approachable and partner-oriented, whereas other units are experienced as having “thicker walls”, with higher thresholds for contact and a more top-down style.

*“You have the partnership approach and openness towards us. A lot more can be achieved with that compared to hierarchical approach that tries to squeeze us as suppliers what we experience sometimes from others” (S2).*

S4 provides a clear illustration of this difference.

*“In your projects, a full project team: buyer, project manager & engineering is typically involved from the start, making it clear who to ask what and enabling open, multi-role discussions. With other units we usually interact just with one or two contacts, which narrows the information channel and requires more searching to identify the right counterpart” (S4).*

This emphasizes the process and system fragmentation across departments and geographies. Several suppliers underlined that while the case department works well in itself, the larger company context is fragmented in terms of processes and digital tools from their point of view. Clear differences were seen in the systems and channels used (portals, email, other tools), making it harder to maintain a unified way of working.

Geographical fragmentation was seen especially with the case departments China entity. This smaller, but still notable set of comments concerns uncertainties at organizational interface. S5 reports ambiguity about what is handled through Finland versus China, especially regarding quotations and issue handling, which at times creates confusion about where to route specific cases. S6 also mentions limited strategic visibility, for example regarding potential shifts of production to China, and expresses a wish for more transparent discussions about long-term plans and their implications.

*“The responsibility isn’t always clear to us who is accountable of what. Of course, when doing business to other side of the world it complicates things, but the responsibilities could be clearer” (S5).*

#### **4.1.3 Comparison to suppliers other customers**

When mirroring experience of working with case department to their experience with other customers, case department is seen more agile but discipline process wise, offering continuity of business and security to many suppliers. S1 explains that case company’s expectations regarding order confirmations and delivery date tracking have effectively forced them to institutionalize more rigorous practices than they might otherwise have adopted. S2 explains that with case department, annual frame agreements and material numbers allow for stable pricing independent of individual order quantities, reducing administrative overhead and negotiation frequency. S5 adds that compared with many other customers, especially large organizations where buyers are hard to reach and changes are always occurring, case department stands out through clearer product data and greater accessibility of buyers. S6 also emphasizes this same thing.

*“It helps a lot to have the personal connection to customer and your buyers. I’ve had customers who constantly change buyers and of course understand the reason behind that, but all transactions and problem solving becomes so much easier and faster when you know the way of working” (S6).*

The recognized downsides relative to other customers were acknowledged, but minimal. S4 acknowledges that case departments complexity and large company processes constitute both a differentiating strength and a source of additional workload relative to more straightforward, standardized accounts. S6 recognizes more strict payment terms different from industry standards they’ve been used for. These drawbacks were both framed as manageable trade-offs in light of the benefits of continuity and the partnership-oriented way of working.

It can be seen that the case department emerges as a customer that is experienced as a long-term, partnership oriented and generally fair counterpart. The partnership orientation is not merely rhetorical but is experienced by suppliers through day-to-day behaviors such as accessibility, shared responsibility and willingness to tackle issues jointly. It can be seen that case department is experienced as a customer that combines relational openness with a relatively mature and disciplined operating model. This blend of partnership and process structure appears to be a central feature of its supplier experience. This partnership-oriented perception is also supported by internal sourcing professionals, who linked it to early supplier involvement, a flat organization and an open communication culture.

At the same time the analysis reveals significant variation both within case department product lines and across other departments of the case company. Case department is consistently positioned as more open, partner-like and coherent than other units, which are often experienced as more hierarchical, transactional or fragmented in terms of systems and processes.

## **4.2 Dimension 1: Communication**

This section presents the analysis of communication dimension based on suppliers responses to questions 4-7. These questions were

4. How do you feel about the openness of communication? Is information shared proactively and what you feel that you are lacking from us?
5. How do you experience the quality of the information. Is it timely and accurate or do you experience fragmentation or inaccuracies?
6. Do our regular operational updates and strategic reviews happen often enough, or too often? How could they be improved?
7. How do you experience the wording and tone of communication?

#### 4.2.1 Openness of communication

As observed in Chapter 4.1, day-to-day communication with the case department is described as open and accessible across all interviews. Suppliers consistently report that they can reach key contacts easily and that queries are answered without excessive formality or delay.

However, when suppliers discuss openness in a broader sense, they repeatedly highlight gaps in proactive information sharing, particularly around forecasts and strategic direction. The dominant theme is the need for better forward visibility on volumes and demand, which stands out across all responses. Many respondents specifically request clearer forecasts to support capacity and material planning.

S2 asks for directional volume estimates and clarity on how business is split between regions. S3 stresses that unpredictability and lack of forecasts make planning difficult and suggests that more transparency on where demand originates, and how it compares with previous years, would be valuable. S4 similarly calls for “directional forecasts” by fuel/system and geography, ideally discussed in regular year-turn or pipeline conversations, while S5 would like forecasts to contain more precise due dates and clearer indications of when items are expected to leave their factory.

Second theme is concerning strategic transparency. Overall communication is open but some time it was seen that some suppliers highlighted the lack of longer-term strategic clarity. These concerns regarded potential shifts of production between regions, long-term planning and overall direction of business within the next 5-10 years. Lack of this information constrains supplier strategical and investment planning.

*“It would be beneficial for both parties to get better visibility on your long-term strategic direction. Nowadays we have to consider what is hearsay and what are actual facts and what direction to follow. If we are shrouded in mystery, it is clear that we are all already one step behind in all things” (S4).*

Also, one notable individual highlight that emerged from S3 was regarding the openness of RFQ process.

*“We would appreciate some feedback about the RFQ process, nowadays we don’t get any indication why we haven’t been chosen. That way we could compete better in the next bidding round, and sometimes when the workload is low, offer very competitive pricing” (S3).*

#### **4.2.2 Quality of information**

When asked about the quality of information provided by the case department, it is generally perceived as timely and sufficiently accurate. Information is experienced as precise and changes are communicated well once they are formally decided. Most information to arrive on time and with an adequate level of detail. Communication is seen as clear, with issues largely confined to specific artefacts (such as purchase orders) rather than systemic inaccuracy. S2 emphasizes that while project-level communication is good, purchase order data sometimes contains outdated prices or minor errors. This requires rework on the supplier side and can delay order confirmations. They explicitly monitor PO-quality KPIs and point to a need for better master-data maintenance in the ERP system.

*“Of course, there is mistakes time to time, but the overall quality of communication and its rapidness allows adjustments to be made really fast.”*

Several suppliers point to fragmentation as a key risk for information quality, even when individual messages are accurate. S1 describes situations where the same order is discussed in multiple parallel email threads, supplemented by Teams messages and phone calls. In such cases, keeping track of the “latest truth” becomes difficult. S1 would clearly prefer a single thread per order or case. S3 gives a similar example around purchase orders: some information arrives via the portal, some by email, and the supplier occasionally has to chase missing details from the project manager to reconcile the pieces. S5 also reports confusion when orders and related questions come from different roles

with unclear linkage, which can lead to internal rescheduling when late inputs arrive. Although these situations do not necessarily reflect wrong information, they create a risk of overlooking updates or misaligning interpretations. From a supplier-experience perspective, the problem is less about the content of individual messages and more about the coordination of communication flows across channels and roles.

#### **4.2.3 Frequency of operational updates and strategic reviews**

The third communication-related question examined whether the frequency of operational updates and strategic reviews is appropriate, and how these routines could be improved. A notable finding is that none of the suppliers are asking for more meetings overall. Suppliers generally feel that the current frequency of operational and review meetings is sufficient. This applies both to more flexible, need-based interactions and to formal, scheduled routines. The main improvement needs are less about “more meetings” and more about how these meetings are structured and who is involved. Several suppliers emphasize the value of regular monthly reviews, especially when the buyer takes clear ownership of the agenda, consolidates smaller issues and keeps the process efficient rather than bureaucratic.

#### **4.2.4 Wording and tone of communication**

The answers regarding wording and tone of communication are consistent. Suppliers portray case department as a professional, respectful and in several cases, distinctly warm and cooperative counterpart.

*“I think we have professional yet relaxed communication style which I appreciate a lot”*  
(S1).

*“The interpersonal relationships with continuity and familiarity help to sustain open dialogue even when addressing problems”* (S6).

Multiple answers commended the ability to joke together and maintaining a friendly atmosphere, which was seen as a sign of mature trust rather than informality at the expense of professionalism. S5 similarly describes communication across case company units as solution-oriented and focused on finding “what is best for both sides”, explicitly rejecting adversarial or sarcastic styles. S4 and S3 both report that they have not experienced inappropriate tone, interactions are framed as businesslike and constructive.

One clearly distinguishable answer emerged from this question from S2. They underlined an important nuance by distinguishing between case department and certain other units from the case company. In case department, the tone is consistently respectful and constructive. However, in some other contexts within the wider company, the supplier has experienced discussions that became personal and non-professional to the extent that meetings had to be paused. While these experiences do not directly concern case department, they shape the supplier’s overall perception of the company and underline that the positive tone with case department is not automatically replicated elsewhere. This particular aspect was further highlighted as the biggest negative factor of their experience with the case company.

The communication dimension reveals that case departments communication practices are a strong asset to the supplier experience. Suppliers experience case department as highly accessible and responsive in day-to-day interactions. However, they call for more proactive communication about forecasts, volume development and long-term strategic plans. Core information is widely seen as timely and accurate, but the main challenges lie in how information is distributed (fragmentation across channels and senders).

