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## ABSTRACTS

The System Theory of Technical Sales Compared to Bronfenbrenner's Ecosystem of Human Development – L. Schneider-Störmann

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Sales Engineers (SE) sell technical products and services to companies. Their success is the leverage for the economic prosperity of their employers. To be able to handle the increased complexity of B2B sales in a worldwide competition, systematic understanding and methods are key factors for success. The systems theory, especially the systems theory of Technical Sales (SToTS) offers efficient tools for sales people. One of these tools is the structural analysis of in sales activity systems. Bronfenbrenner's model and SToTS show similarities. In one example both, SToTS and Bronfenbrenner's model are used to show the degree of compatibility.

Understanding the Salesperson-Customer Communication Ecosystem: A Relational Perspective of Salesperson's Communication Medium Use in Customer Contact – J. Xu

*Author: Jun Xu, Associate Professor, Marketing Department, DePaul University*

Salespeople use of electronic media (e.g., email, Twitter, etc.) as the primary media in their communication with customers is a controversial issue. Take email for instance. Advocates believe that e-mail overcomes the time and geographic constraints and enhances the responsiveness to customers, whereas opponents are concerned about the potential miscommunication introduced by e-mail. Given this controversy, an important research question is: If, and when, should customer contact people use e-mail to communicate with their customers?

To address this issue, this paper examines the boundary conditions for salespeople's effective use of email. Building upon prior media choice research (e.g., media richness theory (e.g., Daft et al., 1987) and social influence theory (e.g., Fulk et al., 1990), a model of a relational perspective of media choice theory is proposed and tested. Specifically, this paper models salespeople's choice of media as a function of the nature of the relationships with their customers. It is proposed that the pre-established relationships (i.e., trust and relational norms) between salespeople and customers influence salespeople's media perceptions and choices. Empirical results generally supported this relational perspective of salesperson's media choice theory.

"Digital Sales: Towards a Research Framework and Agenda on Digital Listening"? – E. Mehl, J. Le Bon

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Customers have increased their power towards the seller in B2B. One reason is that the buyer has access to more information and makes decisions based on this information before contacting a salesperson.

The traditional listening model relying on a physical meeting doesn't offer a solution in this buying situation.

The objective of this research is to present a theoretical framework of "Digital Sales Listening and Learning" (DSLL) and related research propositions. DSLL proceeds the traditional sales listening model. Based on learning theories, the model argues that sales listening can be used to collect information about prospects before the initial contact.

Don't Worry, be Happy: A Longitudinal Growth Modeling Analysis of Neurotic Salespeople – R. Dugan, W. Bolander, M. Rouziou

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While often characterized as a negative personality trait, neuroticism can spur successful job performance under certain conditions. Utilizing longitudinal growth modeling (LGM) analysis on a sample of 114 B2B salespeople, this research reveals that neurotics demonstrate positive initial sales performance, but that their performance attenuates over time. Additionally, we show positive synergies between neuroticism and the traditionally desirable traits of conscientiousness and extroversion on initial performance and performance growth. Specifically, we reveal that individuals who are conscientious and extroverted perform better when they are also neurotic. In short, we make the case for hiring neurotic salespeople.

Determinants of Salesperson Performance: A Review and Synthesis (1986-2016) – V. Chawla, T. Lyngdoh, Dr. G. Sridhar

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**Purpose** – The purpose of this paper is twofold: (1) to create an integrative model of salesperson's performance determinants by doing a comprehensive analysis of studies published post 1985, the year of publication of Churchill et al. (1985) meta-analysis paper on sales-performance; (2) to identify the direction towards which sales research is heading.

Initial selection of empirical studies published, was done using the keyword search process. The identified articles were then screened for titles, abstract, keywords and framework; 143 relevant articles were then chosen, from which, the determinants were extracted and categorized to provide the model. We also drew comparison of determinants between 1986 – 1999 and 2000 – 2016 to accomplish second purpose.

**Findings** – Our integrative model (classification scheme) offers a revised model to that of Churchill et al. (1985) model by identifying a new 'Skill' sub-category: 'technological skills'; by replacing role

perceptions category with a broader category: job-related psychological factors, which in turn encompasses the former; and by identifying a new category, referred as 'salesperson behaviors and strategic activities'. On comparing the pre and post 1999 literature, we find that sales research is moving towards exploring role of technology and external cultural orientation in salesperson's performance.

**Research implications** – The review suggests that positive psychology aspects, salesperson's physiological variables, and sales-performance under non-profit contexts are under investigated areas.

**Practical implications** – The revised classification scheme offers several implications to sales managers related to the use of technology, providing work-related social support to salespeople and improving the selection process.

**Originality/value** – This is perhaps the first review paper since Churchill et al. (1985) study, which has considered the full spectrum of salesperson's performance drivers in order to provide an integrative model.

**Keywords** - Salesperson performance; Sales management; Sales; Review; Determinants

**Paper type** - Literature review

How cooperation with business intermediaries can boost sales? – M. Lampinen, M. Mäntyneva

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Potential for innovation, growth and increased employment in the ecosystems of companies and intermediaries is partly missing because of a lack of networking or unsuitable tools. How could intermediaries support companies to innovate and grow? The main tasks of the project are to find solutions for improving counseling process and to develop new types of tools and methods that both companies and intermediaries will find effective and value-creating. The project includes a survey made by nine national intermediary organizations in five countries and 76 interviews in four countries.

Value co-creation in the sales process: systematic literature review – A. Abramova

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Sales process is recognized as a platform for value co-creation, however the knowledge about value co-creation in the sales process is scattered and lacks systematization. From Service Logic perspective, value co-creation happens in direct interactions between actors and is dependent on conditional factors. This paper provides a systematic literature review of customer-seller interactions and offers a theoretical framework explaining how value co-creation happens in the sales process and on which factors it is conditional. The conducted systematic literature review contributes to sales process and

value creation streams of literature and provides some guidance for practitioners on facilitation of value co-creation.

#### Competition and deviance in the sales force – P. Guenzi

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Using a sample of 295 sales professional, this study empirically investigates the impact of perceived competitive psychological climate on a salesperson's job stress and trait competitiveness and then the impact of these three variables on three different types of salesperson deviance: organizational, interpersonal and frontline.

#### Internal Bridges and Barriers when implementing Value Based Selling - A case study seen from a Supplier Perspective – P. von Wowern

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Value Based Selling (VBS) often provides higher profitability and a stronger selling performance. However, academic literature remains sparse. Through a mainly qualitative case study with 46 salespeople and 9 managers, this paper identifies nine interdependent internal Bridges and Barriers for implementing VBS. Managerial implications are that all factors must be taken into consideration and well executed. Further, the sequence in which the identified VBS factors are implemented seems important. Additionally, VBS readiness and value proposition skills are lower than salespeople themselves perceive. The theoretical contribution is the identification of the nine influential VBS factors and suggesting that they are interrelated.

#### Emotional Regulation and Salespeople Behaviors – J. Bullemore, J. Mulki, Dr. J. Görne

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In this study, we look at the role of salesperson's emotional intelligence (EI) in the development of positive behavioral strategies in salespeople. This is the first study that integrates EI, with interpersonal conflict and customer orientation. We focus on the influence of EI in avoiding interpersonal conflict and in encouraging increased customer focus. Study results show that employees should be aware of the need to regulate their emotions to promote positive interaction and foster customer orientation. Sales managers should make it a priority to train salespeople to strengthen their emotional regulation and create conflict management mechanisms for job performance improvement.

**Keywords:** Emotional Intelligence; Emotional Regulation; Salespeople Behaviors.

Global Perspectives of Sales Enablement Variations – R. M. Peterson, H. F. Dover, T. Schenk, C. Maurer

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There has been rapid growth in sales enablement in the marketplace due to numerous changes affecting the buyer-seller interface. Despite this growth, little is known regarding the magnitude of its presence, what assistance is being offered and to whom, and what metrics are found to be valuable. In an exploratory study, the results from 641 responses across 3 regions of the world (Asia Pacific, Europe, and North America) suggest that several significant differences exist as it pertains to sales enablement. Findings indicate that salespeople and account managers are the primary focus of sales enablement initiatives, but significantly different stakeholders also exist across the regions of the world. Moreover, the specific services offered by sales enablement (e.g., training, content, tools, processes, onboarding, coaching) are shown to vary widely across the globe. Even productivity goals are not uniform within sales enablement initiatives. This study contributes to the marketing capabilities theory by extending its application into a new paradigm of sales enablement. We summarize the findings and the managerial implications of this global inquiry.

Customer Interaction within the Mesosystem: A Look into Service Providers' Bed Side Manner – E. Kemp, M. Porter III, C. Albert

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"Healthcare organizations are implementing transparency programs as more patients look to online reviews to make healthcare decisions. In this research, we investigate the mesosystems between the service providers and the customers; specifically, the attitudes of physicians regarding patient ratings. Our findings demonstrate that physicians express risk perceptions about patient ratings, which in turn influence their attitudes toward the rating system, rendering them reticent about adopting such a system. Online reviews promote a culture of accountability in providing quality care; however, when embarking on transparency initiatives, it is vital that the sales organization take into account the physicians' perspectives."

A Netnography of External and Internal Employer Brand in Sales – J. F. Poujol, J. Tanner, E. Pezet, C. Fournier

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In sales, a real war for talent is being conducted to recruit people likely to be successful where the number of jobs exceeds the available candidates. In fact, the employment agency Manpower has reported that sales positions are the most difficult to fill for several years in a row (Castleberry and Tanner, 2018). Today, companies are spending considerable time and effort (e.g., business games, chat, blogs, videos, events) to strengthen variables of attractiveness (e.g., compensation, benefits, possibility of growth), but firms continue to struggle to find candidates, and unknown companies with fewer resources have even fewer chances of overcoming these difficulties (Waldeck et al. 2010; Robertson and Khatibi 2012).

Marketing, and its cardinal concept of the brand, has extended into the “markets” of work offers proposed by businesses. Potential employees can gather abundant and freely-available information about potential employers, including the likely quality of their work in these enterprises. For example, every year Universum does a survey to identify the employers most preferred by students from French universities. Organizations such as A Great Place to Work publish worldwide classifications of businesses, which include criteria related to the quality of life at work. Companies can earn labels like “Top Employers,” which certify their attentiveness to their employees in terms of politics, programs, and human resource practices. To develop a responsible employer brand, businesses can also leverage social responsibility status such as ISO 26,000 or global conventions (e.g., Global Compact, Environmental Chart).

Ambler and Barrow (1996) define the employer brand as the package of functional, economic, and psychological advantages provided by work and associated with the employing firm. For these authors, as for a traditional product or consumer brand, the employer brand has a personality and a status. Many researchers have sought to enhance the definition and measure the dimensions contributing to the employer brand. In proposing an early measurement scale, Berthon et al. (2005) identify five dimensions related to the advantages of working for a business: interest value, derived from an enriching work environment with access to creativity and new work practices; social value, which is inherent in an amicable or amusing environment and suggests a good work relationship or team spirit; economic value, which pertains to remuneration (better salary than competitive offers), and employment security; development value, tied to recognition and career opportunities; and application value, or opportunities to apply what has been learned and share it with others in an

environment that is both client-oriented and humane. The employer brand constitutes a type of motivational content, which prompts expectations of different valences. An employer brand that meets employees' expectations thus represents a good employer brand.

Franca and Pahor (2012) also take a marketing view and leverage Aaker's (1997) research into brand strength to propose an employer brand pyramid that consists of recognition of the employer brand, consideration of the employer (i.e., knowing that it could be a potential employer), and gaining status as candidates' first choice. Thus a brand is initially understood according to customer experiences; this series of experiences provides the basis for recognizing and developing attitudes about the brand. In addition, the essence of the employer brand is the employee value proposition (EVP), which "is what makes one business different from others regarding the work market," emphasizes brand values, and defines the company's promises (Franca and Pahor, 2012). In creating their employer brand, organizations construct a unique employment proposition that differentiates them from their competitors (App et al., 2012). This unique promise of value, intended for employees, raises the question of what distinguishes working for one enterprise from working for another. But what is communicated to the candidates namely the external employer brand is not corresponding to what they will experience. More problematic, what firms choose to focus on in order to attract employees is not corresponding to what they are interested in.

The image of an employer thus emerges as an important aspect of its communication. Employer branding seeks to create an external brand that can be communicated to targeted talent. Most employer branding approaches center on the product (i.e., work), resonating with theories of satisfaction and motivation at work (Vroom, 1964) - in sales from Walker et al., 1977 model of motivation and job satisfaction (Churchill et al., 1976) to INDSALES model (Friend et al, 2013). Therefore the brand represents an element that enhances work attributes (i.e., material and psychological advantages) which make for a good employer. The employer brand can then contribute to attracting candidates to sales positions. Employer brand includes both the instrumental and symbolic attributes of the work and of the company as perceived by employees and candidates. Employer brand management aims to convince current and potential employees that working for a given company is advantageous (Lievens et al. 2007); however, while employer brand is recognized as a source of attractiveness, research on sales force management has not examined the employer brand for the specific population of salespeople. The objectives of this research are two-fold: first, we examine the internal employer brand for salespeople; second, we study more specifically the gap between external and internal employer brand.

We use a netnography based on salespeople's reviews of their company, examining what salespeople like/dislike in their job within their company. In a first step, we examine three companies (Microsoft,

Oracle and IBM) and what their salespeople say about these employer (n=153). Then we identify the most important employer brand elements in different sectors and firms (n=200).

Yet these elements cannot provide a clear understanding of the employee value proposition (EVP), which constitutes the employer's unique promise. Beyond knowing that a favorable product brand or strong corporate reputation gives an employer an advantage in terms of attraction, we know of few insights into what value a business proposes when it offers a job. The employer brand, in addition to proposing an exchange of a skilled activity for a salary, may imply access to experiences.

The employer brand constitutes an important element of business communication but external Employer brand is not always aligned to the internal employer brand, what employee live. This research examines what salespeople found positive and negative about their job using a netnographic approach. Results show that if traditional motivators like opportunities of advancement, and benefits are a source of satisfaction for salespeople, there is a need to go further than theories to explain employee's experience at work. The results provide content propositions useful to employer brand managers who are responsible for developing an EVP and, more generally, the employer brand.

