



2016 National Conference in Sales Management  
Milwaukee, Wisconsin  
March 22<sup>nd</sup> to March 24<sup>th</sup>

Hilton Milwaukee City Center  
509 W. Wisconsin Avenue  
Milwaukee, WI 53203

# PROCEEDINGS

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## **National Conference on Sales Management Mission Statement**

The mission of the National Conference on Sales Management (NCSM) is to create and disseminate knowledge on professional selling and sales management. This mission has three legs: Research, PSE, and Business Involvement.

**Research** – The conference should be a focal point for the development and transfer of knowledge on sales and sales management. We should provide a forum for the development of quality research in the sales and sales management area.

**PSE** – A related leg is to encourage growth that strengthens PSE and its educational component. The NCSM should be designed whenever reasonable to support the PSE faculty advisors. Our activities should be structured in a fashion that recognizes their important role in the dissemination of sales and sales management knowledge as advisors to students.

**Business Community Involvement** – The final leg consists of our role in recognizing the opinions and contributions of the people who are working in the field of sales and sales management. Business people can make an important contribution in evaluating the research we are doing and in sharing ideas on trends in sales management and selling. NCSM seeks to enhance the practice of professional selling and sales management by fostering the dialogue between academicians and practitioners.

Through adherence to the mission, the National Conference on Sales Management (NCSM) exists to create the premier national conference for disseminating knowledge in the areas of sales management and professional selling.

## FOREWORD

This thirty-first volume of the Proceedings from the National Conference in Sales Management contains articles and abstracts of presentations made at the 2016 Conference held March 22-24 at the Hilton Milwaukee City Center. Each article was selected after a blind competitive review process and will be presented at the conference by at least one author. In addition, the three-day Conference devotes two sessions to The University Sales Center Alliance (USCA) sponsored Best Sales Teaching Innovation methods. Based on the success of the Revising Paper Round Table this session is continued with this year's conference and expanded to include a doctoral paper session as well as five very interesting special session presentations/panel discussions. As always, the 2016 Conference continues to provide the outstanding socializing and networking opportunities that are hallmarks of the NCSM.

As interest in sales research and education has significantly expanded over the years, Conference attendance by both academics and practitioners continues to be strong. The 2016 Conference hosts a total of 57 participants, 11 of whom are doc students. This is possible only by the combined efforts of the PSE Staff, NCSM Executive Board, authors, reviewers, session chairs, sales professionals and special presenters who have contributed their time, effort and expertise to the Conference. Special recognition for this 2016 Conference goes to:

- Ann Devine, Executive Director of Pi Sigma Epsilon for her expert support and guidance throughout the conference planning process, Kristin Pearson of PSE for supporting the online access of the Proceedings, and all the staff of Pi Sigma Epsilon for all they do behind the scenes.
- The NCSM Executive Board – Michael Mallin of The University of Toledo for his leadership and guidance as the Executive Director of the NCSM; Laura Munoz of the University of Dallas for serving as Competitive Sessions Chair; Nathaniel Hartmann of the University of Hawaii at Manoa and Mick Andzulis of Louisiana State University for serving as Co-chairs of the Doctoral Student Sales Research Program; Jay Mulki of Northeastern University for serving as Sales Education Track Coordinator; David Fleming of Indiana State University for serving as Special Sessions Coordinator; Stacey Schetzle of Ball State University and Emily Goad of Illinois State University for co-coordinating the Revising Roundtable sessions.
- All the paper reviewers (see list in separate document) for their constructive feedback to help authors advance their research.
- The University Sales Center Alliance for its continued support and sponsorship of the Best Sales Teaching Innovative Method award, and reception sponsor.
- Manfred Kraft, Editor of the Journal of Personal Selling and Sales Management, for his continuing support of the Conference.
- Axxess Capon/Tanner, Honeycutt, and Erffmeyer, for continued sponsorship of the NCSM Best Paper Award.
- Our generous sponsors of evening networking events Routledge Publishing, PSE National Education Foundation, MultiView, and USCA.
- The University of Hawaii at Manoa Shidler College of Business for sponsoring the doctoral student luncheon.
- The PSE National Education Foundation for sponsorship of doctoral student fellowships.
- And all of the contributors and supporters of the Conference who put their valuable time into making this Conference a success.

The goal of the National Conference in Sales Management is to serve as a forum for professionalizing selling and sales management by bringing together a broad spectrum of academics and practitioners. Thanks to the support and effort of everyone associated with this thirty-first event, this goal continues to be met.

Scott Widmier  
Program Chair  
Kennesaw State University

Lisa R. Simon  
Proceedings Editor  
California Polytechnic State University, San Luis Obispo

## HERITAGE OF LEADERSHIP FOR NCSM

<b>Year</b>	<b>Program Chair</b>	<b>Proceedings Editor</b>
1986	E. James Randall <i>Georgia Southern University</i>	E. James Randall <i>Georgia Southern University</i>
1987	E. James Randall <i>Georgia Southern University</i>	E. James Randall <i>Georgia Southern University</i>
1988	E. James Randall <i>Georgia Southern University</i>	David J. Good <i>Central Missouri State University</i>
1989	David J. Good <i>Central Missouri State University</i>	David J. Good <i>Central Missouri State University</i>
1990	David J. Good <i>Central Missouri State University</i>	James B. Deconinck <i>Central Missouri State University</i>
1991	E. James Randall <i>Georgia Southern University</i>	Roberta J. Good <i>Central Missouri State University</i>
1992	Ramon A. Avila <i>Ball State University</i>	Dan C. Weilbaker <i>Northern Illinois State University</i>
1993	Ramon A. Avila <i>Ball State University</i>	Dan C. Weilbaker <i>Northern Illinois State University</i>
1994	Dan C. Weilbaker <i>Northern Illinois State University</i>	Rick E. Ridnour <i>Northern Illinois University</i>
1995	Dan C. Weilbaker <i>Northern Illinois State University</i>	Timothy A. Longfellow <i>Illinois State University</i>
1996	Timothy A. Longfellow <i>Illinois State University</i>	Michael R. Williams <i>Illinois State University</i>
1997	Timothy A. Longfellow <i>Illinois State University</i>	Michael R. Williams <i>Illinois State University</i>
1998	Michael R. Williams <i>Illinois State University</i>	Michael A. Humphreys <i>Illinois State University</i>
1999	Michael R. Williams <i>Illinois State University</i>	Michael A. Humphreys <i>Illinois State University</i>
2000	Michael A. Humphreys <i>Illinois State University</i>	Jon M. Hawes <i>The University of Akron</i>
2001	Michael A. Humphreys <i>Illinois State University</i>	Jon M. Hawes <i>The University of Akron</i>

2002	David A. Reid <i>The University of Toledo</i>	Jon M. Hawes <i>The University of Akron</i>
		Scott A. Inks <i>Middle Tennessee State University</i>
2003	David A. Reid <i>The University of Toledo</i>	Scott A. Inks <i>Middle Tennessee State University</i>
2004	Scott A. Inks <i>Ball State University</i>	C. David Shepherd <i>Kennesaw State University</i>
2005	Scott A. Inks <i>Ball State University</i>	C. David Shepherd <i>Kennesaw State University</i>
2006	C. David Shepherd <i>Kennesaw State University</i>	Mark C. Johlke <i>Bradley University</i>
2007	Mark C. Johlke <i>Bradley University</i>	C. David Shepherd <i>Georgia Southern University</i>
2008	Mark C. Johlke <i>Bradley University</i>	Ellen Bolman Pullins <i>The University of Toledo</i>
2009	Mark C. Johlke <i>Bradley University</i>	Ellen Bolman Pullins <i>The University of Toledo</i>
2010	Ellen Bolman Pullins <i>The University of Toledo</i>	Concha R. Neeley <i>Central Michigan University</i>
2011	Ellen Bolman Pullins <i>The University of Toledo</i>	Concha R. Neeley <i>Central Michigan University</i>
2012	Concha Allen <i>Central Michigan University</i>	Michael L. Mallin <i>The University of Toledo</i>
2013	Concha Allen <i>Central Michigan University</i>	Michael L. Mallin <i>The University of Toledo</i>
2014	Michael L. Mallin <i>The University of Toledo</i>	Scott M. Widmier <i>Kennesaw State University</i>
2015	Michael L. Mallin <i>The University of Toledo</i>	Scott M. Widmier <i>Kennesaw State University</i>
2016	Scott M. Widmier <i>Kennesaw State University</i>	Lisa R. Simon <i>California Polytechnic State University, San Luis Obispo</i>

## 2016 NCSM Reviewers

Raj Agnihotri, *University of Texas at Arlington*

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Fred Yim, *Hong Kong Business University*



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**SPONSORS**



*The University Sales Center Alliance (USCA)*

USCA Best Sales Teaching Innovation-method Award will be presented at the 2016 NCSM Awards Luncheon. The winner will receive \$1,000 and a plaque.