This pattern is triangulated by the internal sourcing interview, which highlights project-business uncertainty and late sales visibility as structural barriers to forecasting. Internal viewpoint identifies fragmented multi-contact communication and limited RFQ feedback as key improvement areas.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Open, accessible day-to-day communication. Queries answered quickly and without excess formality.</li> <li>• Information is timely and accurate, changes are well communicated once decided.</li> <li>• Professional, respectful, solution-oriented yet warm and cooperative tone.</li> <li>• Mistakes can be corrected quickly thanks to responsive communication.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited proactive communication on forecasts and volumes.</li> <li>• Lack of long-term strategic transparency.</li> <li>• Sometimes fragmented communication across channels and roles.</li> <li>• RFQ feedback limiting improvement.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Improve the forecasting process to cover indicative volumes across all product lines.</li> <li>• Strengthen long-term strategic dialogue with key suppliers.</li> <li>• Clarify primary communication channels, roles.</li> <li>• Formalize simple, transparent RFQ feedback routines.</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier underinvestment, higher overhead margins or misaligned capacity due to poor forecasts and strategic visibility.</li> <li>• Operational risk from fragmented communication.</li> </ul>

**Table 5.** SWOT analysis of the communication dimension.

### 4.3 Dimension 2: Relational practices

This section observes the relational practices dimension. The related interview questions were following:

8. How do you experience trust with us? (Do we keep our word, is any chasing needed from your side, has there been example where trust was stained)?
9. How attractive customer we are from your point of view? (economical, behavioral-based, resource-based and our network position & external linkages)?
10. What factors do you consider most important to your satisfaction?
11. In cases of disruptions, would you prioritize us as a customer?
12. Would you see that you have innovation capability that could co-create value, and how is our responses to new ideas or suggestions? Is there some incentives that would motivate you to prioritize our innovation work?

#### 4.3.1 Trust

Across all interviewed suppliers, trust emerges as a remarkably consistent and central theme. None of the respondents report major “trust stains”, and several explicitly state that they cannot recall a single case in which case department failed to honor an agreement. S1 summarizes the situation as “what is said is kept”. Even when projects are cancelled or schedules shift, these changes are described as handled fairly and transparently, without suppliers feeling exposed or left with unreasonable risks.

*“I feel like you honor commitments constantly” (S6).*

*“What is agreed holds and also verbal promises are always honored” (S8).*

Clear emphasis is that commitments are kept, and trust is seen as organizational rather than merely interpersonal. S7 explicitly labels “*trust and reliability*” as defining features of the relationship, honesty and transparent dealings are taken for granted rather than seen as exceptional.

This illustrates that trust is seen as relational climate where reliability is normalized. Trust is not constructed as blind or naive, rather it is grounded in a track record of delivering according to agreements, handling cancellations and changes in a reasonable way and responding to feedback through concrete adjustments.

From a relational-practices perspective, this strong foundation of trust can also be seen as a precondition that enables subsequent themes, suppliers are more willing to prioritize the customer in disruptions, invest in capability development, and engage in co-design because they perceive that case department behaves predictably and fairly over time.

#### **4.3.2 Attractiveness**

All suppliers describe case department as a highly attractive customer, though they emphasize different dimensions of attractiveness. In terms of economical attractiveness several suppliers tell that attractiveness is strongly linked to volume stability and serial production. Case company is also framed key customer financially for many suppliers.

Beyond the economical and volume standpoint, suppliers repeatedly emphasize behavioral and value congruence as a source of attractiveness. S2 and S4 stress brand and shared values, including sustainability orientation and compatible “ways of working”. Case company’s reputation and perceived ethical stance make it a customer they want to be associated with, not just one they have to serve.

*“Your high technical requirements and demanding quality expectations are experienced as motivating rather than burdensome, because they are linked to a sense of professional pride and development” (S5).*

It was clearly seen that attractiveness is not only about revenue, but also about who the customer is perceived to be and how working with them feels in day-to-day interactions.

Multiple suppliers directly describe case company as a reference customer that strengthens their credibility in other markets. Being able to say “we work with case company” opens doors to new clients and projects.

### **4.3.3 Satisfaction**

When asked about satisfaction, it was seen that suppliers rarely talked about price or margin alone. Instead, suppliers repeatedly frame satisfaction in terms of how well the relationship supports stable operations, meaningful collaboration and long-term professional growth. Across interviews delivery reliability and predictable workflows are described as central foundations of satisfaction.

*“The smooth collaboration without major conflicts or surprises contributes directly to a sense of security and satisfaction in the relationship” (S7).*

It could be seen that supplier satisfaction is strongly linked to case departments ability to enable efficient supplier operations, especially with stable demand patterns and low levels of disruption. Beyond the operational reliability, many suppliers also highlight the relational and collaborative dimensions of satisfaction. S2 conceptualizes satisfaction to be grounded in mutual commitment, trust and a shared strategic direction, rather than in isolated transactions or short-term gains. In this view, satisfaction arises when both parties perceive themselves as working towards common objectives. Multiple responses point toward a partnering logic: suppliers are most satisfied when they are treated as competent collaborators whose knowledge, judgement and initiative are recognized and used, rather than as mere execution capacity. Relationship quality, built on trust, openness and shared responsibility for results can therefore be seen as a central driver of supplier satisfaction. Last notable dimension concerning satisfaction concerned learning, capability development and professional pride. Several interviewees explicitly link satisfaction to the extent to which the relationship with case department contributes to their own long-term development. Across these cases, satisfaction arises when the customer relationship is not just a way to generate short-term revenue, but a chance to strengthen

the supplier's long-term competitiveness, knowledge and professional identity. The relationship with case department is most satisfying when it allows suppliers to grow, innovate and take pride in their contributions.

#### **4.3.4 Prioritization**

Question 11 directly explored how suppliers would act under disruptions or capacity constraints. The responses were predictable and showed a clear pattern, and the case department is systematically prioritized in all segments. Several suppliers described concrete mechanisms of prioritization. These included arranging overtime and weekend work at suppliers own cost to safeguard agreed ship-out dates, classification as strategic account where prioritization is embedded in a formal account-tiering logic and dedicated resources and customized processes. Collectively the suppliers position case department as high-status, high-priority customer in the suppliers' internal resource allocation.

#### **4.3.5 Innovation capability**

The final relational practice theme concerns the extent and nature of innovation and co-creation between case department and its suppliers. The picture here is more diversified than for trust or attractiveness. All suppliers express willingness to contribute ideas, but their actual involvement varies by product line and by phase in the development process.

Most notable finding is the desire for earlier upstream involvement. These suppliers indicate that existing collaboration is often late-stage involvement and that suppliers see potential in co-creation as both a way to improve the final solution.

*"We could really benefit from R&D to R&D collaboration, especially when have production inhouse. I think we could offer even more value to you with this kind of a collaboration" (S2).*

*“Of course it would be optimal to be consulted before the scope is blocked by predefined solutions, this would enable broader solution exploration” (S4).*

Most of the respondents however brought up that with case department the level and quality of design is accurate and mature, leaving less room for suggestions, especially compared to their other customers. One notable observation was the variable innovation intensity across product lines experienced by few respondents. S6 especially points out that while development and innovation are progressing positively in G1, the M1 product line still suffers from unclear ownership and coordination, which limits the effectiveness of improvement initiatives.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• High and consistent trust. Agreements are honored and changes handled fairly.</li> <li>• Strong customer attractiveness: stable volumes, serial production, long-term horizon.</li> <li>• Positive relational climate. Suppliers treated as partners, open and respectful interaction.</li> <li>• High prioritization in disruptions.</li> </ul>	<ul style="list-style-type: none"> <li>• Innovation/co-creation is seen to start too late by some.</li> <li>• Uneven relational practices across product lines.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Formalizing earlier supplier involvement.</li> <li>• Harmonizing relational and governance practices across all product lines.</li> <li>• Co-manage dependency and risk with suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk of over-reliance on relational goodwill instead of systematic process. Many positives rely on good interpersonal relationships, trust and shared history. Without standardized relational and governance structures, continuity may be vulnerable to personnel changes or organizational restructuring on either side.</li> <li>• Increased global low-cost competition may push sourcing towards price-only decisions.</li> <li>• Risk of innovation stagnation if suppliers remain mostly late-stage executors.</li> </ul>

**Table 6.** SWOT analysis of the relational practices dimension.

#### 4.4 Dimension 3: The use of power

This chapter focuses on the perceived power dimension in their relationship with case department. As noted by Rajala et al., (2025), the use of power is a notable dimension of suppliers experience.

13. When we enforce penalties or strict clauses, does it feel fair and proportionate?
14. Do you see that there is enough evaluation and development initiative towards your side?
15. What positive incentives from us would most motivate you to prioritize improvements?

##### 4.4.1 Contractual fairness

First question of this dimension aimed to map the more coercive power by how suppliers experience penalties and possible strict clauses and whether they feel fair and proportionate. Across the suppliers the dominant pattern is acceptance of contractual discipline combined with restrained use of sanctions. When discussing about penalties in general terms, the answers suggest that case departments coercive power is formal and systematic. It shows the accepted, “legitimate” power of a big customer who sets clear performance standards, rather than using sudden, ad-hoc pressure. Multiple answers clearly frame that all contracts have been made in mutual understanding and therefore when signed, it is straightforward to all parties to follow them.

*“The contractual framework is clear and fair. The clauses are understandable, enforcement is predictable, and suppliers know where they stand” (S7).*

S4 has a similar view. They say they have paid delay penalties when they were clearly late, but they also note that case department has sometimes forgiven small schedule delays. This mix of clear consequences and flexibility for minor issues makes case department’s behavior seem fair and reasonable.

Beyond formal acceptance, suppliers emphasize that in practice, case department prefers negotiated cost resolution and corrective action over immediate punitive sanctions. S1 notes that there have been few cases when additional costs arise, “the parties agree what is reasonable and pay accordingly”. There is no pattern of automatic late fees or one-sided charges without discussion. S5 echoes this pattern. In return or quality cases, they describe a practice where replacement units are sent quickly, root causes are investigated afterwards and costs are then agreed pragmatically. There is little sense of one-sided financial punishment. The emphasis is on restoring the situation for the end customer and then settling responsibilities in a fact-based way. Overall, it can be seen that case departments coercive power is something that exist in the background and is acknowledged as MNE. It is rarely exercised in punitive form and is rather embedded in a negotiation process and linked to factual responsibility.