Examining Buyers' Switching-back Behavior: What Drives Business Customers to Return – M. P. Leach, A. H. Liu, S. A. Oneto

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Salespeople often work to reacquire their previously lost customers. We examine what factors drive customers to switch-back to suppliers that they have replaced. By understanding how switch-back decisions are made, salespeople may be better able to conduct effective reacquisition activities. A sample of purchasing agents were surveyed to test the proposed model. Findings suggest that salespeople and sales organizations can influence switching back behavior and the reacquisition of lost customers. Value, Dissatisfaction, Risk, Advocacy are important to switch back behaviors when switching costs are low. When switching costs are high decisions can still be driven by risk, price, and advocacy.

Do loyalty programs work in B2B? Well, it's complicated – P. Kwiateka, Z. Morgan, M. Thanasia

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Loyalty programs in a business-to-business context have been under-researched when compared to consumer markets. Since loyalty programs represent considerable financial obligations for companies, the authors conducted empirical research in order to ascertain the role they should play in strengthening relationships with customers and producing business outcomes. Supplier preference

was found to mediate the relationship between relationship strength and attitudinal loyalty which might suggest that companies should focus more on building customer preferences. The study finds that whilst loyalty program membership does not affect relationship strength, it does have a role to play in reinforcing the effect of relationship strength on attitudinal loyalty.

**Keywords** - Relationship strength, loyalty programs, business-to-business

SMEs' Sales Operations and Growth: Current Drivers and Obstacles Based on Literature Review – M. Heikinheimo, P. Hautamäki

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In many countries, the SMEs have an important role in creating new jobs. Yet, only a small number of SMEs have set growth targets to a strategy. Additionally, the changed customer behavior and the new ways to buy B2B-services challenge SMEs selling processes and growth activities. The results of this review show that SMEs understanding of sales processes may be insufficient and the amount of studies of the topic is limited. As earlier studies have highlighted, the companies' sales strategies need reformation. Therefore, it would be critical for growth-seeking SMEs to define, adopt, test and further develop their sales models.

Sales Education and Philanthropy: U.S. Sales Curriculum Transcends: Boundaries and Elevates Employability and Income Level's in Latin America – B. Nielson, M. Barberi-Weil, T. Border

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Tim Border, Weber State University*

There has been an increase in sales education across the U.S. and world. Due to the growing and critical demand of sales professionals, new programs have been established at many Universities. This study investigates the feasibility of adapted sales curriculum that is used in a U.S. based university and if it can be used in Latin America to help people develop skills to enhance their personal livelihood. The results indicate that individuals from Guatemala and Nicaragua that are taught basic sales skills can immediately increase employability and earning ability. This paper outlines this process while outlining a model for collaboration and outreach efforts.

**Keywords** - Sales Education, Philanthropy, Employability, Curriculum Development, Outreach, International Sales Training

Social Media Use by B2B Salespeople and its Impact on Performance: Evidence from Africa – A. Inyang, S. Schetzle

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Social Media has emerged as an important tool for sales organizations. The objective of this study is to examine the effect of social media use and cultural factors that inhibit the effectiveness of social selling on B2B salesperson performance using a sample of 145 B2B salespeople from various countries in Africa. The results demonstrate that social media use is effective when used by B2B salespeople in Africa. However, cultural factors influence this effectiveness. When salespeople perceived themselves to be in a lower power position they are less likely to use social media or use it ineffectively.

Are all customers buying processes alike when buying a specific product?

A customer touch point analysis reveals significant differences with relevance for adaptive selling and impact on sellers' sales volume – F. C. Weispenning

*Author: Felix C. Weispenning, University of Berne (Switzerland)*

In recent years, touch points are getting more and more important. Many manufacturer and retailer respond to this trend with an increased number of sales channels. As a consequence, many of the sales channels remain rather basic with regard to content, usability, and individualization although sellers' budgets for touch point management increase dramatically. The results of this empirical touch point analysis indicate that customers' touch points differ in terms of usage, satisfaction and relevance even for popular products in the same category such as laptop and TV which are perceived as being similar with regard to the required marketing mix.

**Key words** - Customer Touch Point Management, Consumer Behavior, Efficient Sales Management, Adaptive Selling

Agile sales management – H. Paakinaho, P. Hautamäki

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Pia Hautamäki, Tampere University of Applied Science (Finland)*

Agile sales management combines management, leadership and collaboration. It sets the framework where the sales team is working, experimenting and making their own decisions.

Agile sales management encourages the sales team to collaborate with other salespeople and professionals in the company. This research was made with a small Finnish software company. The purpose of the research was to develop, pilot and document agile sales management processes for the company. The existing theory was used widely while developing and piloting new processes. As a

result, the sales management and measurement processes got more efficient. In addition, the collaboration between sales and production increased.

Special Session: Panel Proposal - Selling and the Sales Academy in Latin America – E. Pullins, J. Bullemore

*Author: Ellen Pullins  
Jorge Bullemore*

Over the past 25+ years, the sales discipline has grown and matured in the United States. Twelve years ago, about 50 academic researchers interested in selling and sales management came together in Helsinki to see what was going on in Sales in Europe. Since that time, there has been some significant developments. Over time, the same group ran a special session at ANZMAC to understand what was happening in Australia and New Zealand. However, to date, no sales conference has spotlighted the situation regarding Selling in Latin America.

A search of Google Scholar will quickly reveal that there is not much research available on the b2b consultative selling process in Latin America. There have been a few specific papers that do address certain countries. For example, Barat and Spillan (2009) were able to demonstrate differences in student perceptions toward sales careers. Sales careers were seen most positively in the United States, fairly positively in Guatemala, and negatively in Peru. The note “Peruvians still attach certain level of ‘stigma’ to the sales profession ... a typical Peruvian student opts for a sales career only after he/she has exhausted all other ‘better’ career options.” Differences in selling practices, economic development and culture can shed light.

Economically and cross-culturally, numerous differences exist that make Latin American Countries unique. According to stats from the World Bank and the CIA in 2017 Latin American countries had a population over 650 million, almost a 9% of the world’s complete population. Hohenberg and Homburg (2016) found sales force effectiveness strongly depended on sales reps’ national culture. Cortez and Johnston (2018) affirm that “Latin America, as is true of many developed and emerging markets, has a strong presence of industrial transactions. The configuration and convergence-divergence of marketing capabilities are relevant for the understanding of the globalization phenomenon. Studies shows directional convergence between some countries, there also is interesting divergence between all Latin American countries and the USA.” One important difference also exists in the type of commercial relationships, where a preponderance occur between SMEs and not major corporations.

This panel is dedicated to exploring the current state of b2b consultative selling in both practice and academia in Latin America. Our purpose is to provide a base line understanding of both the current

practice of consultative selling in Latin America, as well as assess what is and what could be done in terms of university teaching and research in the area.

**Moderator:** Ellen Pullins (US); **Panelists:** Guillermo Armelini (Chile), Jorge Bullemore (Chile), Fernando Jaramillo (the World), Ignacio Osuna (Columbia), Martha Rivera-Pesquera (Mexico)

Sources Cited Available on Request.

## FULL PAPERS

The Status of Sales Engineering Education – L. Kairisto-Mertanen, J. Görne, R. Anlanger, J. Bullemore

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Traditionally the core of engineering has been understood to lie on teaching students knowledge, skills and attitudes related to conceiving, designing, implementing and operating technological solutions. When looking at where engineers in reality work it becomes obvious, that engineering is a versatile profession with many very different work profiles. Having proactive customer understanding is essential, as even most excellent products are not powerful enough to sell themselves without understanding of customer preferences.

This special session focuses on understanding what the status of sales in engineering education is worldwide. We explore the present situation and best practices in different continents and focus on forming conclusions and recommendations for engineering educators how to include sales in their engineering curricula. By including classes that emphasize soft skills, such as sales and marketing, engineering graduates who have better grasp of technologies embedded in today's major projects may have a voice in the critical decision making process. This involvement may also make it easier for engineers to break into top general management positions (Goose, 2008).

### **Background**

Engineering students have not traditionally been interested or focused to find a career in sales while studying. However as sales is extremely important for companies in any field of industry the graduating students have many times found themselves in positions where their main task is to sell the products to the customers. It is a commonly known that often the income level in sales positions is higher than in pure engineering jobs, which also increases young graduates interest in them once entering working life.

The engineer working in sales professions are sales engineers. The Academic association for sales engineering (AASE) defines sales engineers as follows: “Sales engineers sell technical products and services to companies. They consult the professional customer and suggest technically and economically feasible solutions with an added value for both the customer and their own company. They combine technical knowledge with commercial skills. They are best trained to understand the requirements of the industry.” (AASE web-site.) It can be added that in many cases the product needs to be adapted to customers’ expectations in a cost efficient way, which in fact requires a deep knowledge of the companies engineering and manufacturing capabilities and the commercial basic data. One can say that sales engineering is part of the core engineering value creation.

Engineers need selling skills when designing new products or new features for the old products, as without understanding about customer preferences the products are not likely to succeed. Selling skills are also needed when launching innovations coming from research and development to bridge the haunting “death valley” where the innovations sometimes fall. And selling skills are simply needed when performing the everyday sales negotiations to make concrete sales or when meeting a new customer and building trust requires that the company and sales people are sold to the customer as trustworthy partners before any real business can take place.

In business to business sales, where the products are complicated and need technical understanding, it is common that the sales work is done by engineers working in sales with possibly no education on sales and selling skills. The World economic forum report (2017) researched new and emerging job categories and functions that the respondents expect to become critically important to their industry by the year 2020. In the report two job types stand out due to the frequency and consistency with which they were mentioned across practically all industries and geographies: The first are data analysts and the second are specialized sales representatives. This can be interpreted to mean that practically every industry will need to become skilled in commercializing and explaining their offerings to business or government clients and consumers.

Sales as profession is undergoing big changes as digitalization is affecting the behavior of the customer. Having access to information available digitally the customer is not anymore dependent on the sales person as only source of information. According to research (Adamson, Dixon and Toman 2012) nearly 60 percent of a typical business to business decisions have been made before the customer has even contacted the seller. The research by Hallikainen and Laukkanen (2016) supports the fact and states that 27 % of B2B customers had used digital services such as websites, social media, mobile apps etc. during their purchasing process. Every fifth customer made the purchasing decision online and 15 % also completed the purchase online. According to the hubspot.com sales-statistics four in 10 reps have recently closed two to five deals directly thanks to social media and half of revenue is influenced by

social selling in 14 common industries, including computer software, healthcare, and marketing and advertising. Using social selling tools can increase win rates and deal size by 5% and 35%, respectively. (Hubspot sales-statistics.)

All this is affecting the sales person's role but implies that sales negotiations are still needed although they must be carried out differently than in the situation where the sales person used to be the only or at least a very valuable source on information to the customer. Being able just to list the features of the product is not good enough anymore but the salesperson – be it the engineer – must be able to understand customer needs in a profound way communicating and creating value together with the customer. Having good selling skills is thus more important than ever before for the engineers who usually handle the sales of complicated technological products.

### **Sales and engineering education**

The changes in working life have globally been extensive under the recent 40 years as the educational level of people has risen and the internet has made knowledge transparent. At the same time the limit between domestic and foreign markets has become obscure. (Piilotettu osaaminen 2016.) The environment continues to change which means that once our present students enter working life after the university they are facing a situation, which requires constant updating of knowledge. They will have to adapt themselves in new careers and new situations with an open mind. More than just having a professional with deep knowledge in just one discipline we will be needing flexible graduates who understand about other areas than and not just about the core of their individual study field and who have the ability to collaborate across disciplines with experts in other areas and to apply knowledge in areas of expertise other than one's own. Teaching sales engineering has to watch carefully that intrinsic motivation will be kept up as this will influence the learning result highly (Görne 2016)

This means that during university studies in general it becomes necessary to develop not only one's individual competences but even more importantly to realize that competences are actually built in relation to others and used as part of a whole. Fewer and fewer jobs are done in isolation. Working life is based on teams that work together solving problems or creating something new. Selling is about interaction and interaction skills are needed between individuals and in networks (Penttilä & al. 2013; Kairisto-Mertanen al. 2012; Kairisto-Mertanen & Mertanen 2007, Konst & Kairisto-Mertanen 2017.)

Successful companies understand that customer value forms a central concept that the business must be thriving for. The companies are shifting their focus on facilitating the emergence of value for their customers. (Eggert & al. 2018.) The function of sales is assisting and helping the customer during the customer's journey of gathering information, making a decision and implementing the solution when the customer engages with the company in several touchpoints. (Alhonen & all. 2018.). Due to the high

competences of sales engineers, the communication of customer aspects are relatively easy to the rest of the technical staff, realizing customers wishes.

Alongside with the change in understanding also the definition of sales has been changing. Dixon and Tanner (2013) provide a revised definition for selling and state that it is “the phenomenon of human-driven interaction between and within individuals/organizations in order to bring about economic exchange within a value-creation context.” According to this definition selling is about interaction and about value creation, the task of salespeople is to help the customers to challenge their existing ways of thinking and provide them possibilities to improve their decision-making process.

The change in sales science is likely to continue at an accelerating speed in the coming years. Matthews and Schenk (2018) predict that in the future sales professions will require people who are comfortable working with technology. Analysing data to reach insight about the customers beyond what can be experienced or seen by eyes and ears will become an important skill. They go on by saying that the future of sales will shift from art to science, which gives space especially for sales engineers.

Whatever is in the future the requirement considering technical skills and emotional intelligence, it is likely, that building relationships and networks will benefit out of the value of human connection. (Matthews & Schenk, 2018.) On the other hand when artificial intelligence and other digital solutions will replace human beings in routine like tasks, it becomes more important to concentrate on developing skills that the machines are not (yet) capable of doing. Interaction, teamwork, independent and critical thinking as well as making judgements are such skills. (Kairisto-Mertanen 2017.)

Another important consideration is to increase the complexity of teaching, by using concepts of team teaching, group reflection (Schuster& Radel, 2018, p.309-10) and action research (Coghlan & Abraham 2016, p. 177-92). These address unconscious aspects of specializations and inherent conflicts connected with that. It is important to take the different focuses of engineers and sales people into account and one possibility to do so are teaching formats that include mutual reflection of the students and lecturers concerned (Anlanger & Engel & Lobnig, 2018).

### **The aim and design of the special session**

The aim of this special session is to share understanding about how sales engineers are educated in different continents. We also aim at sharing best practices and identifying challenges but also opportunities when including sales education into engineering curricula. The discussion will provide insight in what measures were needed and taken, how the actual execution happens and finally what are the reactions and feedback from students, other faculty members and working life partners.