*The Pi Sigma Epsilon National Educational Foundation (PSE NEF)*

The PSE NEF is committed to further the teaching and research of sales by supporting current and future generations of sales faculty. The PSE NEF will be sponsoring all Doctoral students to be a part of the NCSM.



*Access Capon/Tanner, Honeycutt, and Erffmeyer BEST PAPER*

**AWARD.** Authors of the NCSM manuscript judged to be the top paper in terms of quality and relevance will receive a \$500 award.

**EVENT SPONSORS**



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A digital marketing company that brings businesses and customers together where commerce and new opportunities thrive.



Publisher of the Journal of Professional Selling and Sales Management (JPSSM)



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## Tuesday, March 22<sup>nd</sup>, Wright Ballroom B&C

**11:00 to 1:00 pm** Doctoral Pre-Conference Session and Doctoral Lunch  
 (McArthur room) *Sponsored by Shidler College of Business*



**1:00 to 1:15 pm** Welcome from the NCSM Board

### Special Session

**1:15 to 2:00 pm**  
 Best Practices in Sales Majors/Sales Centers: A Panel Discussion: Join this premier panel of sales education leaders to learn the benefits of having a sales major/center, best practices in curriculum development, recent/upcoming changes in curriculum, ways to secure resources and work with boards of advisors, common challenges being faced today, as well as potential solutions to those challenges. *by Stephen B. Castleberry (University of Minnesota Duluth) and Dawn R. Deeter-Schmelz (Kansas State University)*

Panelists:

*Dawn R. Deeter-Schmelz, J.J. Vanier Distinguished Chair of Relational Selling and Marketing, Kansas State University and Director, National Strategic Selling Institute*

*Robert M. Peterson, White Lodging Professor of Sales, Director of the Sales Program, Northern Illinois University*

*Ellen Bolman Pullins, Schmidt Research Professor of Sales, University of Toledo*

*J. Andy Wood, Head, Department of Marketing and Wardinski Family Foundation Fellow, James Madison University*

### Competitive Paper Session

**2:15 to 3:15 pm**  
Session Chair: *Annie H. Liu (Texas State University)*

“The Role of Salesperson Optimism and Resiliency: a Dyadic Analysis of Salespeople and Their Customers” *by Bruno Lussier (Université du Québec à Montréal) & Nathaniel Hartman (University of Hawai'i at Mānoa)*

“Why Salesperson Customer Orientation Does Not Consistently Increase Performance: A Framework” *by Desirée Jost & Alexander Haas (Justus-Liebig-University)*

“The Effects of Hire Source on Newly Hired Salesperson Performance Growth Over Time” *by Willy Bolander (Florida State University), Alexis Allen, (University of Kentucky), Bryan Hochstein (Florida State University) & Cinthia Satornino (Northeastern University)*

### Competitive Paper Session

**3:30 to 4:30 pm**  
Session Chair: *Matthew M Lastner (Louisiana State University)*

“Preliminary Evidence for a Bi-Faceted Salesperson Buy-In Scale” *by Jessica Mikeska & David Fleming (Indiana State University)*

“Identifying Predictors of University Sales Competition Performance: A Social-Cognitive Account” *by Corinne A. Novell & Myles G. Chandler (Purdue University)*

“Innovation, Product Customizability, and Creative Selling” *by David A. Locander (California State University, Fullerton), Obi O. Obilo (Central Michigan University) & Mark D. Groza (Northern Illinois University)*

## Special Session

4:45 to 5:30pm

**Social Selling in Your Curriculum: What, Why, and How?:** Social Selling is part of most sales functions now. While many companies are developing social selling strategies, the concept of social selling is still being defined. LinkedIn is uniquely positioned in the social selling space and a dialogue regarding how they help measure social selling at the representative level will be discussed. How and why did LinkedIn create the Social Selling Index (SSI) and what is the value of adding social selling and SSI in our classrooms? Our guest from LinkedIn will also share how social Selling and SSI is impacting sales performance in the field.

**Panelists:**

*Justin Shriber, LinkedIn Head of Marketing, LinkedIn Sales Solutions*  
*Dr. Howard Dover, University of Texas at Dallas*  
*Dr. Robert M. Peterson, Northern Illinois University*

## Welcome Reception

6:00 to 8:00 pm

### NCSM Welcome Reception at the "Safe House" Sponsored By PSE

Safe House in Milwaukee is a popular spy-theme restaurant and night spot. For almost 50 years, Control has provided Crafty Concoctions and Incredible Edibles to hungry agents on R & R. It is secreted behind International Exports Ltd. on Front Street in Milwaukee.



## Wednesday, March 23<sup>rd</sup>, Wright Ballroom B&C

8:00 to 8:30 am Breakfast

## Doctoral Session



8:30 to 10:00 am

**Session Chairs:** *Nathan Hartmann (University of Hawaii) and Mick Andzulis (Louisiana State University)*

"The Moderating Role of Environmental Extraversion on Job Stress and Job Performance in Multi-level Marketing Context" by *Ashish Kalra, Han Ma, & Sijie Sun (University of Texas at Arlington)*

"The Answer is to Empower Your Sales Force When it Comes to Sales Technology" by *Omar Itani (University of Texas at Arlington)*

"Follow Up and Lead Qualification: An Examination through a Construal Theory Lens" by *James B. Youn & Rui Du (University of Hawaii at Manoa)*

"Selling to Empowered Consumers: Is the Consumer's Regulatory Focus the Key to Salesperson Transformation to Knowledge Broker" by *Bryan Hochstein (Florida State University)*

## Competitive Paper Session

10:15 to 11:15 am

**Session Chair:** *Joël Le Bon (University of Houston)*

"Buying Value: Towards Understanding the Performance Impact of Purchasing Agent's Value-Creating Behaviors" by *Stephan Volpers (Justus-Liebig-University), Roland Kretzschmar (Justus-Liebig-University), Maximilian A. Maier (Justus-Liebig-University) & Alexander Haas (Justus-Liebig-University)*

"Examining the Sales Force through an Institutional, Systemic, Service-Dominant Logic Lens" by *Nathaniel Hartmann (University of Hawai'i at Mānoa), Heiko Wieland (California State University, Monterey Bay) & Stephen L. Vargo (University of Hawai'i at Mānoa)*

"A Framework for Evaluating Sales Managers" by *Michael L. Mallin (University of Toledo)*



11:15 to 11:30 am Competitive paper award sponsor Access Capon/Wessex

12:00 to 1:30 pm PSE Awards Luncheon

## Creative Teaching Methods in Professional Selling



2:00 to 4:50 pm

“A teaching process for building Cultural Selling Intelligence” by *David Baker (University of Louisiana at Lafayette) and Duleep Delpechitre (Illinois State University)*

“Teach Your Students How to Clean-up and Power-up their eMail using Zero Classroom Time” by *Joel Whalen & Crys Fazal (DePaul University)*

“The Sales Management Class: A Blended Approach” by *Gregory McAmis (Western Kentucky University)*

“Teaching Salesmanship: A Game Oriented Approach” by *Rik Paul (IBS Hyderabad, IFHE University)*

“A Three Part LinkedIn Assignment” by *Dick Plank (University of South Florida)*

### Special Session

5:00 to 5:45 pm

“Making Sales Education Relevant in the 21st Century: Some Healthy Outside Perspectives”: An interactive discussion with panel members who have significant experience both teaching sales in an academic setting and selling on the street. Panelists will share their wisdom on various topics and field questions with complete candor. Themes include: technology, millennials, rigor-relevancy gaps, the 7 step sales process myth, roleplaying is insufficient, changes looming on the academic front and industry mass retirements. Plus, some calamity stories from the street.

