

Michael Hartmann, Matthias Wenzel*

Understanding Market Transformation: How Firms Create Customer Demand

Abstract – The research addressing how firms master long-term success in dynamic environments has highlighted the important role of dynamic capabilities as an enabler for responding to market transformation. However, less attention has been devoted to how firms may shape such transformations by creating customer demand. In this paper, we explore how firms realize the creation of customer demand. Our qualitative study in the field of industrial sales contributes to the literature on dynamic capabilities by showing how a “market-shaping capability” comes into being through interactions between frontline employees and customers.

Keywords: **Market transformation, market-shaping capabilities, dynamic capabilities, industrial sales, qualitative research**

* Dr. Michael Hartmann, German Graduate School of Management and Law, Bildungscampus 2, D-74076 Heilbronn, E-Mail: michael.hartmann@ggs.de

Dr. Matthias Wenzel, European University Viadrina, Große Scharnstr. 59, D-15230 Frankfurt (Oder), E-Mail: mwenzel@europa-uni.de

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