The people participating in the discussion are Dr. Roman Anlager from Austria, Dr. Jobst Görne from Germany, Dr. Liisa Kairisto-Mertanen from Finland, Dr. Jay Mulki from the USA and Dr. Jorge Bullemore from Chile.

The presenters share first their experiences and then the moderator of the workshop will invite the whole audience to participate in the discussion.

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# Managing customer relationships in the sales ecosystems: an exploratory study within multiple industries – P. Korpela

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## **Abstract**

Digitalization has changed firms' sales organizations from a direct or bi-directional relationship approach to an ecosystem approach. The aim of this qualitative study is to increase understanding of the key elements of the sales ecosystem and its impact on customer relationship management in the context of multiple industries. The findings suggest that the sales ecosystem consists of core actors, supportive actors, third-party actors, and customers. An efficiently and effectively managed sales ecosystem enables a better customer experience, stronger customer loyalty, and increased customer value. The implications for sales management include making the ecosystem visible and delegating tasks and responsibilities, increasing teamwork, flattening hierarchies, and contributing to the actors' self-management.

**Keywords:** ecosystem, sales, relationship management, networks, multiple industries

## **Introduction**

### ***Background of the study***

In the complex business-to-business (B2B) context, the role of a salesperson as an initiator, a maintainer, and a developer remains central. However, buyers want to interact with several actors and hierarchy levels of the selling firm. Today, today's buyers perceive that the salesperson has often been left without adequate support from the other departments of the selling firm (Korpela 2015). Digitalization, the rapid technological evolution, and customers' easy access to information have changed the sales environment. Value creation has become a customer- and market-driven interactive engagement (Vargo and Lusch 2016). Customer expectations and demands for the overall customer experience have increased (Lemon and Verhoef 2016). One way to reply to the challenges caused by the disruption of the sales environment is to approach business relationships and networks from the ecosystem viewpoint. Business ecosystem research is a current issue that applies metaphors from ecology and biology (Bronfenbrenner 1979; Moore 1993). However, as far as I know, the sales ecosystem and its link to customer relationship management have rarely been examined by scholars.

### ***Purpose of the study***

The purpose of the study is to get increased understanding of the key elements of the sales ecosystem and its impact on customer relationship management. To fill in the research gaps discussed above, the following research questions were formulated: How can the scope of the sales ecosystem be defined? How are the actors' roles emphasized in the different stages of the relationship? How does the sales ecosystem benefit the customer? How can the sales ecosystem best be managed?

### ***Context of the study***

The study was conducted among practitioners representing multiple industries.

### ***Theoretical positioning of the study***

The study sheds light on the ongoing business ecosystem discussions. It is related to personal selling and sales management theories and relationship marketing theories and contributes to both areas of research. The main contribution is in the domain of relationship marketing. The study proceeds as follows. First, I briefly review extant literature on ecosystems. Second, I address the methods chosen for the study. Third, I conduct empirical research and present the tentative results. Finally, I discuss the contributions, managerial implications of the findings, as well as the limitations of the study.

### **Literature review**

#### **Ecological model**

Bronfenbrenner's ecological systems theory, later called the biological systems theory, addresses human development within the context of the system of relationships. The theory defines the levels or layers of the ecological structure each inside the next (Bronfenbrenner 1979, 25–26). The theory separates micro-, meso-, exo-, macro-, and chronosystems from each other. The original theory was further developed later (Vélez-Agosto et al. 2017). The theory has also been utilized outside human development and socialization. The sales profession can also be explored with the systems described above. Microsystems describe the interaction between sales representatives and their customers. Mesosystems describe the interaction between customers and other people in the sales representative's organization. Exo-systems describe the indirect interaction between individuals and organizations such as the customer of your customer. Macro-systems describe the connection with macro-environmental elements consisting of the government, economy, culture, etc. Chronosystems describe the history of interactions over the life course of the relationship.

Microsystems and mesosystems particularly affect the sales profession. In addition, they are the systems most easily managed by firms. The sales profession today is complex and consists of relationships that tend to be multidirectional rather than direct or bi-directional. The interaction between sales representatives and their customers is well documented, but little research on the interaction between customers and other people in the sales representative's organization exists.

#### ***Business networks and the relationship approach***

A business market can be viewed from the network perspective. The network may consist of several business units, such as producers, customers, and service and finance suppliers that bind physical, technical, and human resources together. A network does not mean individual and isolated transactions. It forms from complex interactions within and between companies (Ford, Gadde, Håkansson, and Snehota 2003, 18). The pattern of interactions is called 'relationships,' and they

develop over time between companies and customers (Ford et al. 2003, 38). The relationship selling approach emphasizes the initiation, development, and maintenance of long-term, mutually satisfying buyer–seller relationships (Jolson 1997; Moncrief and Marshall 2005; Weitz and Bradford 1999).

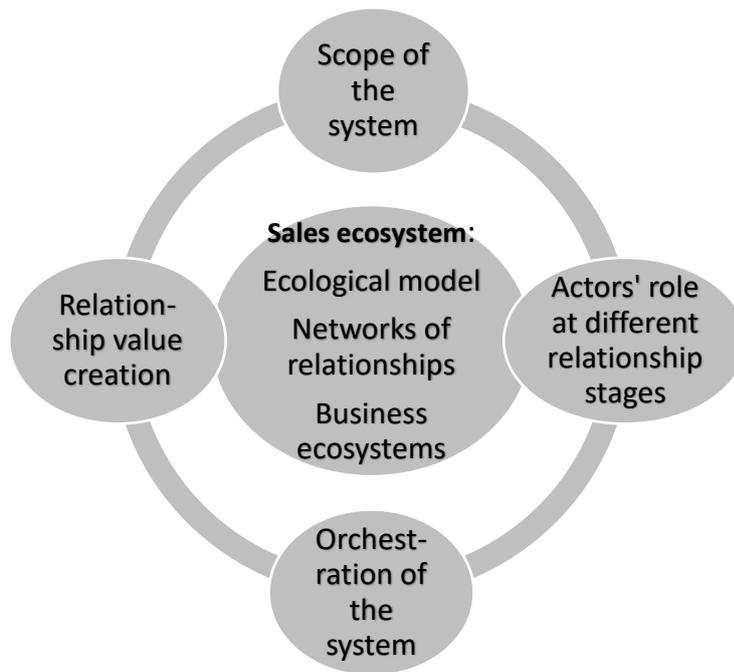
Möller and Halinen (1999) suggested that networks are replacing the ordinary customer-supplier relationships, and thus, these relationships should be viewed as research and development (R&D) networks, deep supplier networks, and competitive alliances. The next change is forecasted to replace networks with ecosystems based on increased connectivity, interdependence, co-evolution of actors, and technologies that affect relationship and network theories (Aarikka-Stenroos and Ritala 2017). However, there is currently no commonly accepted understanding of an overall added value of the ecosystem approach.

### ***Business ecosystem approach***

In a seminal article, Moore (1993) first used ‘business ecosystem’ as an analogy from ecology to describe the interdependence and co-evolution characterizing business activities today. Later, the definition of the business ecosystem and its key elements, such as the scope, roles of the actors, relationships, evolution, and governance, were addressed in many papers and by several researchers (Lappi 2017). However, despite substantial research, the business ecosystem has not been defined. Lappi (2017) suggested key end customers drive the formation of the business ecosystem and introduced the role of anchoring and moderator actors in leading the formation of the ecosystem and maintaining the structure through strong relationships. Manageability of the ecosystem is not unambiguous; it depends on how the ecosystem is defined (Aarikka-Stenroos and Ritala 2017). In self-organized business ecosystems, the governance is quite informal. Management practices characterized by hierarchy and control are not held to be workable (Lappi 2017).

### ***Sales ecosystem framework***

After reviewing empirical findings and theories, I developed an evolving framework to guide the research, to collect the data, to analyze and interpret the data, and to find new knowledge (Dubois and Gadde 2002). Figure 1 illustrates the analytical framework of the study.



**Figure 1 Analytical framework of the sales ecosystem**

In this study, the sales ecosystem is defined as a perspective or metaphor to approach customer relationship management using an analogy from ecology. An actor is defined as an individual, team, or organization involved either directly or indirectly in the sales ecosystem.

***Methodology***

To get a holistic understanding of the key elements of the sales ecosystem and its impact on customer relationship management, a qualitative research methodology was chosen. Qualitative methods enable the researcher to produce a rich and deep understanding of the phenomenon. An abductive approach and ‘systematic combining’ by Dubois and Gadde (2002) were employed to discover new things and to develop the theory. The existing theory was confronted with the empirical world throughout the study. The purposive sampling consisted of key informants, especially directors, business consultants, managers, sales, logistic and financial experts, and engineers. Data were collected in focus groups (three) and person-to-person (two) interviews (Table 1).

**Table 1 Dataset information**

<b>Focus group 1, 30.10.2018, duration 110 minutes</b>		
<b>Title of the interviewee</b>	<b>Industry</b>	<b>Total experience in years</b>
1. Consultant	Several industries	32
2. Consultant	Electronics	22
3. Account manager	Telecommunications	19
4. Manager	Technology	9
5. Entrepreneur	Services	14
6. Logistic expert	Logistics	22
7. Export manager	Wholesale and e-commerce	22
8. Export manager	Environmental services	23
9. Lecturer	Education	10
<b>Focus group 2, 13.12.2018, duration 75 minutes</b>		
1. Software specialist	Construction	14
2. Lecturer	Education	10
3. Logistic expert	Logistics	5
4. Plant director	Textile	25
5. Business development manager	Mining and metals	18
6. Sales assistant	Packaging technology	9
7. Country accounting manager	Finance	20
8. Guard	Security services	9
9. Sales representative	Mechanical engineering	12
<b>Person-to-person interviews, 31.10.2018, duration 45 minutes</b>		
1. Project manager	Telecommunications	30
2. Commercial director	Shipbuilding	29
<b>Focus group 3, 24.1.2019, duration 60 minutes</b>		
1. Salesperson	Retail trade	3
2. Sales assistant	Construction	9
3. Sales representative	Furniture, retail trade	8
4. Financial advisor	Banking and financing	10

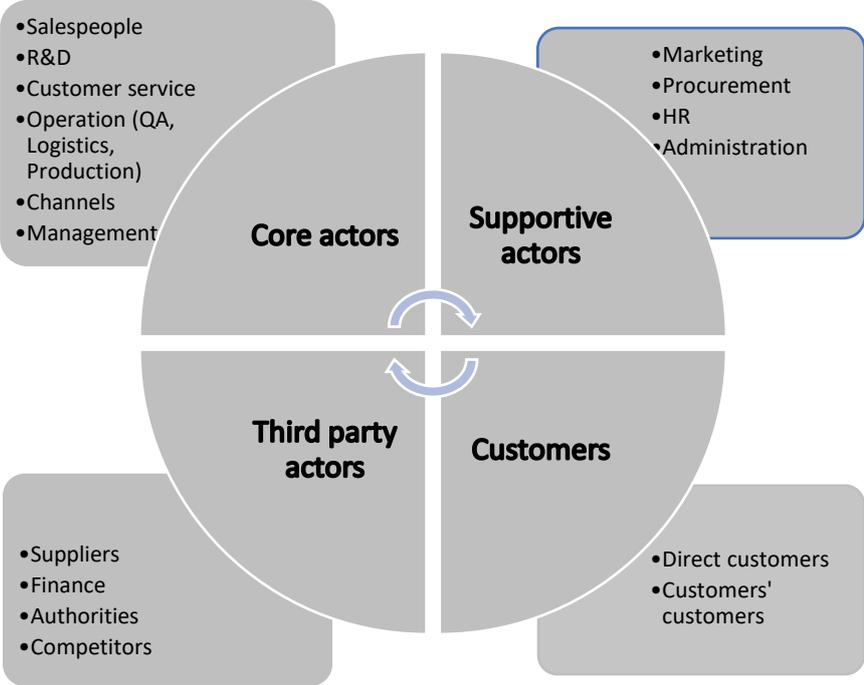
Focus group discussions were carried out in a workshop. The researcher gave a short presentation on the topic, the group discussed the topic independently, and then a group interview was conducted.

The researcher acted as the facilitator. The interviews lasted 45–110 minutes and were recorded and transcribed later. King’s (1998) template analysis was employed. Data were reduced to chunks related to the research questions, and the chunks were reduced to raw codes. Themes were identified from the raw codes by comparing similarities and differences. Then sub-codes and major codes were created. Coding was assisted by employing the ATLAS.ti coding program.

**Empirical results**

***The scope of the sales ecosystem***

The scope of the sales ecosystem and the actors that emerged from the data is summarized in Figure 2.



***Figure 2 The scope of the sales ecosystem in multiple industries***

The core actors are actors inside the selling firm. Most interact directly with customers and represent micro- or mesosystems. Supportive actors are also internal actors. They interact indirectly or directly with customers and represent mesosystems. Third-party actors represent exo-systems or macro-systems. Customers represent micro-, meso-, or exo-systems.

***Actors’ roles in the different stages of the relationship***

The roles of actors are industry- and company-specific in the different stages of the relationship and they vary from case to case. The roles can be typically grouped as follows: during the initiation stage,

the salespeople and R&D are an initiator; during the maintenance stage, the salespeople, customer service, operation, and channels are a maintainer; and during the development stage, salespeople, R&D, and management are a developer. All stages are salespeople driven, and the other actors' stakes vary from one stage to another.

### ***Relationship value created by the sales ecosystem***

Exploiting the sales ecosystem may help create relationship value through the smooth operation of daily deliveries, better cost management, better customer experience, increased customer satisfaction, better service, and extended customer loyalty.

### ***Orchestrating the sales ecosystem***

Orchestrating the sales ecosystem requires the management and leadership competencies and practices implemented by a successful firm, such as target setting, trust building between actors, transparency, and open communication. Promoting actors' self-management practices were also emphasized by interviewees and lowering or removing silos or boundaries and possible tensions between actors.

### ***Discussion and conclusions***

The phenomenon 'ecosystem' was recognized by the interviewees, but they had not thought about the sales profession from that viewpoint. It has always existed but not been visible. The concept of the sales ecosystem was not regarded as a buzzword. The concept could be shown to be useful in the domain of the sales. The concept was regarded as synonymous with team selling, but most of the interviewees agreed that the sales ecosystem is a wider and more complex approach. By using the sales ecosystem concept, the customer focus can be concretized much better than by the expression 'in the company everybody sells.'

Four central themes were identified for the sales ecosystem in customer relationship management: the scope of the sales ecosystem, the actors' roles in the different stages of the relationship, relationship value through the sales ecosystem, and orchestrating the sales ecosystem.