Panelists:

*Robert M. Peterson, White Lodging Professor of Sales, Northern Illinois University*

*Mike Rodriguez, Senior Sales Consultant, Oracle Sales Cloud*

*Jeanne Frawley, Former Director, Sales Education Foundation*

*Charles H. Howlett, Assistant Director of Professional Sales, Northern Illinois University*

5:45 to 6:00pm Winners for Creative Teaching Methods for Professional Selling announced

6:30 to 9:30 pm

### Evening Event at “Evolution” Sponsored by Multiview



Evolution is a “Gastro Pong” restaurant and ping pong venue located on Old World 3<sup>rd</sup> street. The evening will be highlighted with food, drinks and a ping pong tournament including both NCSM attendees and our corporate partners.

## Thursday, March 24<sup>th</sup>, Wright Ballroom B&C

8:00 to 8:30 am Breakfast

8:30 to 9:15 am

### Special Session

Sales Simulation: What you should know: The purpose of this panel session is to present sales simulations to the audience, provide feedback on the pros and cons of using sales simulations in the classroom and initiate a discussion with sales professors in attendance to share their experiences using sales simulations. by *Felicia Lassk & Jay Mulki (Northeastern University)*

## Competitive Paper Session

9:30 to 10:50 am

Session Chair: *Bryan Hochstein (Florida State University)*

“The Impact of Impression Management Tactics and Identity Similarity and Distinctiveness on Customer-based Salesperson Performance” by *Shu-Hao Chang (National Applied Research Laboratories) & Kai-Yu Wang (Brock University)*

“How Do Residual Relationships Affect Salespeople’s Opportunity and Effort to Regain Business? Comparing Gender Differences” by *Annie H. Liu (Texas State University) & Mark P. Leach (Loyola Marymount University)*

“Transforming B2B Customers’ Cognitive Thinking in Sales Interaction: A Conceptual Model” by *Timo Kaski, Ari Alamäki (Haaga Helia University), Ellen Pullins (University of Toledo), Pia Hautamäki & Heidi Kock (Haaga Helia University)*

“Lucky Happenstance for Young Sales Professionals Or Would You Rather Work Hard or Smart to Get Lucky” by *Joël Le Bon (University of Houston)*

## Special Session

11:00 to 11:45 am

Social Selling Considerations for the Sales Manager: The methods people use to communicate have changed dramatically since the widespread acceptance of social media. Because communication is an integral part of sales, social media will also have a profound effect on personal selling. Evidence indicating the benefits of “social selling” is convincing. Although social selling is advantageous and its prominence is evident, its incorporation into the sales process introduces new challenges and considerations for the sales manager. This special session explores potential considerations.

Panelists:

*Scott Sherwood (Metropolitan State University of Denver)*

*April Schofield (Metropolitan State University of Denver)*

**11:45 am to 1:30 pm Lunch on your own**

**1:30pm to 2:00 pm Report from the NCSM Board**

## Teaching Tips for Professional Selling



2:00 to 3:45 pm

Session Chair: *Concha Allen (Central Michigan University)*

“Teaching the Physician as a Sales Representative Concept” by *Shane Smith (University of Tampa)*

“What Color is Your Parachute? A Pedagogy for Sales Career Strategy Development” by *Pamela M Peterson (University of Nebraska at Omaha) & Dawn R. Deeter-Schmelz (Kansas State University)*

“Working the Room on the First Day of Class” by *Robert M. Peterson (Northern Illinois University) & Howard F. Dover (University of Texas at Dallas)*

“Enhance the Classroom by Inviting Employers the Right Way While Raising Money that Can Help Your Students and Program” by *Blake Neilson & Steven Eichmeier (Weber State University)*

“Paradigm Shifts, Innovation and Creativity – Looking for New Solutions to Old Sales” by *Terri Feldman Barr (Miami University)*

“Building a Professional Network: A ‘Selling Yourself’ Class Project” by *Larry DeGaris (University of Indianapolis) & Hulda Black (Illinois State University)*

## Revising Roundtable, Wright Ballroom

The Revising Roundtable at NCSM is an opportunity for authors to share in small groups finished research or research in progress and receive valuable feedback to use when moving forward with current or future research. It is equivalent to concurrent sessions in most other academic conferences. Session Chairs: *Emily Goad (Illinois State University) and Stacey Schetzle (Ball State University)*

“Developing a Measure for Understanding the Frequency and Purpose of Using Social Media in the Supply Chain” by *Mary Shoemaker (Widener University), Richard E. Plank & Robert Hooker (University of South Florida)*

“How Many Fish does Your ‘Net’ Catch? The Implications of Social Media in Sales Strategy” by *Phuoc H. Pham & Catherine M. Johnson (University of Toledo)*

“Grit, Mental Toughness and Tenacity: Are they Different?” by *David Fleming (Indiana State University), Andrew B. Artis (University of South Florida), Jessica Mikeska (Indiana State University) & Carlin Nguyen (University of South Florida–St. Petersburg)*

“Converting Purchase Commitments into Purchase Fulfillments: An Examination of Salesperson Characteristics and Influence Tactics” by *Melissa Clark (Berry College), Willy Bolander & Bryan Hochstein (Florida State University)*

“The Role of Guilt, Relational Orientation Selling, and Positive Outcome Feedback on Customer Satisfaction” by *Colin B. Gabler (Ohio University), Raj Agnihotri (The University of Texas at Arlington), Kevin J. Trainor (Northern Arizona University), Michael T. Krush (North Dakota State University) & Omar Itani (The University of Texas at Arlington)*

“The Role of Social Media in Proactive Postsales Service” by *Yusuf Oc (Bogazici University) & Omer Topaloglu (Eastern Illinois University)*

“A Synthesis of Research on Listening” by *Emily A. Goad (Illinois State University), Fernando Jaramillo (The University of Texas at Arlington) & Duleep Delpechitre (Illinois State University)*

“Agility Selling: How Flexibility and Speed Influence Value Co-Creation with Customers” by *Aniefre Inyang (The University of Texas at Arlington) & Juliana White (Louisiana State University)*

“A Fresh Look at SOCO: Should we Link Selling Orientation to Customer Orientation?” by *Gary R. Schirr & Maneesh Thakkar (Radford University) & Laurel E. Shirr (Virginia Tech)*

## Evening Event Sponsorship Available

### Dinner and Tour at Harley Davidson

Harley Davidson is one of the iconic American companies headquartered in Milwaukee, Wisconsin. Come tour the museum and enjoy dinner with your fellow faculty members before heading home.

Thursday 4:00 to 6:00pm

6:30 pm

## 2016 NCSM Competitive Paper Abstracts by Session

Tuesday 2:15 to 3:15pm

### **The Role of Salesperson Optimism and Resiliency: A Dyadic Analysis of Salespeople and their Customers**

by Bruno Lussier (*Université du Québec à Montréal*) & Nathaniel Hartman (*University of Hawai'i at Mānoa*)

Salespeople build customer relationships daily. Consequently, dealing with constant customer demands and objections is an inevitable job demand. In light of this, the authors introduce a theoretical model involving positive psychology constructs in a business-to-business context. Specifically, the influence of salesperson optimism and resilience on relational outcomes is explored. The results, using a cross-industry sample of 175 salesperson-customer dyads, confirm the positive impact of optimism and resilience on customer orientation and objection handling. Implications of our findings to theoreticians and practitioners are discussed.

### **Why Salesperson Customer Orientation Does Not Consistently Increase Performance: A Framework**

by Desirée Jost & Alexander Haas (*Justus-Liebig-University*)

While scholars and managers have assumed a positive relationship between salesperson customer orientation and performance, extant research does not provide evidence for a consistent relationship. To date, we cannot explain why. Drawing on information economics and uncertainty theory, the study investigates the relationship between customer orientation and performance. We develop a conceptual framework and propose a non-linear relationship between customer orientation and performance as well as moderating influences on the relationship. The study thereby addresses calls for a stronger focus on theory-driven research, integrates past research, and provides guidelines for future research on performance outcomes of salespeople's customer orientation.