Although case department is consistently seen as fair, the data also shows some limits where this fairness is tested. S3 notes that contractual obligations are generally applied fairly and appreciates that there is room to fix mistakes flexible way. However, they highlight that some claims originating from case departments customers down the value chain feel immoderate compared to both the extent of the issue and their own turnover. This example illustrates that suppliers may accept case company’s direct use of power while perceiving parts of the broader ecosystem demanding. For the suppliers, these experiences are still part of their supplier experience, even if case department doesn’t directly control them.

#### **4.4.2 Evaluation and development**

Question 14 asked whether suppliers perceive enough evaluation and development initiative directed toward them, and how such initiatives are experienced. This relates to what would be called normative or informational power: the power to shape behavior through metrics, audits, feedback and development projects, rather than through sanctions.

The answers show that case department uses its evaluative power in a fairly light way. Suppliers are monitored and asked to improve when needed, but they do not feel tightly controlled. It is shown that evaluation and development happens mostly through feedback and as case specific, not in structured form. Many suppliers express that they are perfectly fine with the current state and don't feel the need for any more formal evaluations.

*"Our communication works well, and feedback loops are active so in my opinion we are doing great" (S5).*

Multiple suppliers describe instances where evaluative mechanisms have triggered constructive changes on their side. S2 provides a clear example, after case company raised concerns about response times, S2 reorganized internally and appointed a dedicated inside-sales resource to ensure timely responses. Clear emphasis is that whenever there is a problem the suppliers are willing to act and value direct and honest feedback about problems.

#### **4.4.3 Improvement prioritization**

Further, when asked if there would be potential positive incentives that would motivate suppliers to prioritize improvements on their side, it was seen that there was no desire of explicit financial bonuses or formal reward schemes. The strongest incentive was straightforward, more predictable business. One repetitive answer was that the most motivating reward would be opening doors to additional units and geographies and making fuller use of their broader product portfolio. This would allow also to scale economies benefitting both sides.

Second pattern that emerged once more focused on the quality of the relationship. S1 states that there is no need for a special "carrot", the main motivator is the continued fair dealing and mutual understanding. S4 similarly identifies partnership style and co-innovation opportunities as central motivators. For S6 the main satisfaction drivers is

being trusted with challenging which shows recognition of their capabilities and motivates them to collaborate with commitment and flexibility.

Also, one direct example from S3 was brought up. They recognized that it would be nice to have more frequent visits from case department to their premises and especially to production, to motivate the personnel.

*“It would be nice to have more frequent visits from your side. We could really show how we do things here and maybe gain some feedback. Most importantly our employees in production would see that their work really matters when customer comes to meet us”* (S3).

The analysis of questions 13–15 shows that suppliers experience case departments power as legitimate, fair and largely constructive. Coercive power is present but rarely felt as oppressive, evaluative power is tied to co-development rather than surveillance and positive incentives are embedded in access to business, stable volumes, early involvement and relational quality.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Legitimate and fair use of power</li> <li>• Clear contractual framework.</li> <li>• Problem-solving orientation over punishment.</li> <li>• Light-touch evaluation that supports autonomy.</li> </ul>	<ul style="list-style-type: none"> <li>• Limited formal structure in evaluation and development.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Formalizing supplier evaluation and development.</li> <li>• Leveraging business access to other units as a strategic incentive.</li> </ul>	<ul style="list-style-type: none"> <li>• Downstream pressure reducing perceived fairness.</li> <li>• Risk of complacency or opportunism.</li> <li>• Unmet expectations around growth incentives.</li> </ul>

**Table 7.** SWOT analysis of the use of power dimension.

#### 4.5 Dimension 4: The use of digital technology

The fourth dimension focuses on the use of digital technology, how suppliers experience the case departments digital tools, whether digital collaboration is good enough and perceived manual work and automation potential. The questions asked in the interview were following:

16. How effective are our digital tools (e.g. supplier portal) from your POV?
17. Is there enough digital collaboration and what could be improved?
18. Does some of our systems create extra manual work for you? What could be simplified or automated?

#### 4.5.1 Effectiveness of digital tools

It was seen that suppliers differ in their digital maturity and in how intensively they use the company's tools. First question concerned the perceived effectiveness of current digital tools, especially the supplier portal. Here a clear divergence was seen among the responses. For some suppliers, especially S1 and S5, the supplier portal is described as effective or even essential. S1 portrays it as the natural backbone of day-to-day coordination, "hard to imagine working without," because it provides aligned delivery dates and confirmations and reduces scattered messages. Similarly, S5 highlights the portal's role in centralizing logistics information, date changes and claims. Reports and changing histories are seen as clear and helpful, particularly compared to relying solely on email.

Other suppliers describe the use of digital technology functional but limited. It is seen that the supplier portal works fine for basic tasks but remains underutilized. Digital tools seem functional yet only partially adopted. The efficiency gains can be seen to be constrained by limited integration and fragmented approach from the case department side. It is seen that the company wide utilization is not harmonized and there is a clear gap between departmental policies. S3 represents a case of non-use of the portal. They describe that they have access to it but the data, especially drawings, are described as outdated. Email continues to serve as the main tool for information sharing and is considered to "work just fine."

S8 points a direct request to clarify claim handling.

*"For claims, messages sometimes go via the portal and sometimes via email, clarity is needed" (S8).*

For some suppliers the current portal are adding manual overhead. One point is the duplicate data entry for suppliers that already produce electronic confirmations and documentation in their own systems. Also, because information is not systematically transferred from email into the portal, the same files and details must sometimes be

repeatedly requested, resent and manually reattached to new orders. It is seen that this completes duplicate work and avoidable errors and frustration. This suggests that suppliers expect clearer governance and better integration so that the portal would serve as the formal, persistent layer for shared documentation.

#### **4.5.2 Digital collaboration**

Few suppliers look beyond portal use and email toward deeper system-to-system integration between their ERP systems and the case company's systems. S2 already has EDI connections in place with some entities of the case company and reports that these work well in practice. Building on this experience, S2 argues that extending EDI particularly for stable and repetitive materials would generate substantial value by reducing manual data entry and speeding up order handling. At the same time, they point out that reliable automation depends on robust master data, especially consistent material-number mapping between the parties' systems. S4 supports ERP-ERP integration especially with repetitive transaction patterns. In their view, allowing orders to flow directly into the supplier's ERP would free personnel from routine tasks, enabling them to focus on more value-adding activities. Similar pattern is acknowledged from majority of the responses, but clear gap in knowledge with this kind of opportunities is seen restricting the answers. Emphasis would be eliminating unnecessary manual work, but majorly cost-benefit concerns are raised, noting that integration efforts must be justified by sufficient transaction volume and complexity. Smaller legacy systems used by many suppliers is seen as the second big constraint from their side.

Taken together the answers points to vision of "fit for purpose" automation. Suppliers are keen to implement EDI or other forms of ERP-ERP integration where transactions are frequent and relatively standardized. They recognize that complex project deliveries with many unique configurations and clarifications are harder to fully automate and will likely continue to depend more on manual processes supported by the portal and email.

A recurring theme across the interviews is the experience of system fragmentation, both within the case company's own landscape and across suppliers wider customer base. S1 and S5 explicitly call for "one system" across the company's units, noting that differences between portals and processes lead to confusion and increased learning effort. It is seen that suppliers see the case company as a one despite different business sectors and multiple systems cause just additional work and add complexity.

This internal fragmentation is made worse by the fact that suppliers also have to use many different portals for all their customers. S4 notes that even if each portal works well on its own, handling dozens of separate logins, interfaces and ways of working becomes a heavy burden overall. Suppliers do not see this fragmentation as just a matter of convenience or usability. It directly affects their workload, raises the risk of mistakes, and shapes how well they feel synchronized with the case company's processes.

#### **4.5.3 Manual work created by digital tools**

When asked about extra manual work caused by the digital systems, many suppliers describe dual data entry as the main pain point.

*"We have to maintain data both in our own ERP and in the portal which creates duplicate maintenance" (S5).*

It can be observed that suppliers seek more intelligent handling of documentation so that the same data does not need to be recreated or resent multiple times. However multiple answers also point out that they don't see big or any issues with current operating model and are not experiencing any extra work caused by the case department.

Suppliers do not view automation as an obvious good in every scenario. Digital initiatives are evaluated not only in terms of technical feasibility, but more through a business lens. Automation is welcomed where it meaningfully reduces repetitive work or improves data quality, but there is skepticism towards digital change from the current way of

working. The internal sourcing interview similarly described unclear portal governance and inconsistent adoption as drivers of dual data entry and outdated information, indicating a need for a unit-level 'portal playbook' defining what information belongs where.

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>• Existing platforms and solutions to enhance digital collaboration.</li> <li>• Digitalization already embedded in daily operations.</li> </ul>	<ul style="list-style-type: none"> <li>• Fragmentation across units, product lines and platforms.</li> <li>• Dual data entries and manual work.</li> <li>• Inconsistent use of portal.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Selective expansion of system-to-system integration.</li> <li>• Consolidation towards clearer digital approach. Harmonizing practices at least across case department and product lines would reduce complexity and offer unified way of working.</li> <li>• Better and unified document handling.</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier disengagement with digital technology leading to unnecessary manual work</li> <li>• Unharmonized approach lowering commitment.</li> <li>• Continuation of unnecessary manual work that could be cost effectively automated.</li> </ul>

**Table 8.** SWOT analysis of the use of digital technology dimension.

#### 4.6 Summary of the interview findings

Chapters 4.1–4.5 show that suppliers generally view the case department as a fair and attractive customer. The relationship is often described as cooperative and based on a constructive way of working. At the same time, the findings point out areas where the

supplier experience is not always consistent across product lines or interfaces and that clearer visibility and more aligned practices could further strengthen collaboration.