This study expands knowledge of business ecosystems and relationship management in the contemporary business environment and thus, helps sales organizations deliver a customer experience (Lemon and Verhoef 2016) that meets the buyers' expectations, co-creates customer value (Vargo and Lusch 2016), and improves the firm's competitiveness. In addition, the study makes a methodological contribution. Workshop focus group interviews consisting of experts in multiple industries supported by person-to-person interviews were very useful for collecting authentic data on an emerging phenomenon. Collecting data in a workshop opened up new lines of thought about the unknown topic.

### ***Managerial implications***

Orchestrating the sales ecosystem challenges management in multiple ways, including making the ecosystem visible and delegating tasks and responsibilities, increasing teamwork, flattening hierarchies, and contributing to the actors' self-management. However, the self-management practice is not an end in itself; its usability depends on the business culture of the country. This practice works well in Nordic business contexts, for example, but it is not automatically suitable in business cultures that are strongly influenced by a hierarchy. When recruiting new persons into the company, it is important that the person appointed is made familiar with the sales ecosystem and his or her role in the system, not only with his or her job, to avoid the silo effect. Tensions between marketing and sales can be removed or reduced by organizing sales and marketing under the same command instead of in separate organizations.

### ***Limitations and future research***

The small number of interviewees limits the generalization of the findings. The research could be complemented by specialized and industry-specific analysis of the four main topics, exploiting exploratory and confirmatory methods. Further research on whether customers perceive that the ecosystem meets their expectations is also needed.

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## **Abstract**

There is general consent that emotions play a key role in the sales process. Prior research suggests that salespeople's ability to perceive emotion is a crucial factor for sales performance. As facial expressions are strong indicators for emotions, this paper analyzes sales conversations by employing computer-based facial expression analysis. An explorative analysis of the data revealed that the strength of the basic emotions in the different phases of sales conversations varies significantly. This paper is a first step in identifying emotions in different selling situations.

## **Introduction**

Emotions are essential in all kinds of social exchange, and thus affect the dynamics of interpersonal interaction (Lawler 2001). They are significantly shaping the initiation, the development and the retention of relationships over time (Anderson and Kumar 2006). However, the role of emotions in business relationships have been neglected in research for a long time. Previous research shows many aspects of personal selling and sales management inherently have affective elements (Erevelles and Fukawa 2013), and thus, affect and emotions are playing a crucial role during the whole sales process (Kidwell, McFarland, and Avila 2007; Morris and Keltner 2000; Van Kleef, De Dreu, and Manstead 2004). Even considerably weak emotional reactions can lead to misunderstandings and, therefore, may have a major impact on the sales context and outcome (Adler, Rosen, and Silverstein 1998; Allred et al. 1997).

Yet, the question of which emotions are most relevant in a sales process remains largely unanswered. Sales literature primarily deals with constructs closely linked to basic emotions, such as trust (e.g., Young and Albaum 2003), pride (Verbeke, Belschak, and Bagozzi 2004) or anxiety (Verbeke and Bagozzi 2000). These so-called social emotions, which differ from basic emotions (e.g. happiness, anger, fear, joy, ...) in some points, cause certain hardwired reactions to specific situations (like basic emotions) but they relate directly to interpersonal relationships whereas basic emotions concern personal outcomes (Bagozzi 2006).

Furthermore, previous empirical studies exploring the role of affect and emotions in the sales context exclusively use self-reported measures. However, self-reported measures have inherent shortcomings, especially in connection with emotions. According to the literature, they elicit socially acceptable answers (Wiles and Cornwell 1991), respondents may not remember or be aware of the emotions they have experienced, and they capture a consumer's perception of the emotional response rather than the emotional response itself, which may lead to threats to the reliability and validity of the research

results (Poels and Dewitte 2006). Since human communication includes not only spoken language but also non-verbal information such as gestures, facial expressions and tone of the voice, various objective or hard-to-manipulate measures are available. Among these non-verbal cues, facial expressions are widely accepted as strong indicators for emotions (Ekman 1993; Keltner and Ekman 2000). Ekman and Friesen (1976) developed the Facial Action Coding System (FACS), which has long been considered a standard in facial recognition research. FACS consists of 46 observable action units (AUs) from which emotions can be derived by human coders (Ekman and Friesen 1976). This coding process is time- and labor-intensive. Recent developments in automated facial recognition allow for new possibilities in research and may overcome the limitations of human-based FACS coding. Computer-based facial expression analysis mimics our human coding skills quite impressively as it captures raw, unfiltered emotional responses. Thus, this study employs automated facial recognition to capture emotions during a sales conversation.

## **Methodology**

Data was collected in an undergraduate sales management class. After the theory of sales processes has been explained in detail, the students were asked to hold a sales conversation about a self-chosen product in pairs. The face of the seller was recorded using iMotions biometric research platform. iMotions biometric research platform is one single software platform and integrates a number of biometric technologies (eyetracking, GSR, facial recognition, and EEG). To gain deeper insight into human emotional reactions via facial expressions, iMotions integrates the AFFDEX algorithm by Affectiva Inc. (El Kaliouby and Robinson 2005; McDuff et al. 2010). The algorithm builds on EMFACS mappings developed by Ekman and Friesen (Ekman and Friesen 2003; Ekman and Rosenberg 1997) and uses FACS classified pictures as training database. iMotions detects changes in key face features (facial landmarks) such as brows, eyes, and lips. The affective emotion predictors use the observed facial expressions as input to calculate the likelihood of an emotion. A facial expression can have either a positive or a negative effect on the likelihood of an emotion.

## **Results**

Altogether 22 conversations were recorded and analyzed. The average duration of the sales conversations was 12.22 minutes (maximum 17.36, minimum 4.1). Most of the students (15) had no experience in the field of sales management, whereas only four students indicated that they have at least one year of experience. In six conversations the seller was female and in 16 conversations male. In a first step, the recorded sales conversations were content analyzed. Two researchers subdivided each conversation in different conversational phases (opening, investigation, presentation, and

closing) according to the content. The opening stage is characterized by the reception, introduction and initial small talk. In the next step, the investigation, the seller tries to find out more about the needs of the customer. This phase primarily includes questions from the seller. In the subsequent phase, the presentation, the seller presents the product and tries to credibly convey the benefits. Finally, in the closing, the two parties agree to complete the sale and define details. Table 1 exhibits the average duration of the sales conversations for the different phases. The data reveals a great variance of the duration of the individual phases. The presentation phase took the longest on average whereas the opening took the shortest.

Table 1: Mean length (minutes) of the sales conversations

	Opening	Investigation	Presentation	Close
<b>Mean</b>	0.482	3.062	6.062	1.812
<b>Minimum</b>	0.116	0.262	1.972	0.506
<b>Maximum</b>	1.155	8.830	9.460	4.298

In a second step, the percentage of each of the seven basic emotions for the different conversation phases was calculated (see Table 2). In addition, scores for engagement and attention were computed. Engagement is general measure of overall expressiveness and can be described as emotional responsiveness, whether positive or negative. It is calculated as the mean of the highest evidence scores from the upper (brow raise, brow furrow, nose wrinkle) and lower face region (lip corner depressor, chin raise, lip pucker, lip press, mouth open, lip suck, smile), respectively. Attention is a measure of point of focus of the user based on the head position of the seller. For emotion detection, a threshold of 50 % likelihood that the identified facial expressions reflect the specific emotions for each emotion detected was used. A 50 % likelihood can be seen as a moderately strong display of facial response. The occurrence of specific emotions is illustrated as percentage of the total time of the sales conversation above this 50 % likelihood.

Looking at the entire sales conversations, data reveals a greater proportion of joy (5.44 %) and surprise (3.89 %) compared to anger (0.16 %), sadness (0.15 %), disgust (0.47 %), fear (1.05 %), and contempt (0.59 %). Regarding the different conversational phases, data shows that the emotion of joy (10.21%) is predominant in the opening stage of the sales conversations compared to all other emotions. Overall, very low portions of anger and sadness are identified. Furthermore, a consistent share of surprise can be found. There is a low proportion of fear in all phases with peaks in the opening and presentation phase. Engagement is highest at the beginning of the conversation and attention remains constantly high during the sales conversations.

Table 2: Percentage of emotions in conversation phases

%	Opening	Investigation	Presentation	Close
<b>Anger</b>	0.000	0.120	0.035	0.131
<b>Sadness</b>	0.000	0.123	0.065	0.160
<b>Disgust</b>	0.420	0.289	0.559	0.370
<b>Joy</b>	10.210	4.117	4.478	4.936
<b>Surprise</b>	4.275	3.186	4.324	4.579
<b>Fear</b>	1.197	0.555	1.299	0.808
<b>Contempt</b>	0.004	0.298	0.720	0.564
<b>Engagement</b>	28.076	19.229	23.906	21.920
<b>Attention</b>	81.145	83.764	78.452	80.816

### Discussion and Conclusion

This paper is a first attempt to identify emotions that occur during a sales conversation using automated facial recognition. Since little research on this topic could be found, the study is explorative in nature and purely descriptive. Nevertheless, valuable findings could be achieved, which can be built on in future research.

Findings suggest that joy (5.44 %) is the most common emotion in the conversations and very present at the beginning of a conversation. Fear could be detected especially during the opening and the presentation phase. According to Verbeke and Bagozzi (2000), canvassing and closing a sale are selling situations known to cause fear. Reasons for anxiety in the initial phase of a conversation are, above all, a possible different social status of buyer and seller, the contact with completely new people and uncertain expectations, as well as the desire to make a good first impression (Verbeke and Bagozzi 2000). However, the first two reasons might not apply to the students in this study because they have known each other for three semesters. In this case, the first impression or even a kind of test anxiety can be a trigger for student anxiety during the conversations. This question should be answered in subsequent studies. Anyhow, as this study is based on a very small student sample, future research should try to overcome these limitations by analyzing real sales situations.

Moreover, the students were free to choose products to sell, but iMotions does not consider contextual information. However, research suggests that the context as well as situational factors might influence emotions (Mortillaro, Meuleman, and Scherer 2015). Furthermore, iMotions'

automated facial expression analysis has its inherent limitations. For instance, as the AFFDEX algorithm builds on EMFACS mappings (Ekman and Friesen 2003; Ekman and Rosenberg 1997) and uses FACS classified pictures as training database, which is based on the basic emotions theory. As a result, only basic emotions can be detected.

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# Regaining Influence in the Sales Process by Implementing an integrated Market Intelligence -S. Wengler, G. Hildmann, U. Vossebein

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The influence of the sales force on buyers in business-to-business market transactions is continuously waning. Particularly due to various new digital information channels buyers are in their decision-making processes only to a limited extent still dependent on the information provided by the sales persons. This development is putting sales forces increasingly under pressure as it is restricting their range of actions. In this conceptual paper it will be shown that regaining influence in the sales process will only be possible by the implementation of an integrated market intelligence system.

## **1. Introduction**

For years, the influence of the sales force on buyers in business-to-business market transactions has been waning. Recent research suggests that seven companies out of ten will have decided where to buy, before they have even contacted the company's sales person (Kovac et al. 2015). This puts sales force management in an awkward position: On the one hand, pressure on the individual sales person increases due to global competition; on the other hand, its direct influence within the decision-making process of the buyer has been massively reduced. Particularly the availability of additional information sources for the buyer due to digitization is limiting the sales persons' influence.

Companies will only be able to counter this development by implementing a customized and highly integrated market intelligence system. As it will be discussed in this conceptual paper, the "dark side of the customer journey" needs to be overcome and the companies have to enable their sales forces to regain influence on the buyers' decision-making processes. Therefore, the companies will be required to implement a market intelligence system that will in future provide real-time market information to their sales persons.

## **2. Business types, the sales process and the challenges of implementing market intelligence**

Recent research on the digitization of sales processes demonstrated the relevance of business types (Wengler et al 2018a) as the design of as well as the focus within the sales process will be completely different. In the literature, the following three business types – derived from Transaction Cost Economics – are distinguished with respect to their degree of investment specificity (Backhaus et al. 2003, Backhaus/Mühlfeld 2005): the product business (low investment specificity), project business (medium investment specificity) as well as relational business (high investment specificity).

Based on the idea of business types and assuming a five-step sales process (Market Analysis, Selection of Target Customers & Lead Generation, Preparation of Negotiation, Processing of Business

Transaction, After Sales), which applies across all three business types, although the individual process-steps vary considerably in their relevance to succeed, result in a 5x3 matrix. Particularly in the Product Business the first two sales-process-steps, Market Analysis and Selection of Target Customers & Lead Generation, are of significant importance as the relevance of these two sales-process-steps accounts for 50% of the complete sales process (Wengler et al 2018b), which is depicted in Figure 1.

	<b>Product Business</b>	<b>Project Business</b>	<b>Relational Business</b>
<b>Market Analysis</b>	<b>20%</b>	5%	5%
<b>Selection of Target Customers &amp; Lead Generation</b>	<b>30%</b>	10%	5%
<b>(Preperation of) Negotiation</b>	10%	30%	35%
<b>Processing of Business Transaction</b>	20%	40%	50%
<b>After Sales</b>	20%	15%	5%

Figure 1: Relevance of the different Sales Process-Steps across all three Business Types

The importance of market intelligence in the context of the Product Business becomes therefore evident. Market intelligence is defined as the systematic collection, analysis as well as provision of all relevant market data, which includes market segments and market structures, customer data (customer intelligence) as well as competitor data (competitor intelligence).

Based on conceptual approaches of Moormann et al. (1993) and Maltz/Kohli (1996) the process of market intelligence can be divided in three steps (Figure 2): access to market information, use(ability) of market intelligence and adoption of market intelligence insights. In our context we are just focusing on the first two steps of market intelligence.

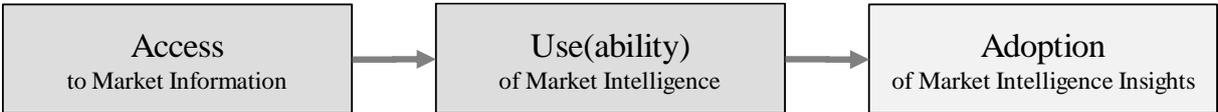


Figure 2: The Process of Market Intelligence

For a proper market intelligence, a company requires access to market information, which is rather limited in business-to-business markets. On top, collecting data in business markets is a rather complex issue as most companies are part of a multi-tier value-creation-process (Geiger et al 2015), which encompasses various additional actors (e.g. processors of semi-finished goods, OEMs, retailers and third-party influencers) – besides a wide range of customers and competitors. Collecting this information in a proper, i.e. usable, manner has to be seen as an enormous challenge to most companies. Consequently, only a few companies are really undertaking the effort of a systematic and extant market research in regular time periods (Wengler et al. 2018b). The majority of companies is buying instead general market studies from external service providers, which are mostly rather expensive and provide for many business-to-business markets only a poor data quality.