### **The Effects of Hire Source on Newly Hired Salesperson Performance Growth Over Time**

by Willy Bolander (*Florida State University*), Alexis Allen (*University of Kentucky*), Bryan Hochstein (*Florida State University*) & Cinthia Saturnino (*Northeastern University*)

Academic research and management practice reveal two opposing salesperson hiring strategies: 1) the hiring of experienced salespeople and 2) the hiring of inexperienced, but formally-educated salespeople. Utilizing research on learning theory and sales education, the current research considers which hiring practice leads to higher sales performance across time. A longitudinal growth model, pairing survey data with up to 24 months of objective sales performance data, suggests that experienced salespeople exhibit higher initial levels of performance, but these preliminary results are followed by a relatively flat growth trajectory. In contrast, although inexperienced salespeople with specialized education do not perform as well in the short term, they grow quickly in an upward trajectory over time, surpassing the performance of experienced salespeople in approximately 17 months. By extending understanding of divergent sales performance, the current research connects educational learning theory with human resource strategy, and offers several actionable recommendations for hiring managers.

**Preliminary Evidence for a Bi-Faceted Salesperson Buy-In Scale**

*by Jessica Mikeska & David Fleming (Indiana State University)*

While salesperson buy-in is understood to be an important element of firm strategy implementation, it is also widely understood to affect customer satisfaction. Specifically, prior research suggests that the manner of salesperson buy-in may lead to different types of customer satisfaction. This research implies that a salesperson who has bought into the management's goals and tools for successfully selling a product campaign will lead to cumulative customer satisfaction, while a salesperson who has bought into the likely quality performance for the product will lead to transactional satisfaction. To this end and absent in prior research, this study conceptualizes a bi-faceted construct of salesperson buy-in; i.e. one that includes both product and product strategy buy-in. Although qualitative interviews of 13 salespeople was collected for a larger scale measurement study, they are examined in this study as preliminary evidence of a bi-faceted buy-in concept. This preliminary evidence indicates that 1) both product and product buy-in are legitimate types of salesperson confidence utilized to motivate sales, and 2) both types of buy-in may not be necessary to effectively carry out a sales campaign of the firm.

**Identifying Predictors of University Sales Competition Performance: A Social-Cognitive Account**

*by Corinne A. Novell & Myles G. Chandler (Purdue University)*

Sales competitions provide access to recruiters seeking top sales talent at the university level. Understanding predictors of performance in these sales competitions could be useful to both researchers and recruiters for screening all applicants. The current research examines how the social cognitive model of motivation, featuring implicit theories of selling ability and goal orientations, and other metrics predicts performance within sales competitions. This research extends prior research on goal orientations and sales behavior by adding the cognitive predictor (implicit theories) and by examining sales performance in a new setting (university sales competitions), yielding new implications for recruiters.

**Innovation, Product Customizability, and Creative Selling**

*by David A. Locander (California State University, Fullerton), Obi O. Obilo (Central Michigan University) & Mark D. Groza (Northern Illinois University)*

This research looks at how multi-level organizational attitudes towards innovation influence a salesperson's ability to engage in selling activities like product customization and creative selling. The results reveal that top management support for innovation does not directly influence product customization but did have a positive effect on innovation orientation at the department level; which in turn had a positive effect on product customization. Salesperson ability to customize products did have a positive effect on creative selling which positively influenced job performance. These findings are based on a sample of 250 business-to-business salespeople and demonstrate the importance of having an innovative culture across all levels of the organization.

**Buying Value: Towards Understanding the Performance Impact of Purchasing Agent's Value-Creating Behaviors**

*by Stephan Volpers (Justus-Liebig-University), Roland Kretzschmar (Justus-Liebig-University), Maximilian A. Maier (Justus-Liebig-University) & Alexander Haas (Justus-Liebig-University)*

While selling value has received much attention, research has largely neglected to address value creation of purchasing. Consistent with current research on value creation, this study develops a model that links supplier screening and requirement definition to purchasing agent's performance. Additionally, we investigate how these relationships are affected by value demandingness and cross boundary teams. We test our model, drawing on a sample of 158 purchasing agents. Apart from several positive effects, results show an unexpected negative effect of cross boundary teams on the relationship between requirement definition and purchasing agent's performance. This study provides a better understanding of buying value and has important implications for purchasing and sales managers alike.

**Examining the Sales Force through an Institutional, Systemic, Service-Dominant Logic Lens**

*by Nathaniel Hartmann (University of Hawai'i at Mānoa), Heiko Wieland (California State University, Monterey Bay) & Stephen L. Vargo (University of Hawai'i at Mānoa)*

The sales function is increasingly recognized as undergoing substantial change and playing a strategic role in co-creating value. To advance understanding of the sales function, this research reviews and integrates several literatures to advance a novel conceptualization of the sales function. The authors conceptualize the sales function as an integrator and evolver of operant resources (i.e., knowledge, skills, and abilities), that assesses and acts on service- the application of operant resources for the benefit of another- opportunities. In this capacity, the sales function facilitates the alignment of practices, assumptions, values, beliefs, rules, etc. amongst actors in the service ecosystem.

**A Framework for Evaluating Sales Managers**

*by Michael L. Mallin (University of Toledo)*

This study presents the results of a survey from the perspectives of 74 senior sales executives to better understand perceptions of the most important first line sales management performance evaluation criteria. Based on results, a framework for evaluating sales managers is proposed. A secondary study objective is to identify gaps between sales executive's perceptions of important evaluation criteria and what is actually being used. Findings show that senior sales executives viewed all sales manager evaluation criteria as significantly more important than what they are actually implementing in practice. A discussion is presented to speculate on reasons for this gap and to provide recommendations for practitioners and researchers.

### The Impact of Impression Management Tactics and Identity Similarity and Distinctiveness on Customer-based Salesperson Performance

by *Shu-Hao Chang (National Applied Research Laboratories) & Kai-Yu Wang (Brock University)*

Previous studies of impression management have focused on the impact of impression management on subordinate performance evaluation. However, little research has investigated the influence of impression management on salesperson performance evaluation. From both customer-salesperson and customer-company perspectives, we examine the influence of impression management tactics and customer-company (C-C) identification on customer-based salesperson performance (CSP). The results show impression management tactics influence trust via customer liking whereas identity similarity and distinctiveness influence commitment via C-C identification. Trust influences CSP both directly and indirectly via commitment. In addition, we demonstrate that C-C identification moderates the effect of customer liking on trust.

### How Do Residual Relationships Affect Salespeople's Opportunity and Effort to Regain Business? Comparing Gender Differences

by *Annie H. Liu (Texas State University) & Mark P. Leach (Loyola Marymount University)*

This study examines a model of positive/negative residual relationships (i.e., advocates and blockers) on salespeople's likelihood to regain defected B2B customers. Our findings show that having inside advocates encourages a salesperson to invest more directed efforts as well as enhances a salesperson's opportunity to regain the lost business. However, even with inside advocates, salespeople do not necessarily perceive re-approaching lost customers as being less difficult. Having blockers presents a real challenge, but do not take away a salesperson's opportunity to regain the business. We further compare gender differences in customer reacquisition in two-group SEM models.

### Transforming B2B Customers' Cognitive Thinking in Sales Interaction: A Conceptual Model

by *Timo Kaski, Ari Alamäki (Haaga Helia University), Ellen Pullins (University of Toledo), Pia Hautamäki & Heidi Kock (Haaga Helia University)*

Using a qualitative investigation in three industries, we collected dyadic interview data from 60 salespeople and 30 buyers. We collected and analysed narratives on successful and failed sales encounters to identify patterns, similarities and differences around challenger themes. Our findings suggests that the ability to influence customer's thinking is often a core element in the successful sales interaction where value can be co-created. We also find that salespeople need to encourage customers to reflect, to help them build new cognitive schemas, and to analyze and synthesize new knowledge required to transform their way of thinking and behaving.

