

Optimizing Value Proposition Communication in B2B: A Case Study on Hitachi Energy's GCB Maintenance Services

Student: Manuel Engler

Industry Partner: Hitachi Energy

1. Background, Challenge & Objectives

Background / Context

The research is based on a situation in which Hitachi Energy, a global company with operations in over 140 countries and around 40,000 employees, was experiencing problems with a significant number of overdue maintenance services on generator circuit breakers (GCBs). These maintenance services were backlogged in different countries, indicating that the value proposition of these services was not being perceived and communicated consistently across different regions. The challenge highlighted the need to review and improve communication strategies to better reflect regional specificities and organisational structures.

Challenge / Research Questions

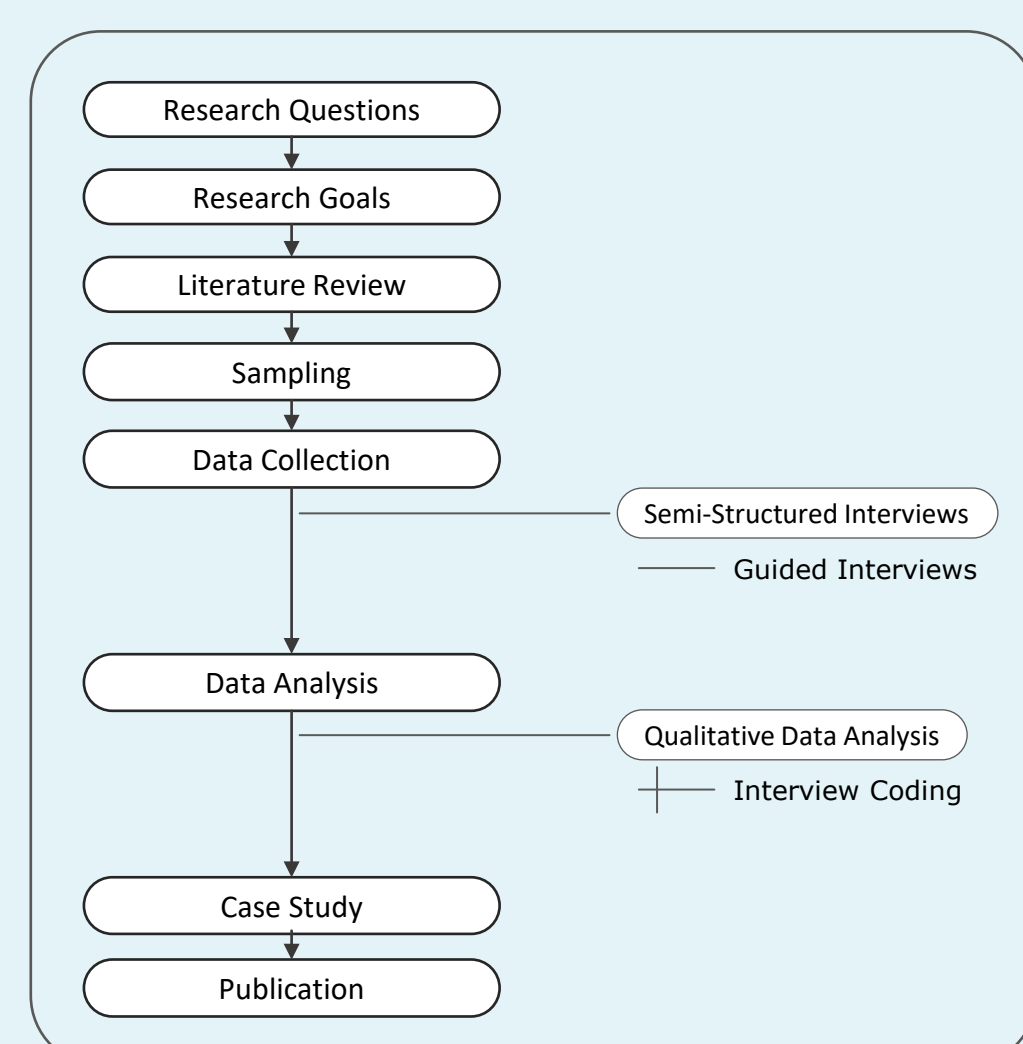
Hitachi Energy is facing a major challenge of handling a considerable amount of overdue maintenance work on circuit breakers in various countries. To overcome this challenge, it is crucial to improve the communication and perceived value proposition of these services. This is especially important given the different organizational structures and local incentives in different regions. However, it is important to note that this is a qualitative study that does not consider quantitative aspects. Additionally, there is a concern regarding the independence of customers in China who completed the questionnaires.

Objectives / Hypotheses

1. Assess stakeholder definitions of Hitachi Energy's value proposition.
2. Evaluate effectiveness of sales force communication.
3. Analyse regional impacts on value proposition conveyance.

2. Methodology / Materials

Methodology



Overview of the Research Design

Materials / Data / Tools

31 Interviewees:

- 7 Employees of the Product service centre
- 2 Employees of the Local service centre Switzerland
- 6 Employees of the Local service centre USA
- 6 Employees of the Local service centre China
- 3 Customers of the Local service centre Switzerland
- 3 Customers of the Local service centre USA
- 4 Customers of the Local service centre China

3. Results / Solution / Recommendations

Stakeholder Definitions of Value Proposition:

Functional aspects: Majority emphasized "quality of products and services"

Emotional aspects: All mentioned the importance of trust in Hitachi Energy

Social aspects: Focus on reputation; little emphasis on sustainability

Communication of Value Propositions:

Tools used: PowerPoint presentations most common, followed by brochures and flyer

Preferred communication channels: On-site visits popular in the USA and Switzerland; Chinese customers prefer email.

Suggested improvements: Creation of short videos for product/service training and a centralized database for better document management.

Influence of Organizational Differences and Local Incentives:

Switzerland: Mixed opinions on the impact of local incentives, with a simple structure and close cooperation with the Product Service Centre.

China: Local incentives favor larger budget projects over GCB maintenance.

USA: Preference for larger contracts; use of representatives seen as beneficial.

Commonality: Preference for larger projects across all regions, indicating a need for better alignment of local practices with strategic objectives and improved communication and training

4. Discussion, Conclusions & Outlook

Discussion

The study's qualitative approach effectively captures the nuances of global B2B communication, revealing the critical role of trust and brand reputation in shaping value proposition perceptions across regions

Conclusions

The research concludes with four key recommendations:

- Redefine the GCB maintenance value proposition
- Develop compact and easily accessible marketing materials
- Implement a CRM tool to align communication channels
- Expand the Product Service Centre (PSC) team

Literature

Anders, A. D., Coleman, J. T., & Castleberry, S. B. (2020). Communication Preferences of Business-to-Business Buyers for Receiving Initial Sales Messages: A Comparison of Media Channel Selection Theories. *International Journal of Business Communication*, 57(3), 370–400. <https://doi.org/10.1177/2329488417702476>

Samuelsson, G., & Andersson, L. (2019). *Understanding the Customer: Examining the Perceived Value of a New Product in a B2B Context*. <https://www.semanticscholar.org/paper/Understanding-the-Customer%3A-Examining-the-Perceived-Samuelsson-Andersson/33acf6ba455b5010a2a6dd7d93a3fcc51891675>