Regarding the usability of market intelligence, the sales force is confronted with two interdependent challenges: First, the data of the external market studies are often not compatible with the companies' internal data structure, i.e. the sales force is hardly able to use them on the spot, because the analysis requires every time an enormous brain and time effort to squeeze the relevant information out of the incompatible data sets. As a result, the majority of the sales forces has accepted to reduce the effort of obtaining general market information only to an annual basis and only acknowledges the results as general guidelines. The annual collection of market data, however, is only useful for the sales managers, as the market information is neither recent nor specific enough to enable sales persons influencing the decision-making process of buyers in business-to-business markets and is thus only of limited value to the company's sales force.

Another aspect particularly researched by Maltz/Kohli (1996) is the limited collaboration across departments within most companies. Even though market intelligence is available, the different departments do not make sufficient use of it, but instead neglect these valuable market intelligence insights. Strategies to overcome these deficits in managing the use market intelligence will not be further discussed in this paper as the focus will be put in the first place on the topic of data collection. Despite these challenges regarding the set-up and implementation of market intelligence, the sales force is even confronted with a second serious challenge in the Product Business, the increasing empowerment of the customer.

### **3. The Empowerment of the Customer in the Product Business**

The prominent role of the sales force in the Product Business results from the time before the internet era began, when the sales person of the supplying company was still considered the most important information source for the buying company. Since more and more reliable content on specific issues are available online, the buyer organizations do not necessarily need to rely exclusively on the selling organizations anymore. Sufficient information is accessible for buyers to be able to decide – without

consulting the supplier’s sales force. Hence, the sales force’s former opportunity to greatly influence the buyer’s decision-making due to a recognizable customer behavior in the analogue era has vanished (Figure 3).

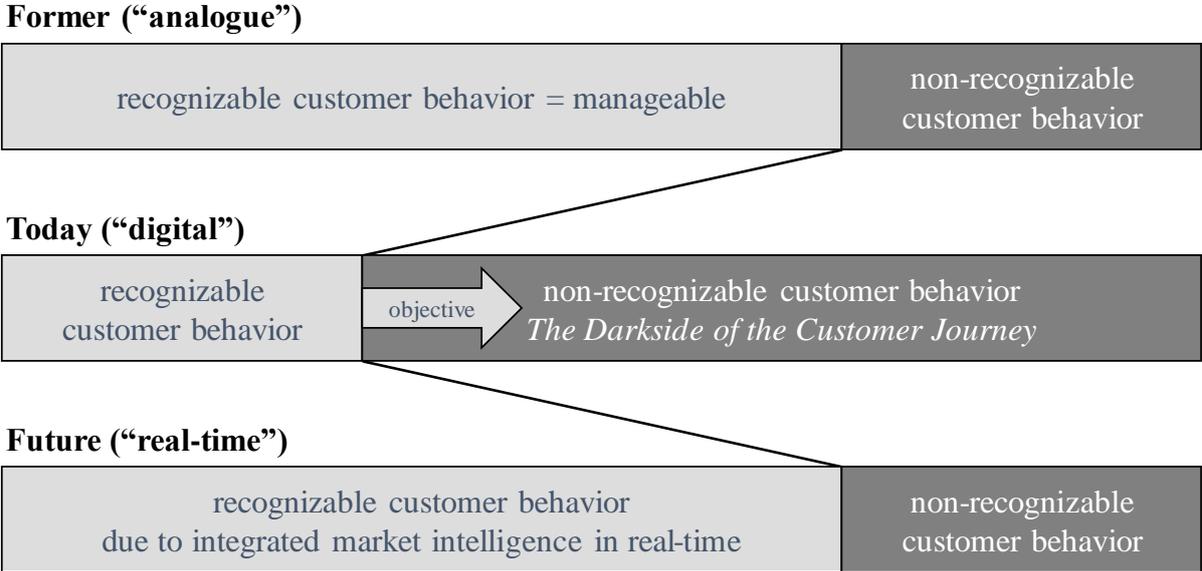


Figure 3: The Sales Force’s potential to influence the customer’s behavior

Today, the opportunities to influence the customer behavior has been reduced considerably. Due to the various new and digitally available information channels and sources, customers can inform themselves more and more independently – and will therefore decide without consulting the supplier’s sales force. Thus, the non-recognizable customer behavior has increased considerable, which we call “The Darkside of the Customer Journey”.

In future, it will therefore be the task of suppliers’ sales forces to uncover most of the “Darkside of the Customer Journey”. The digital transformation can be seen as a great opportunity in the Product Business to create the necessary prerequisites for an easier and more meaningful market intelligence – not only in the area of analysis, but already in the area of data collection. The newly created digital tools will allow the supplying company to move closer to the market and its customers and collect reliable data of the market, the customers as well as the competitors. A smart combination of Customer Journey and Content Marketing might pave the way towards a real-time and integrated market intelligence system.

**4. Customer Journey and Content Marketing as the prerequisites for an integrated market intelligence system**

As the products in the Product Business are mostly of standard design and not very complex, competition has already been intensifying over the last couple of years. In combination with the

increasing empowerment of customers in their decision-making process, suppliers will have to do much more about market intelligence compared to what they are doing nowadays. Particularly to become able to regain influence in the decision-making process of the buyer, the need for more market intelligence is undisputable. Even though this will require considerable investments, supplying companies in the Product Business should be aware that the big Tech-companies like Amazon, Google and Alibaba with their platform strategies are already moving straight forward into this direction – and become smarter every day due to their big data.

Despite the enormous financial resources and competence advantage in digital business models, the small and medium-sized companies still have a competitive advantage due to their close business relationships with their customers as well as in-depth knowledge regarding the customers' buying decision-making process. This customer journey can be systematically analyzed and provide insights into the various customer touch points. In combination with a smart content marketing, i.e. the provision of requested information at selected customer touchpoints, the database of a company's market intelligence system can be filled with valuable information and/or missing data can even be completed.

As customers do not choose suppliers by chance, the supplying company needs to get an in-depth understanding of its customers' journey. For years, the blueprint has proven a sensible tool for a systematic analysis of a customer's touchpoints and to make the complete customer-supplier interaction process more transparent (Frauendorf 2006). How an analysis can look like is shown in Figure 4: Following the structure of the AIDA approach (Barry 1987), the customer touchpoints of the attention/awareness phase are shown in the yellow column, the customer touchpoints of the interest phase are shown in the red column, the customer touchpoints of the desire phase are shown in the green column and the customer touchpoints of the action/decision phase are shown in the blue column.

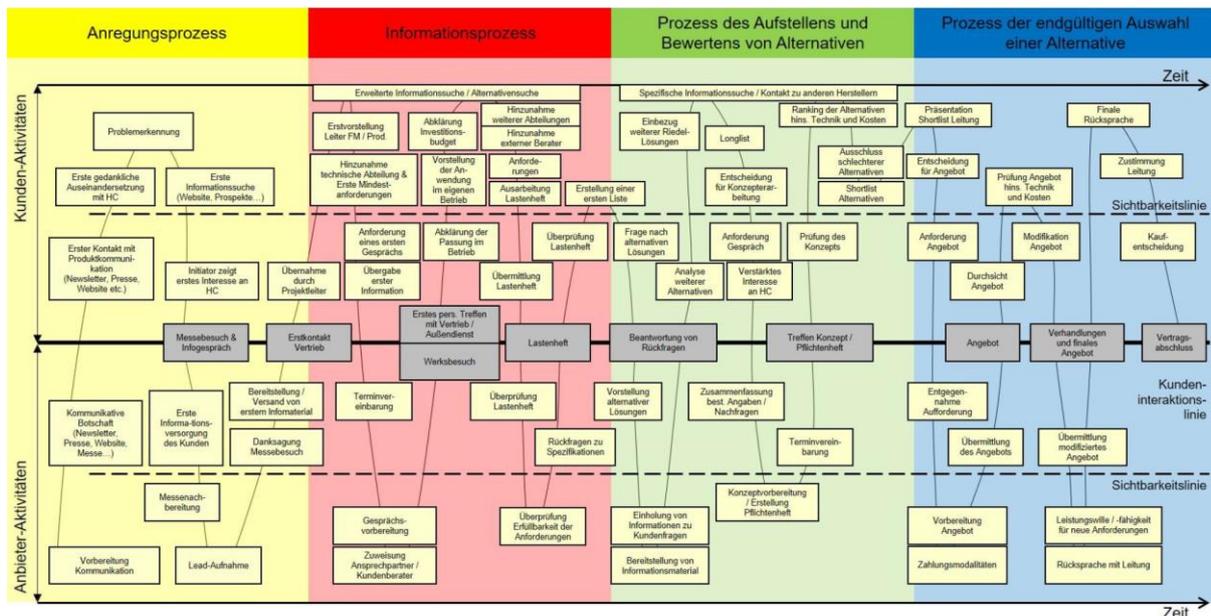


Figure 4: Example of the layout of a Blueprint in the Heating Industry

The big advantage of using the blueprint as an analytical tool is its idea, not to solely focus on the customers' touchpoints, but also to make the relevant internal actions/activities on the supplier's side more transparent. The blueprint is therefore rather comprehensive as it encompasses the customer's perspective as well as the supplier's perspective.

The challenge of the analysis of the customer touchpoints, however, can be seen in the variety and diversity of information channels used by the customers: For each of the four AIDA-phases customers can be using various off-line as well as on-line channels for information collection as well as interaction with the supplier. As a company will be unable to serve all customer touchpoints equally well, it is therefore crucial to identify the most important touchpoints – from the customers' point of view. By doing so, the "Darkside of the Customer Journey", i.e. the unknown customer touchpoints, become known ones and can provide the relevant information by content marketing.

Content Marketing in our context means the provision of relevant information to the customer – across all critical customer touchpoints. This include online as well as offline channels. A selection of generic touchpoints is shown in Figure 5.

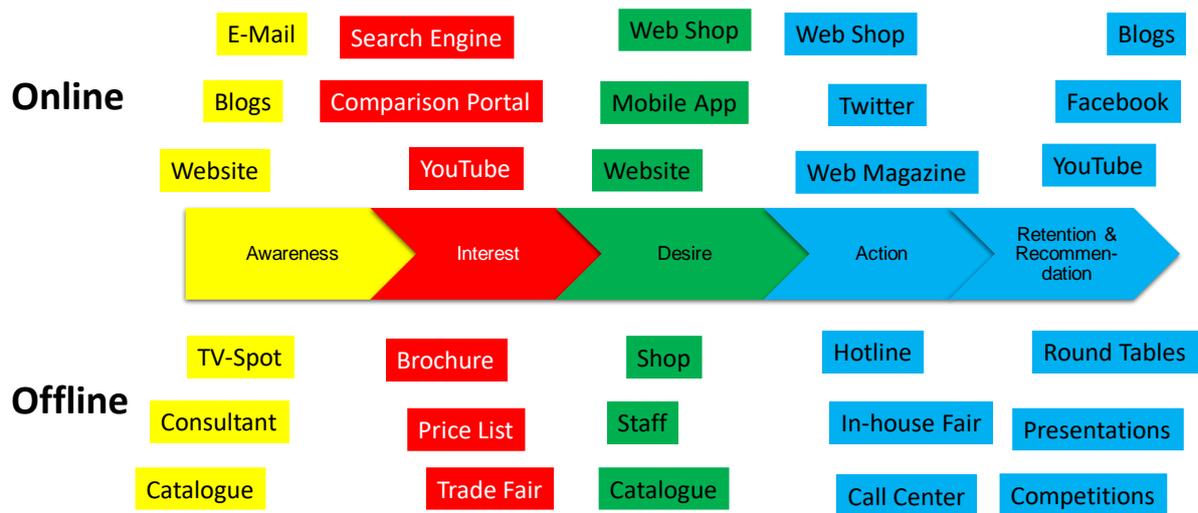


Figure 5: Overview on selected online & offline Customer Touchpoints with respect to the AIDA approach

In the digital era, customer touchpoints are becoming even more relevant to a company's market intelligence as the usage of each of the customer touchpoints leaves digital traces – and thus information about the customer's preferences, either online or offline. After the identification of the relevant customer touchpoints, a company's sales force therefore needs to identify, which information it still requires to turn its market intelligence into a meaningful one. It therefore needs to create an integrated market intelligence approach, which is going to include all relevant information from the diverse online as well as offline touchpoints. Because most customer touchpoints will be online, real-time feedback to the supplier's sales force might be in future possible. Thus, the sales persons will be enabled to act proactively and regain influence in the customer's decision-making process.

## 5. Conclusion & Future Research

Suppliers are increasingly losing influence in the customer's decision-making process. For countering this development particularly in the Product Business, the creation of an integrated market intelligence system will be indispensable, which is going to allow real-time analyses of customers' behavior and market developments. The following procedure is therefore suggested to companies for setting-up an integrated market intelligence system:

1. in-depth analysis of the complete customer decision-making process to make the customer journey fully transparent,
2. a detailed overview over all relevant customer touchpoints to collect information about the customers and enable direct interaction with the supplier,

3. an integrated content marketing, which is providing the required information at the various touchpoints, and
4. the development of a market intelligence system, which is integrating the collected data across the various online and offline touchpoints and providing the results of the analyses automatically to the sales force in real-time.

In contrast to mainstream procedures, the described approach differs fundamentally as companies should first analyze and then digitize, not vice versa. As recent research shows, most companies start with their IT systems and then try to make sense out of them (Wengler et al 2018b). Due to this procedure, companies often limit themselves right from the beginning as they might have chosen inadequate digital tools and then try to optimize them with respect to their requirements, even though it does not make sense for excelling their business.

Regarding future research direction, the suggested needs testing in real business environment. Of course, this procedure also has to be adapted for the Project and Relational Business, accordingly.

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Mastering digital transformation in sales: A research agenda going forward – Dr. D. Rangarajan, Dr. P. Guenzi, Dr. T. Kaski

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## **Introduction**

As buyers increasingly become more tech-savvy and consequently more demanding, it is imperative that sales organizations keep pace with their customers and work on a digital transformation strategy. However, a look at the literature in the sales domain mainly focused on how sales organizations have struggled to deal with implementing new technologies in the work place resulting in mixed outcomes. The purpose of this paper is to elaborate how sales organizations need to better deal with the digital transformation that their organizations are going through and consequently suggest a research agenda on the same.