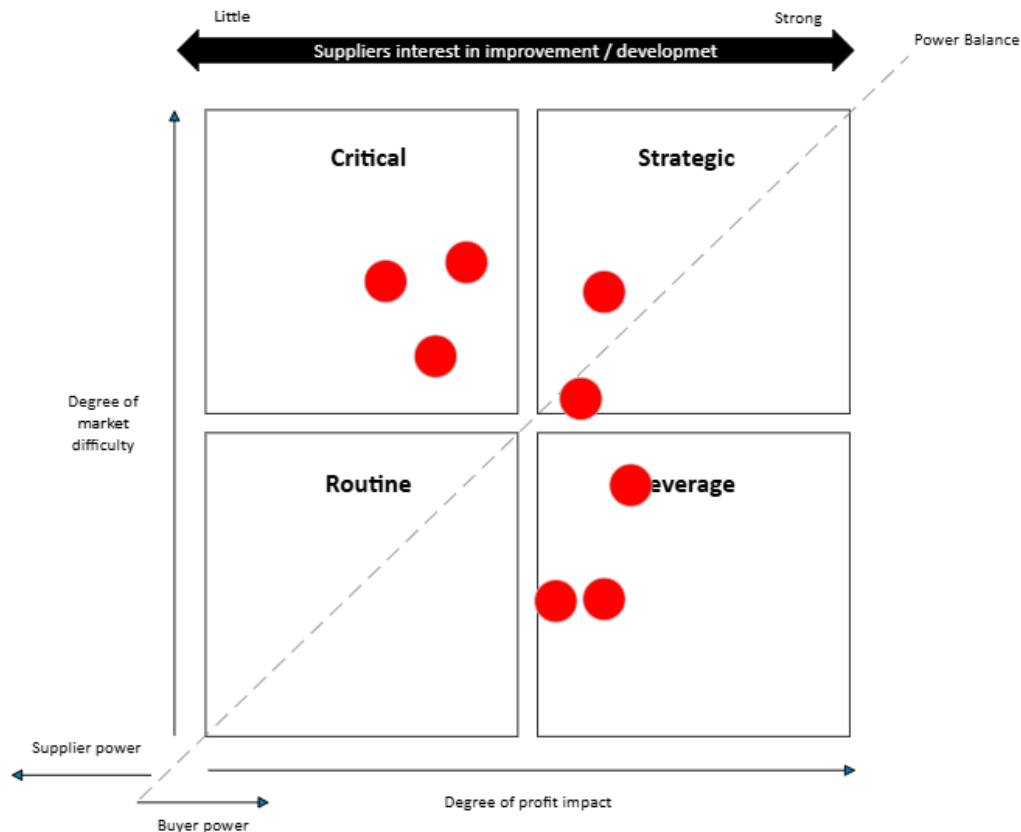
Table 9 summarizes the main findings across the dimensions and shows key implications to relationship performance. A recurring theme is that relational factors, such as trust, fairness and open communication creates a strong foundation for the relationship and help sustain cooperation even when practical challenges occur.

<b>Dimension</b>	<b>Key positive perceptions</b>	<b>Key improvement needs</b>	<b>Implications to relationship performance</b>
<b>Generic experience</b>	Partner oriented approach, accessible contacts, seen as fair and meaningful customer.	Variation across product lines, fragmentation across the wider company context.	Strengthens long-term commitment and willingness to cooperate.
<b>Communication</b>	Open and responsive communication, queries answered quickly.	Lack of proactive forecasting and strategic visibility, information fragmented across channels, limited RFQ feedback.	Strong daily execution and fast issue resolution. Forecasting gaps increase planning uncertainty and buffer costs.
<b>Relational practices</b>	High level of trust, high attractiveness, partnership logic, prioritization.	Earlier involvement desired, uneven practices across product lines.	Supports preferred customer behavior and resource prioritization.
<b>Use of power</b>	Legitimate contractual discipline, emphasis on negotiated problem solving	Supplier development/evaluation exists but is light and not systematic	Fair power use supports long-term stability.
<b>Use of digital technologies</b>	Digitalization embedded in daily operations, portal seen as really useful for some.	Fragmentation of systems, dual data entries, unclear governance.	Efficiency and data accuracy vary strongly, friction increases manual work and risk of errors.

**Table 9.** Summary of the interview findings

## 4.7 Cross segment analysis

This chapter provides a cross segment analysis of the supplier segments by grouping suppliers into Kraljic-based categories. Due to the case context routine suppliers are not actively represented in the supplier pool as described in Chapter 3. This segment aims to identify patterns that are consistent within segments as well as differences between segments. By looking at answers from a supplier specific standpoint analysis can remain descriptive and make it difficult to draw broader conclusions. A segment analysis helps separate issues that are mainly related to individual relationships from those that appear repeatedly across similar supplier positions (O'Brien, 2014). The illustration of the supplier positions in the Kraljic matrix can be found below, although individualization is not done to remain the anonymity.



**Figure 5.** Suppliers position in the Kraljic matrix.

#### **4.7.1 Cross segment similarities**

Across all segments communicational and relational dimensions are consistently strong. Suppliers repeatedly describe case departments communication as open, constructive and professional. Similarly, trust is described as high in each segment, showing that the case department honors its commitments. This consistency across segments suggests that relational governance is a core strength of case company as perceived by all suppliers.

Across segments the use of power was perceived as fair and proportionate. In all segments contractual discipline is seen as legitimate. It was also noted that the answers lacked strong coercive signals which indicates that power is not primarily experienced as coercive.

In all segments case department is described to be prioritized under constraints, usually described as key account. This strengthens the view that case department is seen as a highly attractive customer.

#### **4.7.2 Cross segment differences**

The first and most noticeable difference between segments is how problems and improvement needs are seen. Majorly these improvement areas relate to forecasting and forward visibility, but the meaning differs in these segments. For strategic suppliers the central issue can be seen to be higher level strategic visibility. It is seen most important for capacity and long-term alignment. Their comments focused on the need for clearer forward visibility, especially across organizational and geographic boundaries. This indicates that uncertainty is not only an operational inconvenience but also a constraint for planning and it makes it harder to align resources effectively.

For leverage suppliers the need for better forecasting shifts to be more about predictability and operational efficiency. Key narratives highlight that uncertainty and late

changes create avoidable inefficiency, not only for capacity planning but also for quotation accuracy, material readiness and stable execution.

For critical suppliers the main improvement need is about coordination clarity. They also highlight the need for better forward visibility but also state that information is available when asked. This however don't support early planning and can lead up to late rework. Key emphasis is on clear and consistent collaboration routines.

Another noticeable difference between segments is the digital collaboration. In the strategic segment the supplier portal is seen to create manual overhead because electronic confirmations and documentation are also provided by supplier by themselves, or dual data entries are created in other systems.

Within the leverage segment experiences are mixed and appear strongly shaped by the supplier's operating model. It is reported that the portal is not used and that data is outdated or by contrast, portal is viewed as clear and effective.

For critical suppliers the digital tools and especially supplier portal is seen efficient because it acts as a shared point of orders and confirmations. At the same time all the suppliers point for system unification inside the company to reduce confusion created by multiple systems and channels.

Beyond these few distinguished themes across all Kraljic segments, many other findings were more supplier specific and cannot be clearly explained by segment position alone. In these cases, supplier perceptions were shaped primarily by what is supplied and how the day-to-day interface works, rather than by whether the supplier was positioned as strategic, leverage or critical. A key driver was the nature of the goods and the product-line context. Suppliers described differences between product lines (e.g., more structured ways of working in one line and less clarity or consistency in another), and also between project type deliveries versus more routine flows. Where the supplied items

were engineering intensive or prone to change, comments tended to focus on role clarity, early involvement and coordination practices. Where the items were more repetitive, attention shifted toward transaction smoothness and administrative effort. The evidence suggests that Kraljic segmentation is useful for highlighting some broad priorities, but it does not capture many drivers of supplier experience. By increasing the sample size more distinguishable results could be possible.

#### **4.8 Interview with sourcing professionals**

To strengthen credibility and deepen interpretation, a supplementary interview was conducted with two sourcing professionals from the case department. The purpose was to validate whether the themes raised by suppliers were recognized internally and to clarify underlying causes that suppliers may not fully see.

The questions for this interview were derived from the results of the main themes from the supplier interviews. The focus was especially in areas where suppliers reported problems or differences. The questions also include requests for concrete examples and process descriptions to strengthen the reliability of the validation.

This interview largely confirmed the core supplier findings. The unit is consistently perceived by suppliers as partner-oriented and easy to reach. This was observed to be result of relatively flat organization, active cross-functional supplier contact and open communication style.

*“I think we have an open playbook communication. We share information within limits to help suppliers commit and perform better; the expectation is stronger commitment and performance in return” (B2).*

Internal fragmentation was seen inside different divisions. This was acknowledged to be due different business contexts that drive different operational models. Each unit was seen to tailor its operating model individually.

Other recurring improvement areas acknowledged by suppliers were also confirmed. These concerned the predictability of planning and delivery, particularly through better forecast visibility, as well as more consistent longer-term strategic communication to enable suppliers' capacity and investment decisions. Respondents also noted limited transparency in RFQ feedback, coordination challenges when multiple functions engage suppliers in parallel and uncertainty regarding governance and ownership of the supplier portal.

#### **4.8.1 Interpretation of observed issues**

The internal perspective helps explaining and interpreting many of the issues raised by suppliers. Multiple suppliers reported of product line differences in ways of working, which was explained by differing business contexts and delivery models. This is especially due to the divergence of near serial production versus project deliveries. The predictability and forecast visibility was seen as a recurring improvement area from suppliers point of view. This issue was also clearly addressed but described as partly structural due to the delivery models.

*"In project business, demand is inherently on/off and sales/project visibility may appear only a few months before project signing. Sharing information at component level (so it is useful for suppliers) is especially hard, the challenge is converting uncertain project outlooks into meaningful component-level demand signals." (B1).*

When asked about the current RFQ openness, it was clear that there would be need to have a lightweight RFQ tracking system also from the case department and sourcing point of view. Current operating model was seen unclear by responsibilities and feedback was acknowledged to be given only when requested.