### Lucky Happenstance for Young Sales Professionals Or Would You Rather Work Hard or Smart to Get Lucky

by *Joël Le Bon (University of Houston)*

This research combines two important areas of the sales literature—the attribution theory and the goal orientation theory—and investigates the extent to which young sales professionals' performance come from lucky happenstances when working smart or hard is at stake. Building on qualitative interviews conducted with young and experienced salespeople, sales students, and multi-source data collected from the latter involved in a customer relationship management course requiring a real field sales assignment, we offer new insights to enhance young salespeople's motivation and performance. More specifically, we suggest that inexperienced salespeople are better learners and performers if they attribute sales success to effort conjointly with accidental luck and provoked luck no matter whether they work smart or hard.

# **THE ROLE OF SALESPERSON OPTIMISM AND RESILIENCY: A DYADIC ANALYSIS OF SALESPEOPLE AND THEIR CUSTOMERS**

**Bruno Lussier, ESG UQAM**  
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## **INTRODUCTION**

The overarching aim of this study is to enhance understanding of the role of optimism and resilience in explaining salesperson performance and customer satisfaction. To accomplish this, this study is organized around two primary purposes. First, we examine the influence of two salesperson psychological capacities- salesperson optimism and resilience on salesperson customer orientated behaviors in the business-to-business context. In doing so, we provide the underlying theory for why and how optimism and resilience influence salesperson's customer orientation. Second, the mediating role of salesperson customer orientation in explaining the influence of optimism and resilience on important salesperson performance and customer satisfaction is explored. By doing so, we elucidate how and why optimism and resilience can contribute to important outcomes.

## **THEORETICAL BACKGROUND**

This research draws from positive organizational behavior and broaden-and-build theory. Positive organizational behavior emphasizes “the study and application of positively oriented . . . psychological capacities that can be measured, developed, and effectively managed for performance improvement in today’s workplace” (Luthans 2002, p. 59). Psychological capacities refer to state like (*versus* trait like) individual attitudes, beliefs, and behaviors that influence workplace performance. The state like (*versus* trait like) nature of psychological capacities implies that psychological capacities are subject to change and development. Focal to much of this literature are the psychological capacities of optimism and resilience (Luthans 2002). This literature establishes that optimism and resilience increases the ability of individuals to effectively overcome resistance, adversity, and conflict, challenges that salespeople regularly face.

We draw on broaden-and-build theory of positive emotions (Fredrickson 2001) to further delineate the process with which the psychological capacities of optimism and resilience influence salesperson performance and customer satisfaction. The broaden-and-build theory of positive emotions (Fredrickson 2001) explains how positive states can broaden people's momentary thought-action repertoires. In this manner, positive states can encourage the development of lasting diverse, exploratory, and novel behaviors.

## HYPOTHESES DEVELOPMENT

Although sparse research investigates the linkages between either optimism and resilience and customer satisfaction and sales performance, the research that does examine these relationships— either directly or indirectly— suggests a positive relationship. Complimenting these findings is research conducted in non-sales contexts that links optimism (Luthans et al. 2007) and resilience (Luthans et al. 2007) to job performance. Given that developing and maintaining customer relationships is a large part of salesperson’s job responsibilities and thus performance, it seems reasonable to suggest that the positive effect of optimism and resilience on salesperson performance generalizes to customer satisfaction.

While the aforementioned findings seem to suggest a positive relationship between both optimism and resilience and performance and customer satisfaction, research is yet to elucidate the process through which this influence may occur. Optimism and resilience may increase customer-oriented behaviors. Optimism and resilience are positive states, and positive states can broaden the spectrum of adaptive mechanisms and problem-solving approaches leading to lasting, diverse, exploratory, and novel behaviors (Fredrickson 2001). Also, resilience may encourage persistence and flexibility in the face of adversity, challenges, and setbacks (Schulman 1999), suggesting that resilience may increase salespeople’s use of customer-oriented behaviors when encountering adversity, challenges, and setbacks. Moreover, optimism may increase expectations for successful outcomes increasing the benefit-to-cost ratio of developing and using customer-oriented behaviors.

The literature provides evidence that customer-oriented behaviors are positively related to both customer satisfaction and sales performance (Homburg, Müller, and Klarmann 2011). This is at least partially because customer-oriented behaviors are an expansive set of actions performed with the intention of developing “customer satisfaction and establishing mutually beneficial, long-term relationships” (Saxe and Weitz 1982, pg. 343), and are performed throughout the duration of the selling process. It follows that optimism and resilience increase performance and customer satisfaction, at least in part, through their respective influence on customer-orientated behaviors.

**H1:** *Salesperson optimism is positively related to resilience.*

**H2:** *Salesperson optimism is positively related to customer orientation.*

**H3:** *Salesperson resilience is positively related to customer orientation.*

**H4:** *Salesperson customer orientation is positively related to (a) customer satisfaction and (b) objective performance.*

**H5:** *Salesperson customer orientation mediates the impact of optimism on (a) customer satisfaction and (b) objective performance.*

**H6:** *Salesperson customer orientation mediates the impact of resilience on (a) customer satisfaction and (b) objective performance.*

## Sample and Measures

We tested the hypotheses using a data set comprised of questionnaires from paired B2B salesperson-customer's, in addition to firm supplied salesperson performance data. After listwise deletion, 175 salesperson–customer dyads remained. Our sample represents salesperson-customer dyads in the following sectors: pharmaceutical (n = 93), food and beverage (n = 38), industrial (n = 34), and financial (n = 10). All measures are based on established scales. Except salesperson performance, all measures were assessed using five-point Likert-type scales, ranging from “strongly disagree” to “strongly agree.” Salesperson objective performance, collected directly from the salesperson's firm 90 days after the survey was administered, assessed actual sales *versus* objectives (sales quota).

## ANALYTICAL APPROACH AND RESULTS

AMOS was used to test the hypothesized model. After removing one customer orientation item, the revised measurement model exhibited good fit. Assessments using established techniques provide evidence of both convergent and discriminant validity Post-hoc assessments using Harman's single factor test suggest CMV is not problematic.

The structural model representing potential direct and indirect effects of salesperson psychological capacities on outcomes fits well. Each hypothesized direct relationship was significant and in the expected direction. However, three paths linking optimism to job satisfaction, and resilience to both job satisfaction and objective performance were not significant. Using the chi-squared difference test as a guide, we consecutively removed these non-significant paths stepwise. Results indicate the revised structural model fits the data well, does not deteriorate fit, and all hypothesized direct relationships remained significant. Bootstrap estimates provide support for the mediation hypotheses.

## DISCUSSION AND IMPLICATIONS

We developed a conceptual framework and shown that optimism and resilience increase salesperson performance and customer satisfaction through their relationships with customer orientation. These findings are important because they highlight that optimism and resilience positive influence salesperson performance and customer satisfaction, and offer insight into the process through which this influence occurs.

These findings are relevant to managers because optimism and resilience can be developed, and also assessed during the interview process. Optimism and resilience can be assessed throughout the interview and hiring process through a number of means. Behavioral based, situational, and puzzle questions can be used to evaluate applicant optimism and resilience. Also, managers can use training and teaching to increase salesperson optimism and resilience. We recommend that to develop salesperson optimism and resilience, managers ask salespeople to predict potential adversities, failures, and conflicts that they may experience performing their job, as well as the respective potential outcomes. Managers could complement salespeople in this exercise by

ensuring that salesperson perceptions of these potential adversities, failures, and conflicts and their outcomes are realistic, and offer advice as to how such events can best be overcome.

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# **WHY SALESPERSON CUSTOMER ORIENTATION DOES NOT CONSISTENTLY INCREASE PERFORMANCE: A FRAMEWORK**

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More than 30 years after its introduction to the sales literature (Saxe and Weitz 1982) salespeople's customer orientation is still a key concern of managers and researchers alike. Managers' big investments in customer orientation are based on the premise that the higher the salespeople's customer orientation, the higher their performance. While seemingly straightforward, the performance enhancing benefits of a strong customer orientation have not been conclusively found in past research (Franke and Park 2006, Pettijohn et al. 1997).