As mentioned earlier, along the technological developments that seem to be embraced by buyers include online buying like – e-commerce and mcommerce, where that market is estimated to reach 12 trillion USD by 2020 (Frost and Sullivan 2017). Simultaneously, “amazonification” of commerce has elevated customers’ expectations, where in B2B customers get amazing experiences from players like Amazon and bring the same expectations from their B2B suppliers. In addition, B2B customers increasingly use social networks to communicate with other buyers and do their research about their suppliers. B2B customers today prefer to use the internet to do their own research rather than rely on the salesperson- who they usually consider to be biased in the information that they share. B2B customers expect to find customized and relevant information from their suppliers prior to communicating with salespeople. Today, customer should be in the centre of everything, and the suppliers would offer him/her optimized and personalized purchasing experience over the end-to-end purchasing journey and across all the channels customer may prefer to use. These trends have forced sales organizations to consider ways by which they need to transform digitally to keep pace with their customers and be one-step ahead of their competitors.

Sales and marketing literature is beginning to focus on how firms can harness technology to gain sustainable competitive advantage. Research by Kumar et. al (2016) looked at how a firm used social media campaigns to draw more customers into the stores. There has been work on how salespeople can harness social media to become successful (e.g. Rodriguez, Ajjan and Peterson, 2016). Additionally sales literature is focusing on how new roles in sales like inside sales are being used to create hybrid sales strategies with existing external sales forces to help sales organizations better efficiently use their

resources. Recently, Syam and Sharma (2018) explored how artificial intelligence (AI) may shape sales practice across the sales process. In the supply chain literature, there is a renewed focus on how advances in big data can help organizations better forecast sales using predictive analysis. E-commerce has been shown to impact buyer-seller relationships (Deeter-Schmelz and Kennedy 2004). Finally there is plenty of sales research that has focused on how sales force automation implementation has affected the sales organization (e.g. Jelinek et al., 2006).

It is interesting to note that sales and marketing research have mainly focused on specific technologies to understand their impact on the sales organization, but to the best of our knowledge, little work has been done on understanding how all these technologies existing in tandem affect the sales organization. Additionally there is not too much research that focuses on how the digital strategy of a firm (that includes the various digital tools available today) matches the organizational strategy of the sales organization and consequently how the operationalization of the strategy is carried out. This is interesting considering practitioner research that has insisted on the alignment between the digital strategy and the corporate strategy of a firm as being key to how organizations successfully harness digital technologies (Matt, Hess and Benlian 2015). Therefore, in this study we set out to understand how organizations focused on digital transformation can master the same and propose a structured method to achieve the same. We contribute to the sales literature by identifying possible research questions in each of the digital transformation steps.

### **Digital transformation Basics**

A quick scan on the internet yielded multiple definitions of the term digital transformation, but the one we think best captures it is: "Digital transformation is the profound transformation of business and organizational activities, processes, competencies and models to fully leverage the changes and opportunities of a mix of digital technologies and their accelerating impact across society in a strategic and prioritized way, with present and future shifts in mind." (<https://www.i-scoop.eu/digital-transformation/>). We think this definition is apt since digital transformations begins with an organization have a strategy about how to harness digital technologies to fulfil both the customers and its ambitions, but it also focuses on how it is critical for firms to understand how their existing business models and activities need to readjusted to fit the changing buyerscape.

Matt, Hess and Benlian (2015) suggest that when undergoing digital transformations, firms need to have an established strategy in place, taking into account the impact this strategy is going to have on the organizational structure as well as the change in organization wide processes to accommodate the new technologies. They go on to add that it is critical to have good governance to ensure that these transformations yield the desired results.

Matt, Hess and Benlian (2015) suggest that from a business centric perspective, digital transformation strategies should involve transformation of products, processes, and organizational aspects- arising due to use of new technologies. However, an organization that focuses on technologies to help itself rather than helping the customer is most likely to fail in its implementation (Rigby et. al 2002). We suggest that organizations that orient themselves around customer centricity are more likely to succeed, as they tend to align their organizational structure, processes, and governance mechanisms to ensure that the needs of the customers are met.

### **Digital transformation of the sales function**

A quick review of recent sales literature identifies how sales organizations need to reconsider their sales strategies to keep pace with changes in the customers organizations (Paesbrugghe et. al 2018). A significant change in the way customers buy today has been influenced by technology and this in turn has led to an increased use of digital technologies in the sales process. Literature in the sales domain has mainly looked at the use of social media in sales including social selling (e.g. Moore, Raymond and Hopkins, 2015), CRM technologies in sales (CRM). It is interesting to note that while literature has mainly focused on these technologies, there is not too much literature that focuses on the impact of other technologies like marketing automation, sales enablement, virtual reality, meeting mediums on the sales process. Another aspect that needs to be taken into account is while each technology might have its own advantage, lack of a coherent strategy that involves understanding the sales process and how technologies can help the changing sales process is critical if organizations need to be successful in utilizing the full potential of the new technologies.

In order to shed more light on this literature, we propose a step wise approach to a digital transformation of the sales function. Digital transformation is a specific example of change management. Literature suggests that successful change management implies a consistent and coordinated set of actions at multiple levels. In this perspective, a useful and well-established framework in the managerial literature is McKinsey 7S model (Waterman, Peters, & Phillips, 1980). As Palatkova (2011, p.46) pointed out, the 7S model “can be helpful when examining prospective effects of future changes within an organization.” (p. 46).

Specifically in our research, we will be restricting ourselves to how the 7S should be investigated to shed light on the impact of digital technologies on sales organizations:

#### *1. Strategy: Aligning the sales strategy to an organization’s strategy*

Literature on sales has mainly focused on how one particular technology- Sales force automation (part of CRM) has failed to consistently deliver on its promises, owing to lack of a clear sales strategy that aligns with the corporate strategy (source). A quick look at the work by Zoltners et. al (2008) suggests

that use of digital technologies is relevant only when an organization has aligned its sales and marketing strategy to the organization's strategy. They argue that an organization's strategy will dictate the kind of solution offerings to be offered to distinct customer segments, which in turn will affect the sales process and the various sales roles associated with the same. It is this sales process carried out by the different employees in sales functions that will determine the right kind of digital tools aimed at helping the organization achieve its objectives.

For example, an organization that decides to focus on selling commoditized offerings might choose an e-commerce platform as against a direct salesforce, whereas an organization with a complex value offering might need to equip their salespeople with sales enablement platforms to meet the diverse needs of their customer's decision-making unit. Similarly, when dealing with more knowledgeable customers, sales organizations might want to use more marketing automation tools and account based marketing tools.

Yet all of this calls for better integrated communication between marketing and sales and creation of new functions in support of marketing operations and sales operations? In addition, the increased focus on more tools to gather information about customer's will also necessitate the need for new functions and capabilities- which should be the focus for future research.

## *2. Structure: work on busting silos*

Gulati (2007) argues that one of the reasons most organizations struggle when going through any change, is because of their focus on a silo-oriented thinking, where people from different functions do not necessarily work together towards a common goal. This has been evident, for example, in the work on marketing and sales alignment (Guenzi and Troilo 2007), sales and operations (Paesbrugghe et. al et. al 2018), and also in the research by Plouffe et. al (2016) where they find that salespeople need to work more persuading their internal teams more than persuading customers or third parties. Considering the disruptive nature of digital technologies, and the organization wide change and potential impact they imply, it seems of paramount importance to investigate how can sales managers get the buy in from their salespeople and other internal stakeholders during times of digital transformation.

## *3. Skills: re-define sales processes to the digital era and rethink sales resource allocation*

Recent research by Paesbrugghe et. al (2018) highlights the changes occurring in the customer's procurement function that is forcing sales organizations to re-evaluate their sales strategies. While their research offers higher-level insights, sales managers need to understand that for their sales strategies to succeed they have to understand how sales processes are being redefined in the digital era. Consider the findings from Adamson, Dixon, and Toman (2012) that state that close to 57% of a

buying decision is made before a salesperson is contacted, or the findings from Gartner (2017) that state that there are around 6.8 members in the customer's decision making unit that the salesperson has to deal with, or the work by Forrester (2017) that more and more B2B customers prefer to buy online rather than in traditional formats. All this has meant that sales managers need to understand how to better rethink their sales strategies to account for new technologies to help their salespeople while also rethinking how to look at customer portfolios and use digital tools to help allocate their sales resources better. In some cases, this has necessitated sales organizations to rethink their whole go-to-market strategies. This implies that more research needs to understand how digital technologies are being deployed to help sales managers achieve their targets while creating value for their customers.

#### *4. Systems: how will digital technologies transform training & development systems, and performance management systems?*

Literature suggests that supporting systems like training act like supporting systems in times of technological change and can therefore be of fundamental importance to facilitate technology adoption (Jelinek et al. 2006). In the case of digital transformation, transformation sometimes refers exactly to how salespeople are trained (e.g. online digitalized repositories of contents), and implies, much more than in the past, self-service, fully customized approaches to competencies development. The effectiveness, efficiency and impact of the digital transformation of training certainly deserves attention by scholars. Another interesting research area refers to the performance measurement systems: digital technologies exponentially increase a company's ability and opportunity to collect and analyse much more and much better information on their sales force on a number of extremely specific KPIs. The implications of this digitally enabled transformation on sales force control systems, as well as on the related reward systems, call for investigations by academics.

#### *5. Staff: how will digital technologies transform the capabilities of salespeople?*

Do digitally-enabled salespeople need to be different from the "traditional" members of a sales force? To date, the scant literature on the topic has only scratched the surface of this key question, investigating almost exclusively the impact of age differences on technology adoption. However, digital transformation requires a much deeper understanding of the success factors of salespeople in a technology-focused business context.

#### *6. Shared values (Culture): which corporate cultures will facilitate the digital transformation of sales organizations? Will digital technologies modify the values of sales organizations?*

Most studies on change management highlight that changing the culture is one of the most important success factors and, at the same time, probably the most difficult organizational aspect to modify. Digital transformation projects are probably no exception, but the literature is almost entirely absent

on this topic. Should sales organizations involved in digital transformation initiatives adopt new values? If yes, which ones? In addition, how should they effectively be instilled into the organization. As an example, in their analysis of the secrets of high-growing companies in the digital economy, Mahdavian et al. (2016) suggest that “Commitment to the future” is the most important aspect differentiating the best performing companies from the weaker ones. This is a value characterizing the prevailing mindset of people in the organization.

*7. Style (Leadership): will digital technologies transform the leadership styles requested to sales managers?*

As recently highlighted by Angevine, Plotkin and Stanley (2018), a largely under-investigated area in the existing literature is the interplay between the “hard” part of digital transformation (i.e., the technology) and its “soft” part (that is, human beings). Digital technologies are substantially re-shaping the way people work and relate to their colleagues, peers, leaders and followers. Business leaders and influencers play a critical role to drive adoption of digital technologies to reach critical mass, because executive sponsors of the transformation set the tone and maintains momentum. Hence, what kind of leadership is needed in the new scenario? Are the current typologies of leadership styles sufficient to answer this question?

### **Future Research and Conclusion**

The purpose of this exploratory research was to mainly focus on how digital transformation in sales organization is likely to affect the personal selling and the sales management function. We used the McKinsey framework to identify 7 areas that sales organizations need to focus on- if they want to ensure that, their sales force can be enabled to be successful. This framework helped us identify some specific research questions per area that will need sales researchers to focus their attention on.

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# The Influence of B2B Customers Testimonial Videos on viewer social media engagement – J. H. Tatarą, G. D. Deitz, M. B. Royne

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## **ABSTRACT**

Customer testimonials are particularly effective in B2B selling as they act as a source of vicarious experience with a product or service, where a customer can relay information regarding involvement with a business. Marketers can use these accolades to attract and cultivate relationships with potential customers. One hundred seventy testimonial videos were included in analysis after scraping YouTube for all publicly traded customer testimonials for three top B2B technology firms. YouTube captures various metrics, such as viewer interaction and retention, that assist in analyzing the effectiveness of a video. Signaling theory is applied to show how commercial firms can use testimonials in order to communicate the value of their business to customers. Hypotheses were developed for the analysis of key testimonial and video characteristics and their influence on potential buyers. Results found that employee size of the endorsing firm and the average level of audience retention can predict the effectiveness of a testimonial video. Identifying the traits of the most effective customer testimonial enables B2B firms to leverage social media to drive business and better connect with future customers.

**Keywords:** B2B Sales, Testimonials, Social Media, Customer Engagement

## **1. INTRODUCTION**

Digitalization and social media have revolutionized the dynamics of business-to-business (“B2B”) communication. While the power of these tools is evident in the business-to-consumer (“B2C”) sector, research from the B2B perspective has been glaringly sparse. Obtaining purchasing information in the B2B sector can be challenging. On the consumer side, there are countless product and service reviews for customers to gather information. In contrast, B2B companies have been slower to adopt digital media and social networking platforms to relay information. Similar to consumers, B2B customers often depend on peer interactions when selecting a product. However, for the B2B customer, these reviews and endorsements are often difficult to obtain. The greater the degree of perceived risk, the greater the importance of information source, especially acquired through word-of-mouth influence [1]. Social media may prove to be an optimal medium in which to communicate positive word-of-mouth through customer testimonials. In Salo’s (2017) review of literature on social media research in industrial marketing, only five out of the forty articles examined were empirical studies [2]. This number shows a glaring need for more empirical work on the subject. Considering the large investment

B2B firms put towards advertising, the goal of this study is to further knowledge and theoretical understanding of B2B advertising by critically examining strategies encompassing social media usage.

Classic organizational buying models suggest that buyers are uninfluenced by anything other than personal relationships or objective attributes of the product or service provided in a B2B buying decision [3]. However, this outdated perception is rapidly changing with companies cognizant that branding and advertising campaigns can be effective drivers to sales. New technologies have allowed for the co-creation of content and increased communication between buyers and sellers. Under signaling theory – which seeks to communicate information about ambiguous or intangible quality – the testimonial firm can communicate the credibility of a firm, thus increasing the perceived trust between the commercial firm and a potential customer [4].