Suppliers claimed that the department is a high priority customer. This was acknowledged to be shown in the supplier behavior, and no major stains were currently reported. From case department perspective it was noted that staying engaged and transparent

also helps protecting priority status. Possible deprioritization was acknowledged to relate mainly to volumes.

*“Deprioritization can happen when volumes decline or there are larger disputes. Suppliers may naturally shift focus to customers with growing volumes and active engagement”*  
(B1).

Suppliers naturally were eager to be involved earlier in development. Early involvement was seen relatively fine from the case departments side, not wanting to push towards dependencies or overly tailored solutions. It was still noted that later stage development work is sometimes insufficient.

*“Early involvement is relatively good, but after product launch there may be insufficient continuous development and improvement work”* (B1).

Considering digital tools and especially supplier portal it was acknowledged that it is inconsistently used and suffers from unclear governance. Current operating model was also seen to potentially increase the dual data entries and manual work to suppliers end.

*“Usability and inconsistent internal adoption can create extra work and uncertainty. Unit-level guidance is needed to define the portal’s purpose, usage rules, and responsibilities”*  
(B2).

Taken together, the internal view increases confidence that the key themes in the supplier data reflect recognized patterns in how the case department works. It highlights where improvement opportunities are constrained by context and business models, and where they are primarily a matter of internal governance and role clarity.

## 5 Discussion and conclusions

This thesis examined how suppliers perceive a department of a Finnish multinational enterprise as a customer and how these experiences shape buyer–supplier relationship performance. Building on supplier experience framework drafted by Rajala et al. (2025) and related research on supplier relationship management, customer attractiveness, supplier satisfaction, preferred customer status and the experience-based perspective, the study applied these concepts in a qualitative single-case context. The primary research question was: How does supplier experience influence the performance of buyer–supplier relationships? This question was addressed through three objectives. (1) to explore how suppliers view the case department as a customer, (2) to identify the main factors shaping suppliers' experiences with the case company and (3) to determine which experience-related factors support or hinder supplier performance within the relationship.

First objective was to determine how suppliers view the case department as a customer. The findings indicate that suppliers largely experience the case department as a partner-oriented, fair and attractive customer. Suppliers consistently described day-to-day collaboration as open and cooperative, and many perceived the relationship as professionally meaningful due to technologically demanding projects and the opportunity to contribute to challenging applications. This confirms earlier research on customer attractiveness and preferred customer status, which emphasizes relational quality, behavioral fairness and long-term orientation as determinants of suppliers' willingness to prioritize a buyer over alternative customers (e.g. Schiele et al., 2012; Hüttinger et al., 2012; Pulles et al., 2016).

At the same time, suppliers descriptions of the case department as a demanding but attractive reference customer directly connect to the constructs of customer attractiveness, supplier satisfaction and preferred customer status discussed in Section 2.2 and 2.3. Stable volumes, complex new tech projects and reputational benefits reflect economic, strategic and bridging-based attractiveness (Tanskanen & Aminoff, 2015), while

long-term cooperation, predictable processes and fair treatment support supplier satisfaction (Essig & Amann, 2009; Pulles et al., 2016). In this context, the generic experience findings support the idea that supplier experience is an antecedent to satisfaction and preferred customer status proposed by Rajala et al. (2025) and demonstrate this in a large MNE context.

However, suppliers did not experience the case department as fully homogeneous. They reported differences between product lines in process maturity, role clarity and operating rhythm. This confirms that supplier experience can be positive overall while still containing internal variation. Suppliers contrasted the case department favorably against other units of the same company. The case department was repeatedly positioned as more accessible and partner-like, while other units were more often described as hierarchical or fragmented in channels and processes. This is important insight for a MNE context: suppliers do not experience the corporation as a single unified actor, but rather as a set of partially independent parties.

To strengthen the credibility of the supplier-based findings, an additional interview was conducted with two sourcing professionals from the case department. Their perspectives largely aligned with suppliers' positive view of the department as partner-oriented and accessible customer. This interview also offered internal explanations for differences across product lines, such as varying maturity levels, delivery models, and role clarity. The respondents further noted that forecast visibility is often constrained in project business by late-stage changes, which can limit how early information can be shared. The interview also confirmed the main improvement areas raised by suppliers, including greater transparency and feedback in RFQ processes, less fragmented communication and clearer role ownership and more consistent governance of digital tools and the supplier portal.

The second objective was to identify the key factors shaping supplier experience. It is addressed by analyzing the findings in detail. In the communication dimension suppliers

describe communication with case department as very accessible, open and solution oriented. The tone is described as professional yet relaxed and warm, enabling constructive discussions even in difficult situations. This importance of cognitive capital is demonstrated in literature by Jääskeläinen et al., (2023). However, suppliers also want more forward-looking communication and strategic visibility. In particular, they're asking for clearer signals on where things are heading, such as directional volume expectations, regional demand splits and any longer-term changes in production plans or sourcing strategy. While the information they receive is generally accurate and arrives on time, it's distribution is fragmented across multiple channels and roles, so updates can feel scattered (Kembro et al., 2017; Somapa et al., 2018). RFQ feedback is also seen as fairly limited, leaving suppliers with fewer insights on how to improve or where they stand.

In the relational practices dimension, trust is seen as the clearest and most consistent theme by suppliers. They describe that cancellations, schedule shifts and any day-to-day issues are managed in a way that feels transparent and fair, and no instances where commitments have been broken were named. The department and whole company is viewed as an attractive partner by all, not just economically, but also by shared values, clear sustainability mindset and technically demanding requirements that many suppliers actually find motivating and professionally rewarding (Tanskanen & Aminoff. 2015; Pulles et al., 2016). The biggest improvement request from several suppliers side would be to be included in planning and development earlier in the process (e.g. Pihlajamaa et al., 2019; Rosell and Lakemond, 2012 ; Ellis et al., 2012).

In the use of power dimension, suppliers perceive the case department's power as legitimate, predictable and largely constructive. Contractual clauses and penalties are seen as clear and mutually understood, and enforcement is experienced as proportionate. In practice, the department relies more on problem-solving and negotiated cost sharing than on punitive sanctions. Coercive power exists in the background but is rarely applied in a way that suppliers consider unfair. Suppliers also note that evaluation and development practices do exist, but they're fairly light. They value performance feedback

because it can lead to real, practical improvements on their side. More structured and formal supplier development and evaluation processes are still limited.

Lastly, in the digital technology dimension suppliers describe a mixed experience as digitalization as both an enabler and source of friction. Some suppliers see the supplier portal as a useful single place to coordinate and stay aligned. Others feel it's either not used to its full potential or starting to look dated, so they still end up relying mostly on email to get things done. The biggest concerns is the multiple tools and ways of working in a company context, duplicate data entries and unclear governance about when and how the portal should be used. This is demonstrated in the literature, which emphasizes that digital tools must be balanced with relational mechanisms and that poorly aligned systems can erode, rather than strengthen collaboration (Choi et al., 2025; Thomas et al., 2025)

The answers were also analyzed across Kraljic-based segments to identify patterns that go beyond individual supplier relationships. All segments described the case departments communication and relational practices as strong, highlighting open and professional interaction, high trust and fair use of power. The case department was viewed as an attractive key account across all the segments. The biggest differences between segments related to improvement needs and digital collaboration experiences. Strategic supplier emphasized the need for long-term strategic visibility to support capacity and alignment. Leverage suppliers focused on forecasting accuracy to improve predictability and operational efficiency, and critical suppliers stressed clearer coordination routines and earlier planning despite information being available on request. Beyond these themes many perceptions are shaped more by product-line context and delivery type than by Kraljic position alone, suggesting segmentation highlights broad priorities but does not capture all drivers of supplier experience.

Third objective was to identify the key factors helping or hurting supplier performance through supplier experience. These can be concluded to open and accessible day to day

communication, relational climate characterized by trust and partnership orientation and legitimate and constructive use of power. The factors identified hurting supplier performance through supplier experience include limited proactive forecasting and strategic visibility, internal fragmentation of processes and systems and late or uneven supplier involvement in development.

The main research question can be addressed through these three key objectives. This study suggests that supplier experience influences buyer–supplier relationship performance through three connected ways.

1. Operational performance. Supplier experience shapes the efficiency and reliability of day-to-day business. Experiences of strong responsiveness and accurate information support smooth execution, whereas weak forward visibility and fragmented channels/systems increase uncertainty, rework and coordination costs.
2. Relational performance. Fairness, mutual respect and strong environment of trust increase collaboration and open communication. This positive experience translates into willingness to prioritize the case department in disruptions, invest in capability development and engage in co-design.
3. Development performance. When suppliers experience the buyer as attractive and fair partner who genuinely wants to co-create, they're more willing to share ideas and engage in early phase collaboration. In turn late-stage involvement and inconsistent practices across product lines limit the scope of joint innovation and learning.

## **5.1 Theoretical implications**

This thesis contributes to existing research on supplier experience by strengthening the argument that supplier experience is not merely an outcome of making business but a behavior-shaping antecedent that links interaction quality to performance. The results empirically support the four-dimension structure proposed by Rajala et al. (2025) and demonstrate its applicability in a large MNE context.

The thesis contributes to supplier experience literature by empirically extending Rajala et al. (2025) framework from an SME context to a large MNE context. The findings support the four-dimension structure but suggest that in a MNE context supplier experience appears multi-layered. Suppliers simultaneously experience local department-level relational practices and corporate-wide processes, systems and governance structures and these layers do not always align. A positive local relational atmosphere can buffer some negative aspects (e.g. fragmentation elsewhere), but it does not fully compensate for inconsistencies that create recurring manual work, unclear ownership or poor visibility. This implies that from the supplier's perspective, a MNE is often not a single coherent customer, but a set of interfaces that jointly form the experience. This suggests that suppliers don't experience MNE as a single and unified actor.