Why does salesperson customer orientation not consistently increase performance? Despite the need for studies to better understand how and why a salesperson's customer orientation influences his or her performance, two important concerns with prior research limit our understanding. First, although past research indicates that a salesperson's customer orientation does not necessarily lead to an increase in objective performance measures (Franke and Park 2006), most scholars assume a linear relationship between customer orientation and performance (e.g., Keillor, Parker and Pettijohn 2000, Chang and Huang 2011). Second, despite calls for more conceptual research in the marketing field (Yadav 2010), past research has largely neglected to develop a sound theoretical framework to thoroughly investigate the relationship between customer orientation and performance.

The objective of this study is to address these issues by developing a conceptual model of the relationship between salespeople's customer orientation and performance. Specifically, the study (a) develops an information economics-based model of the relationship between salespeople's customer orientation and performance, (b) proposes the concept of diminishing returns to describe the customer orientation-performance relationship, and (c) identifies situation-specific factors that moderate the relationship.

The conceptual model combines implications from information economics and behavioral science to illustrate how situational factors affect the relationship between customer orientation and performance. The model is based on the premise that the relationship between salespeople and customers is characterized by information asymmetries between the exchange partners. Salespeople are often in a better state to evaluate the quality of a product leaving customers with an information disadvantage and in a state of uncertainty. A customer-oriented salesperson provides valuable information to his customers keeping their best interest in mind, hence, customer orientation is expected to reduce a customer's uncertainty and act as a substitute for missing information. However, the marginal utility arising from further information is expected to diminish as customer orientation increases. After a certain degree of customer orientation a further increase is expected to have a smaller impact on a salesperson's performance resulting in a non-linear relationship between customer orientation and salesperson performance.

Saxe and Weitz (1982) already argued for an influence of situation-specific factors on the effectiveness of a customer-oriented selling approach. In line with this rationale, it is expected that the relationship between customer orientation and a salesperson's performance is moderated by six types of situational factors: company characteristics, salesperson characteristics, customer characteristics, relationship characteristics, product characteristics and task characteristics. We argue that depending on the sales situation, some situation-specific factors can reduce customers' need for information. Hence, reduce the importance of customer orientation and uncertainty and consequently its impact on performance. Other factors may increase uncertainty and require a stronger focus on customer orientation as a source of missing information.

Theoretically, the paper contributes to past literature by providing a new perspective on the relationship between salespeople's customer orientation and performance. We draw on information economics and uncertainty theory to examine how salesperson customer orientation influences a salesperson's performance. We demonstrate that the combination of information economics and uncertainty theory is a valuable conceptual perspective for better understanding the customer orientation-performance relationship and, in so doing, integrating and guiding research on the topic. This perspective also explains inconclusive past evidence on the relationship (e.g. Franke and Park 2006) due to non-linearity in the relationship and situational influences affecting the relationship between salespeople's customer orientation and performance.

Given the great investment in, and high managerial focus on, salespeople's customer orientation, managers should reconsider the link between a salesperson's customer orientation and performance. When customer orientation is high, further investments will not enhance the customer's purchase decision and could have a negative effect on performance when the costs of being customer-oriented outweigh its benefits. Furthermore, salespeople and companies should place a stronger focus on situational factors that have an influence on how a customer perceives the importance of a salesperson's customer orientation. Salespeople should be aware of situations, in which they could save resources by reducing their level of customer orientation.

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## **THE EFFECTS OF HIRE SOURCE ON NEWLY HIRED SALESPERSON PERFORMANCE GROWTH OVER TIME**

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Companies routinely face a dilemma when hiring salespeople: do we hire the rookie or the veteran? Each hiring decision represents a significant investment from the firm, since total hiring cost estimates (including compensation, recruiting, orientation, and training) range from \$54,000 to \$200,000 for each salesperson (Cooper 2012). Further, Pink (2012) suggests that two million new sales positions will be created by 2020, and sales positions will be among the fastest job growth segments in the next decade. These significant investments in the sales function suggest that any improvement in the quality of hiring decisions will substantially impact firm profitability.

Yet practitioners and scholars alike are divided in their hiring strategies. Proponents of hiring experienced salespeople argue that previous experience will lead to higher performance faster, and with less investment in training and supervision. A quick scan of any job posting website provides a litany of open sales positions, with many requiring previous work experience (Sweeney 2012). Conversely, Inc. Magazine and other industry observers endorse hiring inexperienced “rookies” and turning them into top salespeople (Searcy 2012). Advocates of this approach suggest that performance is enhanced when newly hired salespeople can be trained and molded to meet the specific demands of the position.

When viewed through the lens of the experiential learning model (Kolb 1984; Young 2002), a review of the extant literature uncovers support for both hiring strategies. On the one hand, those who ascribe to the philosophy of hiring *experienced* salespeople believe selling is a skill that necessitates experience, as opposed to education, to develop and improve. Specifically, they believe that the best chance for performance growth occurs by starting in what some have described as the “hands-on” stages of the experiential learning model (Young 2002). In this take on experiential learning, the right way of doing things is developed over time through a self-directed sense-making process (Kolb 1981; Passarelli and Kolb 2011).

On the other hand, those who ascribe to the hiring of college graduates with specialized education but no work experience believe that the best chance for performance growth occurs by starting in the “minds-on” stage of the experiential learning model (Young 2002). Experienced salespeople can bring an unpredictable portfolio of bad habits and baggage along with them (Greenberg 2012), whereas inexperienced salespeople represent a “clean slate.” In this take on experiential learning, the right way of doing things is a process prescribed prior to any in-field experience (e.g., college sales training see Bolander et al. 2014) and is treated as the subject of extensive study and practice (Ericsson and Charness

1994). Indeed, the popular business press is buzzing with suggestions that hiring inexperienced salespeople could represent a good business decision (e.g., Groysberg et al. 2004).

The objective of the current research is to assess the distinct performance tradeoffs between new hires who are sales veterans and those new hires with limited or no prior sales experience. By examining the impact of formal collegiate sales education on sales performance over time, we provide a nuanced view of the tradeoff, as well as actionable strategies for hiring managers. We then utilize a longitudinal growth model to analyze salespeople's first two years of sales performance at a new firm. Results show that experienced salespeople initially outperform their inexperienced yet formally educated counterparts, but then experience relatively little performance growth. Conversely, newly hired salespeople with formal sales education training that emphasizes deliberate practice over "real-life" experience exhibit low initial performance levels that grow quickly in an upward direction over time. In fact, these sales-educated new hires are able to surpass the sales performance of those hired with prior experience after 17 months on the job, with continued upward trajectory.

The present research offers meaningful theoretical and managerial contributions. For scholars, we explore the effects of experiential learning theories in practice. In the process, we identify sales performance as a skill benefiting in the long term from specialized education that provides a "mental map" of success-oriented abilities and constructs. For practitioners, we address the conflicting managerial hiring practices stemming from the competing theories and elucidate the conditions under which inherent tradeoffs in hiring strategies can be optimized. By identifying the point at which the value of education surpasses the value of experience with respect to sales performance, we offer managers several considerations for hiring based on firm-specific needs and characteristics. Given the significant cost of ineffective hiring, the insights offer significant benefits for managers and organizations.

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## PRELIMINARY EVIDENCE FOR A BI-DIMENSIONAL SALESPERSON BUY-IN MESAUREMENT SCALE

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This research sought to generate insight so as to accurately measure an updated understanding of salesperson buy-in. This research is motivated by prior research that indicates salesperson buy-in is key to the implementation of firm goals (e.g., Malshe and Sohi 2009) as well as customer satisfaction (e.g., Lam, Kraus, and Ahearne 2010), yet has been studied in a silo fashion as either buy-in into the product (e.g., Hultink and Atuahene-Gima) or the product sales strategy (e.g., Malshe and Sohi 2009). Thus, one focus group (n=7) and six depth interviews (n=6) were conducted with sales professionals of different industries and selling contexts. Both the focus group and depth interviews followed a deductive, semi-structured interview format, resulting in a single-coding approach to garner preliminary analysis of the ongoing study.