## **2. METHODS**

### **2.1 Hypotheses Development & Research Design**

Social media allows a forum for B2B firms to engage in more personal communication, similar to B2C relationships [5]. YouTube is one of the largest platforms of video content sharing and therefore warrants further inspection. YouTube can be successfully used in B2B social media strategies through its utilization of customer testimonials via video content. This study seeks to gather and evaluate a comprehensive list of characteristics of testimonials firms, investigating which ones are crucial to a testimonial's overall effectiveness. This experimental study utilizes a primary dataset created by scraping and compiling the available statistics on YouTube. All customer testimonial videos were gathered from three of the top B2B firms in the technology, software, and ERP sector utilizing YouTube. Oracle, SAP, and Cisco were identified as the top technology firms from BrandZ's Top 20 global B2B companies list. The technology and software industry was identified in this study as an optimal sample because of its propensity to adopt innovative social media marketing techniques earlier than other industries.

YouTube captures various metrics of a viewer's interaction and engagement that assist in analyzing the effectiveness of a video. Multiple dependent variables were analyzed in order to evaluate the effectiveness of B2B customer testimonials. Effectiveness of a video can be assessed based on the number of shares and likes. These metrics help companies see what content promotes a viewer's active participation with the video content. The independent variables in this study included both the testimonial firm and the video itself. Testimonial firm criterion variables include employee size (thousands) and the firm's profitability (millions). The third predictor for analysis is audience retention, defined as the average amount of time spent viewing the video in relation to the total length of the

video. Controls included in the analysis include video age (days), length (seconds), and the commercial firm's total number of subscribers. The comprehensive research question this study looks to address is: what characteristics of a testimonial firm are most influential when considered by a potential buyer? This is examined by analyzing the engagement viewers have with the testimonial video content.

The impact of message acceptance and overall confidence tends to be greater when provided by well-known organizations [6]. The more identifiable the testimonial firm is, the more credible the receiver perceives the information to be [7]. This study uses company size as a proxy for familiarity, predicting that the greater the company employee size, the more effective that company's testimonial. Thus, ( $H_{1a-b}$ ) testimonial firm size will be positively related to video (a) likes and (b) shares. Similarly, the higher the testimonial firm is regarded in terms of its financial performance, the more credible it will be the eyes of a potential customers [7, 8]. Therefore, ( $H_{2a-b}$ ) testimonial firm profitability will be positively related to video (a) likes and (b) shares. It may seem intuitive that the longer a viewer watches a video, the more likes and shares it will receive; however, the more time a person spends viewing a video has important implications for content creation. "Audience Retention" is defined in this study as percentage length of the video that viewers watched. If viewers click on a video link but are not motivated to watch most, if not all of the content, it is reasonable to suspect they would not like or share it. Based on this reasoning, ( $H_{3a-b}$ ) testimonial videos with higher audience retention levels will be positively related to video (a) likes and (b) shares.

## **2.2 Sample**

Identifying and scraping all customer testimonials for Cisco, Oracle, and SAP resulted in a total of 1,222 video links (Cisco: 209, Oracle: 694, SAP: 319). Of all the testimonials collected, 175 of the testimonials were conducted by publicly traded firms (Cisco: 42, Oracle: 122, SAP: 11) with over 3,360 total hours viewed. The study was limited to publicly traded companies as key firm and financial characteristics could be collected. After data cleaning and removal of outliers, the dataset was reduced to 170 testimonials for analysis with no missing variables.

## **3. RESULTS AND DISCUSSION**

Analysis of the correlation matrix in Table 1 indicates that there are indeed significant relationships between many of the variables identified. A standard multiple regression analysis was performed to assess how employee size, profitability (ROA), and audience retention predict the video effectiveness outcomes of liking or sharing. Table 2 shows significant regression equations were found using employee size and audience retention level to determine the effectiveness of video testimonials for both liking and sharing. Model 1 examines the predictor variables ability to determine likes ( $F(1, 7) = 6.041, p < .01$ ), with an adjusted  $R^2$  of .23. Model 2 examines the predictor variables ability to

determine shares, ( $F(1, 7) = 9.01, p = .001$ ), with an adjusted  $R^2$  of .26.  $H_{1a-b}$  suggests that testimonial firm size will be positively related to video (a) likes and (b) shares. Support was found for  $H_{1a-b}$  for both likes ( $\beta = .26, t = 3.58$ ) and shares ( $\beta = .31, t = 2.42$ ).  $H_{2a-b}$  proposes that testimonial firm profitability will be positively related to video (a) likes and (b) shares. However, no evidence was found that a firm's profitability measured by return on assets is a predictor of video effectiveness, thus the analysis failed to support  $H_{2a-b}$ .  $H_{3a-b}$  predicted that testimonial videos with higher audience retention levels will be positively related to video (a) likes and (b) shares. Support was found  $H_{3a-b}$  for both likes ( $\beta = .25, t = 2.81$ ) and shares ( $\beta = .31, t = 3.53$ ).

**Table 1**  
*Descriptive Statistics and Correlation Matrix for Key Variables (n = 170)*

Variable	Likes	Shares	Employee Size	ROA	Audience Retention	Video Length	Video Age	Total # Subscribers
Likes	1							
Shares	.74**	1						
Employee Size	.32**	.33**	1					
ROA	.21**	.08	.17**	1				
Audience Retention	-.00	.03	-.09	.03	1			
Video Length	.22**	.26**	.05	.04	-.58**	1		
Video Age	.03	-.07	.15	.05	-.01	.43**	1	
Total # Subscribers	.25**	.09	.18*	.15*	-.16*	.20**	.35**	1
Mean	5.00	11.97	74.96	.04	59.42%	118.18	522.52	87475.96
SD	5.93	15.11	94.03	.09	11.44%	105.27	355.15	58446.44

\*  $p < .05$  (two-tailed). \*\*  $p < .01$  (two-tailed).

**Table 2**  
*Summary of Regression Analysis for Variables Predicting Video Effectiveness (n = 170)*

Variable	Model 1: Likes		Model 2: Shares	
	Estimate	t	Estimate	t
<b>Controls</b>				
Video Age	-.35***	-3.70	-.37***	-3.91
Video Length	.40***	4.19	.56***	5.96
Total # Subscribers	-.02	-.11	.05	.37
<b>Predictors</b>				
Employee Size ( $H_{1a-b}$ )	.26***	3.58	.31***	2.42
ROA ( $H_{2a-b}$ )	.09	1.19	-.02	-.21
Audience Retention ( $H_{3a-b}$ )	.25***	2.81	.31***	3.53
Adjusted $R^2$	.23		.26	

\*  $p < .05$  (two-tailed). \*\*  $p < .01$  (two-tailed). \*\*\*  $p < .001$  (two-tailed).

#### 4. CONCLUSION

The use of social media has dramatically changed the way testimonials can be presented to potential customers. It is imperative for B2B firms to build strategy around the selection of companies to provide testimonials for their brand. Social media continues to be underutilized and underleveraged in a B2B context. As previously stated, there is increasing interest in B2B use of social media, but research is clearly behind practice. Research to date has converged around issues related to understanding adoption and barriers of social media, but there is a scarcity of research in strategies and best practices. This study hopes to offer theoretically-grounded strategy for social media use. It also hopes to move the current stage of research in this topic from descriptive to empirical. The results of this study have great managerial implications by offering practical and relevant suggestions in the selection of a testimonial firm and the video content. Theoretically, this paper advances the B2B social media strategy literature by applying signaling theory to explain the importance of testimonials in a B2B context to relay the quality of the commercial firm to potential customers. By identifying

characteristics of what makes the most effective customer testimonial, B2B firms can leverage social media to drive business and better connect with future customers.

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## **Abstract**

Born in the innovation literature, ambidexterity is gaining interest within the sales research and this concept has been applied in different fields and with different meanings. This research project wants to analyze the main research streams in sales and ambidexterity, to provide initial insight on the topic and also to build a base for further analysis and investigation. A systematic literature review was carried out to collect the major contributions. Results indicate the presence of three main research areas: service-sales ambidexterity, sales ambidexterity as innovation-related and ambidexterity as hunting and farming.

## **Introduction**

The evolution of markets, combined with internal factors within companies, has certainly had an impact in many sectors (Cuevas 2018), and sales have undergone a visible change as well; in addition, we witness a shift in the conception of successful sales behaviors (Ahearne, Lam, Mathieu & Bolander 2010; Evans, McFarland, Dietz & Jaramillo 2012) and of sales activities performed by BtoB salespeople (Moncrief 1986, 2005), compared to the past decades. Moreover, we observe the polarization between transactional and strategic (or consultative) selling in sales organizations (Cuevas 2018), while businesses have long known that they cannot afford to address exclusively high or low-end customers, because they all contribute to revenue and sustainability in general. Indeed, firms tend to serve all customers, raising the question whether organizations can achieve their growth aspirations by making multiple goals and orientations compatible. In this vein, a new perspective is catching attention of the scholars: sales ambidexterity.

The paper analyzes the main research streams in sales and ambidexterity, wanting to represent the base for further analysis and investigation. A systematic literature review was carried out to collect the major contributions.

## **Sales Ambidexterity**

Various research streams provide different conceptualizations, those can ultimately be summarized in the definition of sales ambidexterity as the simultaneous orientation towards multiple and often conflicting goals; this concept it is also studied at different organizational levels (organizational, managerial and individual) (e.g. De Carlo & Lam 2016; Agnihotri et al 2017; Nijssen, Guenzi, & Van der Borgh 2017; Cuevas 2018). Some authors reported that ambidextrous approach in sales is particularly

indicated for mature firms (De Carlo & Lam 2016) and BtoB businesses (Agnihotri et al. 2017), although few authors foresee its dark sides and difficulties (Gabler et al. 2017).

## **Methodology**

This preliminary systematic literature review (Tranfield et al. 2003; Thorpe, Holt, Macpherson, & Pittaway 2005) started with assessing the search criteria to obtain extensive coverage of the relevant research consulting one internet-based research database (Scopus) searching for “sales AND ambidexterity”. The backward and forward searches ensured wider coverage of the relevant literature (Webster & Watson 2002). The process led to collect 21 publications, furtherly analyzed in content.

## **Initial results and discussion**

The resulting 21 contributions (20 papers and 1 book chapter), 15 of which are empirical, mostly (13) quantitative in method, were all written between 2012 and 2019. The resulting works were mainly developed in northern American or central-northern European contexts, even if some research settings involved samples from Asia (Patterson, Yu & Kimpakorn 2014). Many of the contribution are published on internationally relevant journals (e.g. Journal of Marketing, European Journal of Marketing, Journal of Business Research, Industrial Marketing Management, Journal of Personal Selling and Sales Management).

The resulting literature was furtherly divided per type of market (9 are BtoB, 7 are BtoC, while 5 are between the twos) and organizational level (14 individual, 4 managerial, 8 organizational, some of them are multi-level).

The thematic analysis revealed the presence of three major streams of research.

In the first one, (SSA) service-sales ambidexterity (Jasmand, Blazevic & De Ruyter 2012; Rapp et al., 2013; Yu, Patterson & de Ruyter 2013; Patterson, Yu, & Kimpakorn 2014; Yu, Patterson, & de Ruyter 2015; Sok, Sok & De Luca 2016; Agnihotri et al. 2017; Faia & Vieira 2017; Gabler et al. 2017; Ogilvie et al. 2017; Rapp et al. 2017; Rapp & Baker 2017) is defined as an orientation that motivates a series of customer services and cross / up-selling behavior (Jasmand, Blazevic and de Ruyter 2012, Sok, Sok and De Luca 2015, Yu, Patterson and de Ruyter 2013).

The second research stream, the one related to innovation (Marabelli, Frigerio & Rajola 2012; Van der Borgh & Schepers 2014; Van der Borgh, de Jong & Nijssen 2017) studies ambidexterity as an organizational or individual orientation, with particular attention to mechanisms of management-salespeople synchronization, to create synergies and achieve multiple goals, or conceptualizing product selling ambidexterity aside cross/up-selling (Van der Borgh, de Jong & Nijssen 2017).

The third research stream refers to the conceptualization of hunting and farming (De Carlo & Lam 2016; Nijssen, Guenzi, & Van der Borgh, 2017; Cuevas 2018), and sales ambidexterity is defined as the ability of simultaneously pursuing exploration and exploitation, undergoing transactional and relational selling, trying to align all organizational levels. Being these activities interdependent but different, they compete for resources (investments, people, time) and authors argue that transforming traditional tradeoffs in synergies allow sustainable and superior performances.

This initial literature research and analysis allow to formulate some considerations.

Sales ambidexterity is emerging in the recent years (2012-2019) as a novel and interesting approach to study sales organizations and personal selling practices.

Sales ambidexterity is studied and applied in different businesses and contexts, namely the service and product industries, in BtoB and BtoC markets, and also at different organizational levels (individual/salesperson, managerial, organizational). This heterogeneity in approaches and fields has led scholars following different streams and definitions of sales ambidexterity. In fact it seems that ambidexterity has been seen and studied at many organizational levels and consequently also defined emphasizing aspects such as the salespeople behavior, or what enables ambidexterity (capabilities, motivation etc.) at higher organizational levels, without a unique perspective on the topic. In addition, the richer stream of service-sales ambidexterity seems more particular and focalized on the individual, rather than the sales organizations (innovation related and hunting-farming). Furthermore, the three streams get identified for the focus they adopt, but they seem heterogeneous in terms of organizational levels and markets (BtoB and BtoC) of application. Therefore, this heterogeneity of foci, definition and applicability levels within and outside the sales organizations represent a fruitful domain of further investigation for sales research.

### **Further research**

A valuable opportunity to expand sales ambidexterity research could be following contextual, environmental and individual factors determining or influencing ambidexterity at individual level, in addition to perceptual and objective performance measures, those will instead contribute more punctually on the organizational side. Moreover, another opportunity of further investigating this concept could be confronting ambidexterity across organizational levels, adopting longitudinal perspective as well, or even confronting mature and emerging markets.

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## Introduction

The introduction of co-creation of value as a concept in personal sales research has mainly focused on conceptualizing and describing the idea of value co-creation in sales processes. From a theoretical perspective, co-creation has been discussed and conceptualized; however, the process of co-creation on a practical level is only scarcely investigated. The purpose of this paper is to apply existing conceptual models of co-creation to practice to a) map the process of co-creation b) describe implications of co-creation practices. The paper conclusively discuss how to further investigate and develop practical applicable models for industry to implement co-creation into sales processes in personal selling.