## **5.2 Managerial implications**

To ensure this study generates practical value for the case company, the analysis has been translated into a set of managerial implications. These implications clarify what the findings mean in terms of concrete actions. The recommendations are grounded in the areas for improvement identified in the analysis. Based on these findings, managerial implications are structured around the four dimensions of the supplier experience examined in this study: communication, relational practices, use of power and use of digital technology. The implications are aimed to support the improvement in the departmental level.

As this study shows suppliers have clear views what works and what could be done better in their collaboration with case department. These perceptions should not be treated just by informal by-product of doing business. Supplier experience should be used as a managerial lens to ensure that buyer company's actions and suppliers actual encounters are aligned. This thesis serves as a great baseline for the case department to see where its standing from the suppliers side and this approach could be further institutionalized to ensure that suppliers experience is taken seriously and possible negative signals could be detected before they develop into problems.

### 5.2.1 Communication

The findings suggest that suppliers appreciate fast response times, constructive dialogue and direct access to relevant contacts. As identified from Table 5, suppliers also described situations where a lack of forward visibility and fragmented communication across functions created inefficiency and planning uncertainty. Managers should therefore protect and maintain existing strengths while increasing structure and predictability.

1. Strengthen forecasting and transparency.

The strongest direct improvement request from all supplier segments concerned forward visibility and better forecasting. It was seen as the biggest barrier in suppliers capacity planning and resource allocation. Suppliers understood the limitations that project based business creates, but the need was more to have even directional forecasts. For critical and strategic suppliers, the case department should also consider strengthening strategic transparency.

2. Formalize simple RFQ feedback routines.

One really direct area for improvement would be formalizing simple and transparent RFQ feedback routines. This would standardize how suppliers are informed about outcomes and improvement areas. It would help suppliers better understand expectations and learn, increasing bid quality and competitiveness. Enabling more transparent feedback encourages future participation and procedural fairness.

3. Clarify communication ownership.

It was identified that sometimes suppliers experienced fragmented communication across channels and roles. Communication ownership should be clarified especially in situations where several internal stakeholders interact with the same supplier.

### 5.2.2 Relational practices

The relational dimension was seen as a key strength across all the suppliers. Relational practices and interaction quality was identified to strongly support positive supplier experience. Suppliers described cooperation as most effective when it is grounded in mutual respect, openness and continuity. Current way of working was seen to be optimal, and no major issues was recognized. The focus should be considering selective earlier supplier involvement and sustaining the current high trust environment.

#### 4. Consider selective earlier supplier involvement in innovation.

Multiple suppliers expressed the readiness to contribute more to design and innovation at earlier stage, but they majorly join projects when key decisions are already locked. The department should identify if there would be benefit to integrate selected suppliers earlier into product and process development, supporting both innovation and more cost effective solutions. As shown in this study, the case department have the advantage of high attractiveness and satisfaction. This position is easy to leverage to deepen innovation collaboration.

### 5.2.3 The use of power

The power use in the case department was viewed as fair and professionally managed. Issues were reported to be handled mainly through discussion and negotiated solutions. Suppliers praised the light touch on direct evaluation and emphasized the importance of clear contractual framework. However, this can lead to opportunism and weaker performance over time.

#### 5. Formalize supplier evaluation and development

The biggest managerial implication would be to add more structure to how the case department evaluates and develops suppliers. Right now, the relationship benefits from clear contracts, a problem-solving mindset and a light-touch approach that gives suppliers autonomy. The lack of a formal evaluation and development process increases the

risk for opportunism and unaddressed underperformance. A clearer system would make expectations more transparent and help sustain trust over time. This would support the fair and constructive tone that already works well.

#### **5.2.4 The use of digital technology**

The digital technology dimension emerged as the biggest source of mixed supplier experiences. Suppliers acknowledged the benefits of digital tools for order handling and transparency, but also described inconsistencies due to fragmented systems, varying practices across product lines and duplicate work. The focus on digitalization should concentrate on reducing additional workload and creating clear shared processes.

##### **6. Harmonize digital collaboration.**

It was seen that the use of digital tools and supplier portal are currently fragmented across units, product lines and platforms. These digital tools are part of suppliers daily experience and directly affect their workload. By clarifying which systems are the primary channels for processes and harmonizing the approach collectively would reduce the need for duplicate data entries, human errors and streamline work. The clearest goal would be unifying the use of supplier portal in the department level and to identify the biggest barriers why it is not leveraged fully.

#### **5.2.5 Supplier segmentation**

As discussed in Section 2.1.2, supplier segmentation is a prerequisite for effective supplier relationship management because it enables the buying firm to allocate time and resources to the suppliers where relationship management has the highest strategic relevance. In line with the segmentation logic discussed in the literature review, the findings of this study suggest that there would be additional value to manage each supplier segment differently across the four supplier experience dimensions identified in this research.

The use of Kraljic matrix provides an easy implementation to operationalize this approach. By acknowledging these four quadrants managers can better tailor the approach to ensure effective managing of supplier experience. Strategic relationships are characterized by mutual dependence and are best managed through long-term partnerships, information sharing and co-investment. Strategic suppliers require the strongest relationship investment because they combine highest business impact with dependency risks. The findings discussed in Chapter 4.7 indicate that suppliers in this segment value predictable communication, consistent ways of working and harmonized digital collaboration. Managers should therefore prioritize early alignment, continuity, joint development efforts and streamline digital collaboration to ensure smoother collaboration.

For critical suppliers the main emphasis is on continuity and disruption avoidance. Based on the findings the biggest pain point for suppliers in this segment is the inconsistent practices across internal units. Even if relational investment is not as extensive as with strategic suppliers, suppliers in this segment benefit from reliability and clarity because disruptions or misunderstandings can quickly escalate into supply risk.

Leverage suppliers allow stronger optimization due to available alternatives in the market. With this segment managers can use competitive sourcing and set clear performance expectations. However, the study suggests that inconsistent communication and unclear feedback and predictability is the major pain points for leverage suppliers. This can discourage suppliers from engaging and contributing proactively. Managers should focus on balancing commercial discipline with clear RFQ processes and transparent expectations.

Routine suppliers were not analyzed or interviewed in this study due to the lack of them in case department context. These suppliers are characterized by widely available goods, and they are best managed through process efficiency and automation. Therefore, the biggest aim for managers should be to ensure the fulfillment of the basic operative goals and needs and streamlining the four dimensions of supplier experience in this context.

### 5.3 Limitations and future research

As stated in Chapter 3 the study's qualitative single case design cause several limitations that need to be acknowledged. This study focused on a single department of a MNE and the findings are shaped by this context. As a result, the findings are not statistically generalizable to all buyer-supplier relationships or industries, but they provide insights that may be transferable to similar contexts.

The sample of suppliers is limited and purposively selected which supports depth and diversity but does not represent the full supplier base. The suppliers who agreed to participate may already have relatively positive relationships with the case department, potentially biasing the picture towards more favorable experiences. Geographical and cultural differences are also possible as all the interviews were conducted with Finnish companies or subsidiaries.

The way the data was collected limits what can be concluded. Semi-structured interviews give detailed views of how participants think and what they mean, but they also depend on what people remember and how willing they are to talk about sensitive topics (Puusa et al., 2020). In addition, the researchers role as an employee and independent researcher is a trade-off which is acknowledged and described further in Chapter 3.4.

The interview with case department was limited to one interview with two sourcing professionals. This cross-check increased confidence in the main themes and helped explain internal constraints behind several supplier perceptions. However, future studies would benefit from including more internal informants, such as representatives from engineering, project management, quality, and purchasing.

Also, the analytical approach has limitations. As the concept of supplier experience is emerging and limited studies are available, the interview frame was primarily deductive and anchored in the supplier experience framework by Rajala et al. (2025). While this strengthens the alignment between theory, interview structure and analysis, it may

focus the analysis more on what the framework already includes. Patterns beyond the predefined structure were actively searched for, yet the framework inevitably shaped the analysis focus.

When considering future research, one clear extension would be to examine supplier experience across multiple departments and business units within the same multinational enterprise. The findings indicated notable differences inside the company from the suppliers' point of view, suggesting that supplier experience in an MNE is multi-layered (local relational practices versus corporate wide processes and systems). Quantitative approach could be utilized to measure supplier experience in a bigger scale, covering large sample from the supplier base in a single MNE context. This could be done for example as a survey based measurement enabling statistical examination. The research could also be broadened to cover multiple MNE:s.

## **Acknowledgements**

AI has been used in this thesis in assistance for proofreading, language editing and summarizing. Copilot by Microsoft have been used in assistance for summarizing the full transcripts of interviews. ChatGPT 5.1 & 5.2 by OpenAI have been used for proofreading and proposing alternative ways to express ideas. All AI-assisted outputs have been critically reviewed by the author. The research design, data collection, analysis decisions and conclusions were produced by the author. The author maintains full responsibility for the content and conclusions of this thesis.