**Table 1.** Buy-In Scale Item Generation Themes (n=13)

Product Buy-In items	Product Sales Strategy Buy-In items
<b><i>Confidence</i></b>	<b><i>Acceptance</i></b>
I offer my customers a product that performs well.	*I can get behind management's plans for [product].
<b><i>Present tense</i></b>	<b><i>Future tense</i></b>
Customers are satisfied with the performance of the product I sell.	The product sales strategy will improve customers' impressions of [brand].
<b><i>Evidentiary nature</i></b>	<b><i>Promissory nature</i></b>
The product I sell is not working out for my customers.	[Company] has the right resources in place to make the product a success.
<b><i>Mutually exclusive</i></b>	<b><i>Mutually dependent</i></b>
The product I sell does for my customers what it is promised to do.	[Company] is flexible enough to adapt product specifications as requested by my customers.

*Note.* \*Indicates the type of item unrepresentative of buy-in per the results of this study.

Table 1 presents potential scale items this preliminary analysis suggests might be an effective measure of salesperson buy-in. The left side of the Table indicates that a measure of product buy-in is different from a measure of product sales strategy buy-in in that the former is evidentiary in nature and examines the current state of things, let alone reflects confidence in the product's performance. Yet, the right side of the Table indicates that a measure of product sales strategy buy-in is promissory in nature and examines likely future experiences/events, while holistically measuring sales strategy for a given product.

Additionally, an effective measure of salesperson buy-in would likely need to take into account the affect involved in buy-in. As the first row of item examples suggest, the interviews collected thus far indicate that buying into a product sales strategy is not as personally risky or emotional as being confident in the performance of the product tasked to sell. Finally, the last row of the Table suggests that product and product sales strategy buy-in may not be mutually exclusive. The potential measure of buy-in as bi-dimensional measure is supported by the following discussion.

Preliminary analysis of data collected thus far suggests two main findings. First, interviews suggest that not only might there be two unique types of buy-in, i.e. product and product sales strategy buy-in, but also that they might not be dependent upon each other. Consider the following two interview excerpts as indicators that salesperson buy-in may consist of two dimensions. The first interview excerpt offers an example of the product performance dimension of salesperson buy-in, and the second excerpt of the product sales strategy dimension.

I own more [product] than any of my other clients just because I believe so much in our product. (Focus Group, B2C selling context)

Especially like with a new product launch, a lot of times not having the resources to back, like going into a meeting or something without the best resources to sell that product, feeling unprepared and the fear that comes with that person, the customer calling you out or just asking you questions you don't have the answer to. (Focus Group, B2C)

Interviews suggest that the salesperson might be effectively motivated for high performance with only product buy-in or product sales strategy buy-in. To distinguish these two potential types of buy-in, consider the following interview excerpts as examples. While the first illustrates a salesperson lacking buy-in of a particular product sales strategy, the second illustrates a salesperson motivated by strategic objectives, despite lacking product buy-in.

There is a product they're trying, they're trying to make it work in the United States, ... but most of the company believe[s] that they don't think that it is going to work. And then they're trying to do whatever they can to try and convince us that we can sell it. And then the numbers tell you that it's not going to work. So, I don't know, it's having a negative face in the company. And then in front of the customer you have to, not lie, but, uhm, try to make it work, when probably it's not going to work. (Focus Group, B2B)

There were other things that motivated me. Uhm, but it had nothing to do with the product I sold. The motivation came from competitiveness, the culture created by

management above you, the contests and things going on. That motivated you, but I don't think it motivated you to sell a specific product. (Interview, B2C)

This finding, that either product or product sales strategy buy-in may adequately motivate salesperson performance, may help salesforce management perfect their internal marketing messages so that those sure to succeed are used over those which management has less control over. For example, prior research has highlighted the nuances of convincing salespeople to get behind a new product (Hultink and Atuahene-Gima 2000). Product buy-in is difficult when the features of a product have yet to be fully vetted by customers. Also, using internal marketing to effectively sell salespeople on the benefits likely to trickle-down to the salesperson, should the product sales strategy succeed, would be significantly less resource intense relative to the product training, marketing research used to generate customer testimonials, and other product-centered activities. Garnering product sales strategy buy-in might involve internal marketing messages that convince salespeople that the successful sale of a product will benefit the firm, such as through brand awareness or profit margin growth and, in turn, benefit the salesperson, such as through fewer customer objections or greater job security when fewer competitors exist.

Second, if product strategy buy-in alone does indeed garner enough motivation among salespeople to effectively encourage great sales performance, the employing organization may find relatively greater performance rewards by way of long-term customer satisfaction. Prior marketing research suggests that a salesperson who has bought into the employing organization's mission is more likely to garner holistic rather than transactional customer satisfaction (e.g., Lam, Kraus, and Ahearne 2010). This research suggests that transactional satisfaction occurs when a customer is satisfied with the purchase while cumulative satisfaction occurs when the customer is satisfied with their experience with the selling firm. A salesperson with product sales strategy buy-in is confident that the successful implementation of that strategy will trickle-down to role benefits for the salesperson. Thus, a salesperson who has bought into the product sales strategy is focused on seeing to it that the campaign, rather than a given purchase, is successful and is, therefore, relatively more likely to push for customer satisfaction when doing business with the salesperson and the salesperson's employing organization.

The preliminary analysis presented here raises many important research questions. First, is buy-in a bi-dimensional measure or is buy-in really two separate measures that taps into the degree to which the salesperson has bought into either the product *or* the product strategy? Another important research question this preliminary analysis raises revolves around buy-in as a procedure. The interviews so far suggest that product sales strategy buy-in is relatively more immediate than product buy-in, which appears to be garnered much later when enough time has passed for customer feedback. Future research should work to measure both product and product sales strategy buy-in in a longitudinal fashion as well as within a nomological network to better understand the antecedents of both types of buy-in.

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# IDENTIFYING PREDICTORS OF UNIVERSITY SALES COMPETITION PERFORMANCE: A SOCIAL-COGNITIVE ACCOUNT

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Because sales competitions simulate real sales calls, identifying predictors of performance in collegiate sales competitions could be useful to both researchers and recruiters for screening potential employees. The current research examines how a social-cognitive account of behavior, which posits that behavior is a derivative of distal cognitive predictors and proximal motivational predictors, can account for key outcomes in sales competitions. In the current research, performance in sales competitions is the behavior; and the key predictors of interest are cognitions (implicit theories and need for cognition) and goal predictors (goal orientations). The data support many of the hypothesized relationships. This research replicates and extends prior research on the relationship between goal orientations and sales behavior by adding cognitive predictors and by examining sales performance in a new setting (university sales competitions), and yields screening implications for recruiters that include ITSA, NCF, and goal orientations.

## COGNITIVE PREDICTORS

### **Implicit Theories**

Implicit theories refer to people's beliefs about the nature of different abilities. A belief that a specific ability comes naturally, and that one's ability is thus a fixed and non-malleable trait is termed an "entity theory" of that ability. In contrast, a belief that ability comes through practice, effort, and one's environment, and that one's ability is thus a controllable, changeable, and malleable state is called having an "incremental theory" of that ability. A large body of research supports a host of favorable outcomes for an incremental (vs. entity) belief in achievement settings. This research uses the recently developed implicit theories of selling ability (ITSA) scale as the domain specific measure for sales (Novell, Machleit, & Sojka, 2016).

**Need for Cognition** Need for cognition (NFC) refers to an "individual's tendency to engage in and enjoy effortful cognitive endeavors" (Cacioppo, Petty, & Feng Kao, 1984). Recently, need for cognition has been found to correlate with on the job sales performance (Sojka & Deeter-Schmelz, 2008). Although NFC is not specified within Dweck's social-cognitive model of motivation, Dweck theorized that entity theorists believe in a "simpler reality that allows for rather rapid closure" suggesting that entity theorists spend less time thinking than incremental theorists (Dweck, Chiu, & Hong, 1995). We anticipate that NFC will function similarly to the other featured cognitive predictor, ITSA, and have similar relationships with the hypothesized effects of ITSA.