Since Vargo & Lusch introduced Service-Dominant logic (Vargo & Lusch, 2004) co-creation of Value has been the focus of much academic literature. Grönroos further developed Service-logic (Grönroos, 2006). In both SDL and SL one of the main debates involve the concept of *Value Co-Creation*, mainly how value is co-created, by whom and when. In both SDL and SL the customer becomes a co-creator of value with the supplier (Grönroos, 2006; Vargo & Lusch, 2004) and thereby the role of the salesperson changes from communicator of value to co-creator of value (Ballantyne, Frow, Varey, & Payne, 2011; Grönroos, 2017; Prahalad & Ramaswamy, 2004).

The question then emerges: How can we describe a co-creation sales process in practice and what implications does a shift to co-creation sales bring about? Payne et al developed a map of the co-creation customer, supplier and encounter processes (Payne, Storbacka, & Frow, 2008), and thereby contributed to the understanding of the processes involved with co-creation. In 2012 Aarikka-Stenroos & Jaakkola investigated the process of co-creation in an exploratory study based in interviews (Aarikka-Stenroos & Jaakkola, 2012). Building on this, this paper seeks to further investigate and map co-creation processes in depth through observation. The process is probably best described by Marcos-Cuevas et al; Co-ideation, co-valuation, co-diagnosing, co-testing, co-designing and embedding (Marcos-Cuevas, Nätti, Palo, & Baumann, 2016).

## Methodology

The paper is based on a case study with a company in the Industrial laundry business. The research method systemic action research "is a form of action research that locates local action inquiry within a wider system taking into account both the effects that the system has on local issues and vice versa" (Burns, 2007, s. 7). Working with system actions research involves observation *with the case company*, as opposed to *observation of the case company*. The research is based on observations in practice and

follow-up interviews with the case company. The study can be defined as descriptive research to explore practice in order to explore how theories of value co-creation aligns with practice (Dul & Hak, 2007). The study was designed as a longitude experiment following a single case through all phases of value co-creation sales. The case was build and observed through 3 years.

### **The case**

The company Kruse Vask is a family-owned industrial laundry. Kruse Vask is 56 years old and operates in a mature and saturated market. This company is the smallest among larger competitors in the Danish market. The company rents linens (tablecloths, napkins, bedding, chefs-clothing etc.) to restaurants, hotels and production companies. At the beginning of the case study, Kruse Vask wanted to improve the sales process and move from transactional sales to co-creation sales. The main goal was to achieve the following outputs:

- Differentiation from competitors (who all deliver basically same services and products)
- Move away from price-wars with competitors
- Develop a unique value proposition
- Practicing value co-creation processes
- Building a sales eco-system
- Increase customer loyalty

### **Results:**

To achieve the goals described above the company decided to set out to create value for hotel and restaurants in a set geographic region of Northern Jutland, Denmark. Kruse Vask set this goal without the involvement of customers and potential customers. The following steps (figure 1) highlights actual steps of the co-creation process:



Gaining insight was achieved through customer observations. Sales people from Kruse Vask joined customers and worked side by side in restaurants as kitchen helpers, servers and in hotels as receptionists, cleaning crew and much more. Walking a mile in their customer’s shoes has become a continued practice, when new customers approach the company. The observations provide essential insights to each customer as well as insights into the hospitality business. This insight allows the case company to map ressources for all customers. The platform for co-operation is described below as three main initiatives.

From the beginning of the experiment, Kruse Vask decided to collaborate with anyone (business or person) that shared the purpose of creation growth in the hotel- and restaurant industries. The collaborators where both customers, partners and potential customers.

The process of co-creation as shown above resulted in three main initiatives:

### Food and tourism

The food and tourism initiative consists of six different activities to help grow the hotel and restaurant businesses in the regional area. The activities are paid by customers and are managed by the case company. Initiatives include a cook-off between other regions in the country, a local food festival, oyeterbattle, management training for hotel- and restaurant employees, and annual competition for international hotel managers.

### CSR

As part of the co-creation process customers expressed the desire to increase CSR, as a competitive initiative against other regions and other countries. This brought about the “Sleep well” initiative. Used bed linens with small stains are now sold to women’s shelters at a highly reduced rate. The women shelters then saves money, Kruse Vask earns money on bedlinens they would previously discard and trash and the customers (hotels) advertise their improved CSR profile.

Building on the success of re-using bedlinens. Chefs decided to develop a new line of chefs-jackets made from reused tablecloths thereby contributing to more sustainable use, as clothing and linen are massive polluters in production.

### New product inventions

The above-described experiences in the CSR initiative led to a dialogue with customers about quality of products. Subsequently this process has resulted in a new line of linens especially designed with and offered to the customers.

### **Conclusion and discussion**

The most notable change after this experiment is the fact that the sales process has significantly changed in the company. From hard bargaining, customer focus on price and traditional canvas sales to a co-creative platform for customer acquisition and retention. 95 % of new customers are now recommended from other customers or from someone in the network. Another significant change is the level of insights about customers and potential customers that the company now has. Lastly, the company now only develop solutions and products together with customers and potential customers.

The case is following one company during a three-year period of changes. Though the sales process is notably different, the case study is merely a description of one specific case, and as such has no general claim. However, this case can be used as one example of a successful transformation into a value co-creation practice. Thereby this descriptive example can serve as a foundation for further hypothesis and testing in the future.

For this study, the company had a very successful transformation, and that poses a question about the pre-existing resources of the case company. Investigation and comparing non-successful transitions would be of great importance.

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Next level of intercultural learning – a new approach to a sales study program – M.

Überwimmer, R. Füreder

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## **1. Problem definition**

Currently, the three regions of utmost importance in the aspect of economy are the European Union, Northern America and China due to their vast GDPs, their high growth rates and number of inhabitants (IMF, 2018; Marquis, Raynard, 2015).

These economic spheres are by far the most dominating industrial areas as of right now and will play an even more significant role for doing international business in the future, especially with Mexico and China being emerging countries with their rapid growth rates in economy and population (Thogersen et al., 2015).

In order to prepare students to do business in these regions, the Global Sales and Marketing Triple Degree is a cooperative study degree consisting of three partners: the University of Applied Science Upper Austria, the CETYS University in Mexico and the Providence University Taiwan Taichung in Taiwan. The degree aims to transfer knowledge from all three economic regions to the students, as well as to increase their cultural competences. Each university is allowed to nominate 15 students to the Triple Degree Program.

## **2. Necessary skills for international business success**

Many international business failures have been attributed to a lack of cross-cultural competence (Johnson, Lenartowicz, Apud, 2006).

In today's globalized business world, it is imperative to know how to work effectively with people from other countries and cultures. To export and sell products abroad, companies must engage in global markets, make their products attractive to new markets and break down existing trade barriers. Companies with an international presence have to constantly work on the relationships with their foreign business partners, make deals, agreements, negotiate, and make sure products are produced, sold and transported to the respective markets. In order to succeed in a global business environment, it takes presence and a thorough understanding of the host country, its market and its people (Plummer, 2007).

According to Ting, Guijun and Bojun (2010), international marketing and international trade knowledge, combined with intercultural communication are some of the most important assets for doing international business and export goods.

Therefore, intercultural skills, awareness of other cultures and settings, and cross-cultural communication skills, including language skills, are key factors in order to be successful in the international business setting (Plummer, 2007; Ting, Guijin, Bojun, 2010).

Additionally, international entrepreneurship and entrepreneurial thinking connected with understanding business models and various industries across the globe are abilities necessary to lead a company to success and has had a tremendous impact on the significant economic contributions and wealth creation in the recent years (Bell et al., 2004).

### **3. How did the partner search for the triple degree partner work?**

Based on the current international business situation, the University of Applied Sciences Upper Austria decided to initiate the concept of a triple degree program together with two other universities. The idea was to find partner universities located in relevant export markets which are willing and capable to contribute in delivering relevant content for the study program and which share a similar philosophy in terms of developing transfer competence, high level of students' quality and learning content and have the same focus. The ability to award a degree from all partner universities, despite only having a short stay abroad at the university, was also an important factor in choosing the partner universities. With respect to this criteria, CETYS University Mexico and Providence University Taiwan have been selected, and the existing partnership was further deepened, resulting in the triple degree agreement starting for the first time in fall 2018.

### **4. Concept of Triple Degree Global Sales and Marketing**

The students spend their first and last semester at their home university, being in Austria, Mexico or Taiwan. From January to the middle of April, all 45 participating students will be studying in Mexico with a focus on entrepreneurship, business models, intercultural management, ethics and social responsibility and learn Spanish. From May to August, the students will be in Taiwan getting insights into digitalization and omni-channel commerce management, human resource management, financial management and the Mandarin language. Starting in mid-September until the middle of December, the students will spend their time in Austria learning about international sales, marketing, cultural understanding and the German language, as well as participating in a company project with a selected company from the area. From March to June, the students return to their home university and are examined at the end of their studies.

1 <sup>st</sup> Semester	2 <sup>nd</sup> and 3 <sup>rd</sup> Semester Studying together with Latin American, European and Asian students			4 <sup>th</sup> Semester
Sept. – Dec.	Jan. – Mid April	May – Mid Aug	Mid Sept. – Mid Dec./Jan.	March – June
home university	CETYS (Mexico) 	PU (Taiwan) 	FH OÖ (Austria) 	home university

Figure 6: Time schedule GSM triple degree, Source: GSM 2018

During the four semesters, the students will be studying in three locations with a harmonized grading system for an equal evaluation, a focus of application orientation and an enrichment of industry contacts from all over the world. Furthermore, a voluntary social project must be completed during the course of studies for the purpose of fostering social skills and empathy. The language of instruction of the entire course is English.

### 5. Teaching approach

The teaching approach for conveying course material of the subjects and topics is with the use of case studies, workshops, lectures, integrated courses and projects for transfer which are according to Knight (2016) corresponding with the flipped classroom learning, a philosophy where students actively participate in the lectures and therefore gain more knowledge from this kind of learning style. Especially learning through experience like it is done through workshops is one of the most effective ways of learning according to Kolb and Kolb (2005). Experimental learning like it is done in a case study additionally fosters students' learning on a high-order level, such as their critical thinking ability and propensity for self-direction in learning (Kreber, 2001).

### 6. Networking events with industry partners

The exposure and contact to industry professionals paired with receiving practical insights has a tremendous positive impact on the development and motivation and willingness to participate in the lectures (Munoz, Miller, Poole, 2015).

The University of Applied Sciences Upper Austria therefore endeavors to give its students an understanding of how business works in real life and to connect students with operating businesses. Company visits to Austria's and Germany's most successful and innovative companies are organized regularly, as well as the chance to work with some of these businesses within the scope of a company project. Top managers of various national and international companies are invited and share their knowledge with the students on a regular basis and semi-annually organized career fairs directly on campus offer students the chance to actively engage themselves with company representatives. Therefore, with these different possibilities of networking, the students have excellent chances to generate multiple possibilities for internships in Austrian companies.

## **7. Advantages for students**

The advantages for students completing the triple degree are multilateral. Within a relative short time span, the students can gather international experience on three continents and are able to get the best out of all three universities. Simultaneously, the students are able to expand their international network and get used to being in an international environment.

In regards to language skills, the students are able to acquire entrance level language skills in three different languages while having English as the language of instruction. Needless to say, the triple degree program awards the students (after completion of the entire study program) with three degrees from the three well-established universities, in Austria, Mexico and Taiwan, additionally having groomed good relationships with well-established companies.

## **8. Advantages for industry partners**

The triple degree not only offers advantages to its participating students but also provides several advantages for industry partners. Companies can expect the triple degree students to be highly educated and knowledgeable in various business fields, having a high command of the English language and are well prepared to be intercultural competent managers, who are aware of the global challenges the economy is facing, as well as having global negotiation skills and the international network which has already been developed by the students throughout their studies.

## **9. Advantages for universities**

The triple degree program is a unique product the University of Applied Sciences Upper Austria offers and is clearly beneficial for universities, as well as industries.

Due to the intense contact and discussions and collaborations among the faculties the international relationships between the universities are strengthened and foster additional collaboration potentials.

The three universities, located around the world, benefit together while reflecting current business development in their region, through exchanging knowledge and therefore strengthening their relationships, generating new potential possibilities to advance and promote state of the art teaching to their students.

Moreover, only excellent students are accepted into the program, hence the quality of this triple degree program is exceptionally high.

## **Additional figures**

### **EU GDP 2018 18,7 trillion US\$**

<https://www.imf.org/external/pubs/ft/weo/2018/02/weodata/weorept.aspx?pr.x=42&pr.y=2&sy=20>



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## The Sales Ecosystem- Leveraging Referrals Impacts Conversion, Customer Retention and your Brand – B. Nadeau

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Processes to develop referrals which leads to a higher sales conversion rates, and higher customer retention. I'm basing this on my 25 year insurance career in the property-casualty field. As a senior manager of a Fortune 100, my team of 500 employees in 55 offices in 6 states would generate 500,000 quotes a year. The data showed warm sources like referrals generated a conversion rate of 44% versus cold/impersonal sources of below 10%.

### **My session would focus on the following:**

1. The “why” sales representatives do not fully utilize referrals. The irony is, referrals are the most effective form of developing new business, and cost virtually nothing.
2. The second “why”. Why customers are hesitant to give referrals, and techniques to minimize their concerns.
3. The attributes of warm sources like referrals and how they lead to higher conversions.
4. The pitfalls of cold prospecting sources and even when sold, their adverse impact on customer retention.
5. Several proven methods of developing referrals. This will be “hands-on”. I will engage the audience and have them interact with their peers practicing these techniques.
  - These processes can also be brought back to their classes to help students’ skills.
6. The impact of technology on the Sales Ecosystem. I’ll share 3 specific techniques on how LinkedIn can be used to yield more referrals. Also consider:
  - Research on 600,000 voice mails that shows 90% of calls go into voice mail. Most sales representatives only follow-up 1.4 times, yet the VM data shows the biggest lift is on the 4<sup>th</sup> voicemail.
  - Sales reps send a lot of time and effort trying to connect with people. Give representatives the tools, processes, and training on LinkedIn to improve their rates of connecting leads to more conversions.
  - I’ll share 3 techniques to improve a sales representatives results using voice-mail.
7. The Customer Loyalty Ladder: This was a process I used in corporate, and still use in my consulting practice, for example banks use the process with their front line teams. These are tactics to cross sell and drive-up customer retention.
8. **Bonus Tactic:** an effective process to drive the SEO of **your brand** as a recognized authority in your chosen field.

- **How effective?** I have a recent case of how a search brought my topic on page 1, in the 2<sup>nd</sup> spot of a google search among a field of 43,300. The ability for sales representatives to use technologies for promoting their brand is critical to their success.

## Imprint

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