## References

- Aitken, A., & Paton, R. A. (2017). The 'T-Shaped Buyer': A transactional perspective on supply chain relationships. *Journal of purchasing and supply management*, 23(4), 280-289. <https://doi.org/10.1016/j.pursup.2017.03.001>
- Altheide, D. L., & J. M. Johnson (1994). Criteria for assessing interpretive validity in qualitative research. *Handbook of qualitative research*. 485-499.
- Arkadan, F., Macdonald, E. K., & Wilson, H. N. (2024). Customer experience orientation: Conceptual model, propositions, and research directions. *Journal of the Academy of Marketing Science*. Advance online publication. <https://doi.org/10.1007/s11747-024-01031-y>
- Bag, S., Gupta, S., Kumar, S., & Luo, Z. (2022). Examining collaborative buyer–supplier relationships and social sustainability in emerging economies: The moderating role of fairness and big data analytic capability. *International Journal of Production Economics*, 243, 108319. <https://doi.org/10.1016/j.ijpe.2021.108319>
- Bateman, A., & Bonanni, L. (2019). *What supply chain transparency really means*. *Harvard Business Review*. <https://hbr.org/2019/08/what-supply-chain-transparency-really-means>
- Bazen, A., Barg, F. K., & Takeshita, J. (2021). Research Techniques Made Simple: An Introduction to Qualitative Research. *Journal of investigative dermatology*, 141(2), 241-247.e1. <https://doi.org/10.1016/j.jid.2020.11.029>
- Benton W. C. (2020). *Purchasing and Supply Chain Management*. Sage Publications.
- Blau, P. M. (1964). *Exchange and power in social life*. Wiley.
- Bryman, A., & Bell, E. (2011). *Business research methods* (3rd ed.). Oxford University Press.
- Caglio, A., Daniele, M., & Ditillo, A. (2025). Exploring innovation across organizations: The role of contracts and management controls: Exploring innovation across organizations: the role. *Journal of management and governance*, 29(3), 891-930. <https://doi.org/10.1007/s10997-025-09737-z>

- Caniëls, M. C., & Gelderman, C. J. (2005). Purchasing strategies in the Kraljic matrix—A power and dependence perspective. *Journal of purchasing and supply management*, 11(2), 141-155. <https://doi.org/10.1016/j.pursup.2005.10.004>
- Choi, T. Y., de Boer, L., & Andersen, P. H. (2025). Digitization and the Evolution of Buyer-Supplier Relationships. *Management and Business Review*, 4(3-4), 50-56. <https://doi.org/10.1177/2694104X251332106>
- Chopra, S. (2019). *Supply Chain Management: Strategy, Planning, and Operation, Enhanced, Global Edition*. Harlow, United Kingdom: Pearson Education Limited.
- Christopher, M. (2016). *Logistics & supply chain management* (5th ed.). Pearson.
- Dyer, J. H., & Nobeoka, K. (2000). Creating and managing a high-performance knowledge-sharing network: The Toyota case. *Strategic Management Journal*, 21(3), 345–367.
- Dyer, J. H., & Singh, H. (1998). The relational view. *Academy of Management Review*, 23(4), 660–679.
- Eisenhardt, K. M. (1989). Building Theories from Case Study Research. *The Academy of Management Review*, 14(4), 532–550. <https://doi.org/10.2307/258557>
- Ellis, S. C., Henke, J. W., & Kull, T. J. (2012-11-01). The effect of buyer behaviors on preferred customer status and access to supplier technological innovation: An empirical study of supplier perceptions. *Industrial marketing management*, 41(8), 1259-1269. <https://doi.org/10.1016/j.indmarman.2012.10.010>
- Essig, M., & Amann, M. (2009). Supplier satisfaction: Conceptual basics and explorative findings. *Journal of purchasing and supply management*, 15(2), 103-113. <https://doi.org/10.1016/j.pursup.2009.01.001>
- Fransen, L., Kolk, A., & Tsagas, G. (2024). Advancing sustainability through supply-chain legislation? *Environmental Science: Advances*, 3, 2156–2171. <https://doi.org/10.1039/D4VA00048J>
- Ganguly, K. K., & Roy, S. (2021). Supplier Satisfaction in Buyer–Supplier Relationships: Assessment from Supplier Perspective. *Journal of Business-to-Business Marketing*, 28(3), 247–264. <https://doi.org/10.1080/1051712X.2021.1974167>

- Gelderman, C. J., Semeijn, J., & Verhappen, M. (2020-03). Buyer opportunism in strategic supplier relationships: Triggers, manifestations and consequences. *Journal of purchasing and supply management*, 26(2), 100581. <https://doi.org/10.1016/j.pursup.2019.100581>
- Glock, C. H., Grosse, E. H., & Ries, J. M. (2017-11-01). Decision support models for supplier development: Systematic literature review and research agenda. *International journal of production economics*, 193, 798-812. <https://doi.org/10.1016/j.ijpe.2017.08.025>
- Hald, K. S., Cordón, C., & Vollmann, T. E. (2009). Towards an understanding of attraction in buyer–supplier relationships. *Industrial marketing management*, 38(8), 960-970. <https://doi.org/10.1016/j.indmarman.2008.04.015>
- Hald, K.S. & C. Ellegaard (2011). Supplier evaluation processes: the shaping and reshaping of supplier performance. *International Journal of Operations Production Management*. 31:8., 888-910
- Hassenzahl, M. (2010). *Experience design: Technology for all the right reasons*. *Synthesis Lectures on Human-Centered Informatics*, 3(1), 1–95. <https://doi.org/10.2200/S00261ED1V01Y201003HCI008>
- Hazen, B. T., Boone, C. A., Ezell, J. D., & Jones-Farmer, L. A. (2014-08-01). Data quality for data science, predictive analytics, and big data in supply chain management: An introduction to the problem and suggestions for research and applications. *International journal of production economics*, 154, 72-80. <https://doi.org/10.1016/j.ijpe.2014.04.018>
- Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *Journal of Consumer Research*, 9(2), 132–140. <https://doi.org/10.1086/208906>
- Hong, Y., & Shao, B. B. M. (2021). On Factors that Moderate the Effect of Buyer-Supplier Experience on E-Procurement Platforms. *Production and Operations Management*, 30(4), 1034-1051. <https://doi-org.proxy.uwasa.fi/10.1111/poms.13291>
- Hüttinger, L., Schiele, H., & Veldman, J. (2012). The drivers of customer attractiveness, supplier satisfaction and preferred customer status: A literature review. *Industrial*

- marketing management, 41(8), 1194-1205. <https://doi.org/10.1016/j.indmar-man.2012.10.004>
- Iloranta, K., & Pajunen-Muhonen, H. (2018). *Hankintojen johtaminen: Ostamisesta toimittajamarkkinoiden hallintaan* (Viides, tarkistettu laitos.). Tietosanoma.
- Insead, L. C., & Chatain, O. (2008-01). Competitors' Resource-Oriented Strategies: Acting on Competitors' Resources Through Interventions in Factor Markets and Political Markets. *The Academy of Management review*, 33(1), 97-121. <https://doi.org/10.5465/amr.2008.27745499>
- International Organization for Standardization. (2019). *ISO 9241-210: Ergonomics of human-system interaction – Part 210: Human-centred design for interactive systems*. ISO.
- Jamaluddin, F., & Saibani, N. (2021). Systematic Literature Review of Supply Chain Relationship Approaches amongst Business-to-Business Partners. *Sustainability*, 13(21), 11935. <https://doi.org/10.3390/su132111935>
- Jääskeläinen, A., Korhonen, T., & Amiri, S. (2023). Social capital as a facilitator of successful buyer–supplier performance management. *Journal of Purchasing and Supply Management*, 29(2), 100804. <https://doi.org/10.1016/j.pursup.2022.100804>
- Kandil, O., Schmitt, B., & Verleye, K. (2024). A framework to improve the digital customer experience in complex services. *Journal of Service Management*, 35(3), 401–422. <https://doi.org/10.1108/JOSM-09-2023-0255>
- Kembro, J., Näslund, D., & Olhager, J. (2017-11-01). Information sharing across multiple supply chain tiers: A Delphi study on antecedents. *International journal of pro*
- Kim, S. (2025). The Critical Role of Trust, Information Sharing, and Agility in Advancing Sustainable Supply Chain Performance in Korea. *SAGE Open*, 15(3). <https://doi.org/10.1177/21582440251367158> (Original work published 2025)
- Kraljic, P. (1983). Purchasing must become supply management. *Harvard Business Review*, 61(5), 109–117.

- Kumar, A., Ghobakhloo, M., & Syed, A. M. (2022). Managing buyer experience in buyer–supplier relationships: A study of MSMEs using social media analytics. *Journal of Business Research*, *148*, 356–368. <https://doi.org/10.1016/j.jbusres.2022.04.036>
- Kumar, N., Scheer, L. K., & Steenkamp, J. E. M. (1995). The Effects of Perceived Interdependence on Dealer Attitudes. *Journal of marketing research*, *32*(3), 348. <https://doi.org/10.2307/3151986>
- La Rocca, A., Caruana, A., & Snehota, I. (2012). Measuring customer attractiveness. *Industrial marketing management*, *41*(8), 1241-1248. <https://doi.org/10.1016/j.indmarman.2012.10.008>
- Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, *80*(6), 69–96. <https://doi.org/10.1509/jm.15.0420>
- Love, J. H., Roper, S., & Vahter, P. (2014-11). Learning from openness: The dynamics of breadth in external innovation linkages. *Strategic management journal*, *35*(11), 1703-1716. <https://doi.org/10.1002/smj.2170>
- Ma, S., Rossiter Hofer, A., & Aloysius, J. (2021). Supplier dependence asymmetry and investment in innovation: The role of psychological uncertainty. *Journal of Purchasing and Supply Management*, *27*(2), Article 100674. <https://doi.org/10.1016/j.pursup.2021.100674>
- Makkonen, H., Siemieniako, D., & Mitreġa, M. (2023). Structural and behavioural power dynamics in buyer-supplier relationships: A perceptions-based framework and a research agenda. *Technology analysis & strategic management*, *35*(9), 1099-1113. <https://doi.org/10.1080/09537325.2021.1991574>
- Marty, J., & Ruel, S. (2024). Why is “supply chain collaboration” still a hot topic? A review of decades of research and a comprehensive framework proposal. *International journal of production economics*, *273*, 109259. <https://doi.org/10.1016/j.ijpe.2024.109259>
- Matopoulos, A., Didonet, S., Tsanasidis, V., & Fearne, A. (2019-10). The role of perceived justice in buyer-supplier relationships in times of economic crisis. *Journal of*

- purchasing and supply management*, 25(4), 100554.  
<https://doi.org/10.1016/j.pursup.2019.100554>
- Meyer, C., & Schwager, A. (2007). Understanding customer experience. *Harvard Business Review*, 85(2), 116–126.
- Mitsubishi, H., & Greve, H. R. (2009). A matching theory of alliance formation and organizational success: Complementarity and compatibility. *Academy of management journal*, 52(5), 975-995.
- Montgomery, R. T., Ogden, J. A., & Boehmke, B. C. (2018). A quantified Kraljic Portfolio Matrix: Using decision analysis for strategic purchasing. *Journal of purchasing and supply management*, 24(3), 192-203. <https://doi.org/10.1016/j.pursup.2017.10.002>
- Morgan, R. M., & Hunt, S. D. (1994). The commitment-trust theory of relationship marketing. *Journal of Marketing*, 58(3), 20–38.  
<https://doi.org/10.1177/002224299405800302>
- Nair, A., Jayaram, J., & Das, A. (2015). Strategic purchasing participation, supplier selection, supplier evaluation and purchasing performance. *International journal of production research*, 53(20), 6263-6278
- Nir Kshetri. (2021). *Blockchain and Supply Chain Management*. Elsevier.
- Nollet, J., Rebolledo, C., & Popel, V. (2012-11-01). Becoming a preferred customer one step at a time. *Industrial marketing management*, 41(8), 1186-1193.  
<https://doi.org/10.1016/j.indmarman.2012.10.003>
- Norman, D. A. (2013). *The design of everyday things* (Rev. and exp. ed.). MIT Press.
- Nyaga, G. N., Whipple, J. M., & Lynch, D. F. (2010). Examining supply chain relationships: Do buyer and supplier perspectives on collaborative relationships differ? *Journal of operations management*, 28(2), 101 – 114.  
<https://doi.org/10.1016/j.iom.2009.07.005>
- O'Brien, J. (2014). *Supplier relationship management: Unlocking the hidden value in your supply base*. Kogan Page.
- Olsen, R. F., & Ellram, L. M. (1997). A portfolio approach to supplier relationships. *Industrial Marketing Management*, 26(2), 101–113.

- Paulraj, A., Lado, A. A., & Chen, I. J. (2008-01). Inter-organizational communication as a relational competency: Antecedents and performance outcomes in collaborative buyer–supplier relationships. *Journal of operations management*, 26(1), 45-64. <https://doi.org/10.1016/j.jom.2007.04.001>
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing*, 64(1), 12–40.
- Piechota, S., Glas, A. H., & Essig, M. (2021). Questioning the relevance of supplier satisfaction for preferred customer treatment: Antecedent effects of comparative alternatives and multi-dimensionality. *Journal of Purchasing and Supply Management*, 27(1), 100672. <https://doi.org/10.1016/j.pursup.2021.100672>
- Pihlajamaa, M., Kaipia, R., Aminoff, A., & Tanskanen, K. (2019-06-01). How to stimulate supplier innovation? Insights from a multiple case study. *Journal of purchasing and supply management*, 25(3), 100536. <https://doi.org/10.1016/j.pursup.2019.05.001>
- Pine, B. J., & Gilmore, J. H. (1999). *The experience economy: Work is theatre & every business a stage*. Harvard Business School Press.
- Prajogo, D., Cooper, B., Donohue, R., & Nair, A. (2025). The effect of customers' unethical practices on suppliers' intention to continue their relationships. *Journal of Business Ethics*, 197(3), 523–540. <https://doi.org/10.1007/s10551-024-05742-8>
- Pulles, N. J., Schiele, H., Veldman, J., & Hüttinger, L. (2016). The impact of customer attractiveness and supplier satisfaction on becoming a preferred customer. *Industrial marketing management*, 54, 129-140. <https://doi.org/10.1016/j.indmarman.2015.06.004>
- Puusa, A., Juuti, P., & Aaltio, I. (2020). Laadullisen tutkimuksen näkökulmat ja menetelmät. Gaudeamus.
- Rajala, A., Hautala-Kankaanpää, T., & Joensuu-Salo, S. (2025). Supplier experience as antecedent to supplier satisfaction: An explorative study of SMEs. *Industrial Marketing Management*, 125, 226–238. <https://doi.org/10.1016/j.indmarman.2025.01.010>

- Rosell, D. T., & Lakemond, N. (2012). Collaborative innovation with suppliers: a conceptual model for characterising supplier contributions to NPD. *International Journal of Technology Intelligence and Planning*, 8(2), 197. <https://doi.org/10.1504/ijtip.2012.048477>
- Rossi T., Anttila, J. M. (2024). *Supplier experience: The Fundamentals of Modern Supplier Collaboration*. Supplier Experience Magazine, Jakamo limited. Retrieved 11.11.2025 from <https://supplier-experience.com/supplier-experience-ebook/>
- Saunders, M., Lewis, P., & Thornhill, A. (2023). *Research methods for business students*. Pearson Education.
- Schiele, H. (2012-01-01). Accessing Supplier Innovation By Being Their Preferred Customer. *Research technology management*, 55(1), 44-50. <https://doi.org/10.5437/08956308X5501012>
- Schiele, H., Calvi, R., & Gibbert, M. (2012). Customer attractiveness, supplier satisfaction and preferred customer status: Introduction, definitions and an overarching framework. *Industrial marketing management*, 41(8), 1178-1185. <https://doi.org/10.1016/j.indmarman.2012.10.002>
- Somapa, S., Cools, M., & Dullaert, W. (2018). Characterizing supply chain visibility – a literature review. *The international journal of logistics management*, 29(1), 308-339. <https://doi.org/10.1108/IJLM-06-2016-0150>
- Tanskanen, K., & Aminoff, A. (2015). Buyer and supplier attractiveness in a strategic relationship — A dyadic multiple-case study. *Industrial marketing management*, 50, 128-141. <https://doi.org/10.1016/j.indmarman.2015.04.011>
- Vos, F. G., Schiele, H., & Hüttinger, L. (2016). Supplier satisfaction: Explanation and out-of-sample prediction. *Journal of business research*, 69(10), 4613-4623. <https://doi.org/10.1016/j.ibusres.2016.04.013>
- Vos, F., Van der Lelij, R., Schiele, H., & Praas, N. (2021). Mediating the impact of power on supplier satisfaction: Do buyer status and relational conflict matter? *International journal of production economics*, 239, 108168. <https://doi.org/10.1016/j.ijpe.2021.108168>

- Wieland, A., Wallenburg, C. M., & Juuso Töyli, H. L. (2013). The influence of relational competencies on supply chain resilience: A relational view. *International journal of physical distribution & logistics management*, 43(4), 300-320. <https://doi.org/10.1108/IJPDLM-08-2012-0243>
- Williamson, O. E. (1975). *Markets and hierarchies: Analysis and antitrust implications : a study in the economics of internal organization*. Free Press.
- Yang, Q., Li, S., Cui, H., & Qiao, J. (2023-10-01). How does supplier relationship management affect supplier innovation contribution? Interorganizational learning and social exchange theory integrated perspectives. *Industrial marketing management*, 114, 165-180. <https://doi.org/10.1016/j.indmarman.2023.08.003>
- Zhang, Q., Pan, J., Xu, D., & Feng, T. (2020). Balancing coercive and non-coercive powers to enhance green supplier integration: Do relationship commitment and closeness matter? *Supply Chain Management: An International Journal*, 25(6), 637–653. <https://doi.org/10.1108/SCM-03-2019-0140>

## Appendices

### Appendix 1. Supplier interview questionnaire

1. How do you experience the case department as a customer?
2. Do you do business with other case company's departments or business units and if so, do you experience them differently?
3. If you compare the experience working with the case company to your other customers, what are the main differences, good or bad?
4. How do you feel about the openness of communication? Is information shared proactively and what you feel that you are lacking from us?
5. How do you experience the quality of the information. Is it timely and accurate or do you experience fragmentation or inaccuracies?
6. Do our regular operational updates and strategic reviews happen often enough, or too often? How could they be improved?
7. How do you experience the wording and tone of communication?
8. How do you experience trust with us? (Do we keep our word, is any chasing needed from you side, has there been example where trust was stained)?
9. How attractive customer we are from your point of view? (economical, behavioral-based, resource-based and our network position & external linkages)?
10. What factors do you consider most important to your satisfaction?
11. In cases of disruptions, would you prioritize us as a customer?
12. Would you see that you have innovation capability that could co-create value, and how is our responses to new ideas or suggestions? Is there some incentives that would motivate you to prioritize our innovation work?
13. When we enforce penalties or strict clauses, does it feel fair and proportionate?
14. Do you see that there is enough evaluation and development initiative towards your side?
15. What positive incentives from us would most motivate you to prioritize improvements?
16. How effective are our digital tools (e.g. supplier portal) from your POV?

17. Is there enough digital collaboration and what could be improved?
18. Does some of our systems create extra manual work for you? What could be simplified or automated?
19. What factors are the most important to your supplier experience?
20. What factors do you see as the biggest challenges / barriers shaping a good supplier experience?

## Appendix 2. Sourcing professionals interview questionnaire

1. Suppliers reported differences across product lines (e.g., more structured in one line, less clear in another). Do you recognize this? What drives the differences?
2. Suppliers often frame us as “partner-like” rather than transactional. What behaviors/processes do you think create that perception?
3. Internally, why can it feel like suppliers are working with a “different company” across units? What is the root cause of internal differences in ways of working?
4. Suppliers say the team is easy to reach and provides fast answers. Why is this perceived so strongly?
5. Predictability/forecast visibility is a recurring improvement area. Why is forecasting and sharing volumes difficult, and what are the main barriers?
6. RFQ process: Suppliers want feedback on why they lost bids or did not receive orders. Would a simple feedback system be beneficial?
7. Communication is sometimes described as fragmented (multiple people contacting the supplier about the same topic). Why does this happen and in what situations?
8. Suppliers claim the unit is a high-priority customer. Does this show in supplier behavior, or are there cases where the unit is deprioritized?
9. Innovation and development: Is supplier early involvement sufficient? Is scope too locked, and what blocks further innovation input?
10. How are supplier improvement ideas handled today, and do ideas get stuck (not reaching the right people or not being taken seriously)?
11. Supplier segmentation: How could segmentation be improved and how would it help manage the supplier base?
12. Supplier portal: What is its most important role today and what should it be going forward?
13. Why do you think adoption differs so much across suppliers and across our internal teams?