## **GOAL PREDICTORS**

Goal orientations are motivations that orient people towards certain behaviors (Dweck & Leggett, 1988; VandeWalle & Cummings, 1997). Within this framework there are three goals; performance-prove, performance-avoid, and learning goal orientations (Silver, Dwyer, & Alford, 2006). Importantly, performance-avoid (avoid) goals, which are grounded in a “fear of failure,” have been associated with unfavorable sales outcomes including lower performance (Silver et al., 2006). Research also consistently links implicit theories and goal orientations (Dweck, 2000; Novell et al., 2016; VandeWalle, 1997). Researchers (Novell et al., 2016; VandeWalle, 1997) have found that as endorsement of an entity implicit theory in a given domain increased, a work learning goal decreased, and both work performance-prove and work performance-avoid goals increased.

## **OTHER VARIABLES**

Three other variables were measured due to documented relationships with the other variables as well as relevance to sales: sales confidence, resiliency, and feedback receptiveness. Each may be considered a predictor and/or outcome of the cognitive, motivational, and outcome variables. First, confidence has long been cited as a predictor of success across a variety of performance domains including sales (Krishnan, Netemeyer, & Boles, 2002; Román & Iacobucci, 2010). Second, resiliency is referred to as “any behavioral, attributional, or emotional response to an academic or social challenge that is positive and beneficial for development” (Yeager & Dweck, 2012). Importantly, resiliency seems to vary as a function of implicit theories: in a review of the literature, Yeager and Dweck (2012) outline studies that found that entity theories impair resiliency while incremental theories boost resiliency. And third, receiving supervisory feedback has been identified as being a way that sales representatives can improve (Rich, 1997).

### **Hypothesized Downstream Patterns**

1. An entity ITSA is negatively associated with favorable outcomes regarding performance, learning goal, avoid goal, feedback receptiveness, selling confidence, and resiliency, and is negatively associated with NFC.
2. NFC is positively associated with favorable outcomes regarding performance, learning goal, avoid goal, feedback receptiveness, selling confidence, and resiliency.
3. Learning goal orientation will be positively associated with favorable outcomes regarding as performance, feedback receptiveness, selling confidence, and resiliency.
4. Avoid goal orientation will be negatively associated with favorable outcomes regarding as performance, feedback receptiveness, selling confidence, and resiliency.
5. Feedback receptiveness, confidence in selling, and resiliency are all positively associated with performance.

## METHOD

### Sample and Measures

Fifty-six undergraduate students enrolled at a large public Midwestern university participated in an online survey before their first and after their last sales competition (60.7% male; age  $M = 21.38$ ,  $SD = 2.023$ ).

Participants completed a 6-item ITSA scale, an 18-item NFC scale (Cacioppo et al., 1984), the 3-factor goal work orientation scale (McFarland & Kidwell, 2006), a 9-item feedback avoidance scale (Novell et al. 2016), a 9-item confidence in selling ability, and a 4-item resiliency scale.

Performance was measured in three ways. First, ratings of self-reported performance were assessed by the question, “How do you think you performed in each of these sales competitions” on a 7 point scale from very poor (1) to exceptional (7) for each sales competition they reported participating in. Second, participants were distinguished for having received competition awards. Third, performance was assessed through judges’ overall scores on an evaluation sheet.

## RESULTS

After reverse-coding appropriate items, all scales had good reliability (lowest  $\alpha = .73$ ) and composites were created. The results for each hypothesized pattern appear below.

1. The data found that an entity ITSA was positively correlated with an avoid goal ( $r = .36$ ,  $p = .009$ ), but not with a learning ( $r = -.09$ ,  $p = ns$ ). The data found that an entity ITSA was marginally negatively associated with confidence in selling ( $r = -.27$ ,  $p = .07$ ). ITSA was negatively correlated with resiliency ( $r = -.31$ ,  $p = .04$ ). Entity ITSA was not correlated with awards won ( $r = .01$ ,  $p = ns$ ) or self-rated performance ( $r = .23$ ,  $p = ns$ ). Contrary to prediction, ITSA was positively associated with judge’s evaluations of performance ( $r = .36$ ,  $p = .01$ ). The data also supported that an entity ITSA was negatively correlated with NFC ( $r = -.42$ ,  $p = .002$ ).
2. NFC was positively correlated with learning goals ( $r = .46$ ,  $p = .001$ ) and negatively correlated with avoid goals ( $r = -.52$ ,  $p < .001$ ). NCF was positively associated with amount of awards won ( $r = .36$ ,  $p = .01$ ).
3. Learning goal orientation was positively associated with awards won ( $r = .30$ ,  $p = .04$ ) and. Learning goal was also negatively related to feedback avoidance ( $r = -.57$ ,  $p < .001$ ).
4. Avoid goal orientation was found to be negatively associated with confidence in selling ( $r = -.40$ ,  $p < .01$ ). Avoid goal was also positively associated with feedback avoidance ( $r = .523$ ,  $p < .001$ ). Avoid goal was negatively associated with awards won ( $r = .37$ ,  $p = .01$ ).
5. Feedback avoidance was nearly significantly negatively associated with performance ( $r = -.28$ ,  $p = .06$ ). Neither confidence nor resiliency was related to any measure of performance.

## **DISCUSSION**

This research sought to identify and predict performance in university sales competitions, focusing on a social-cognitive account of sales behavior. The results showed mixed support for the hypothesized patterns. The results suggest that people who enjoy thinking deeply about tasks (high NFC) tend to set learning goals, both of which positively predicted awards won; people who approach tasks with avoid goals and who are not receptive to feedback tended to perform worse. Sales managers should look for evidence of each of those predictors in potential employees. At this point, ITSA's connection with performance is nebulous, as the data contradicted a large body of implicit theories research. Further research is needed to examine this relationship. Despite this finding, ITSA's relationship with a number of other key sales related behaviors, such as confidence and resilience, suggest that an incremental theory is beneficial in sales (Novell et al., 2016).

**References provided upon request.**

# INNOVATION, PRODUCT CUSTOMIZABILITY, AND CREATIVE SELLING

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This research looks at how attitudes toward innovation across organizational levels influence a salesperson's ability to engage in selling activities like product customization and creative selling. The results reveal that top management support for innovation does not directly influence product customization but does have a positive effect on innovation orientation at the department level; which in turn has a positive effect on product customization. Salesperson ability to customize products also has a positive effect on creative selling which positively influences job performance. These findings are based on a sample of 250 business-to-business salespeople and demonstrate the importance of fostering an innovative culture across all levels of the organization.

## CONCEPTUAL BACKGROUND

### Organizational Culture for Innovation

While there are many contextual influences in a firm's strategy development process, the role of creating and supporting a culture of innovation rests primarily with the executive function of top management (Hoffman and Hegarty, 1993). Top Management Support for Innovation (TMSI) is demonstrated by top management being actively involved in innovation projects from start to finish, and providing the required resources. While TMSI originates from the highest levels of management, Innovation Orientation (IO) focuses on the department level's ability and willingness to accept new products, search for innovative ideas, and adapt innovatively to market changes. TMSI and IO represent the organizational hierarchy from which the firm's culture toward innovation is created and implemented. In addition to these cultural aspects is the firm's openness to altering or tailoring their products/services to the individual customers. This openness does not refer to the actual changes made to the product offering, but rather to the organizational "customization control" where mixing and matching of components is a strategic issue designed to enhance performance outcomes (Ghosh, Dutta, and Stremersch, 2006). This notion is represented by Customizability of Product (CP).

**Creative Selling** According to Amabile (1983), one of the pioneer researchers of creativity, for an idea to be considered creative it must be both novel and useful. Creative selling (CS) is conceptualized with these two qualities in mind and is defined as "the amount of new ideas generated and novel behaviors exhibited by the salesperson in performing his or her job activities" (Wang and Netemeyer 2004, p. 806). Corporate innovation culture has only recently been included in the study of creative selling. Wang and Ma (2013) find that the psychological climate for innovation enhances sales creativity and reduces turnover intention. Also, Wang and Miao (2015) find that, from the managers' point of view, the more innovative a firm's culture, the more sales force creativity is implemented.

## HYPOTHESIS DEVELOPMENT

In the case of strategic innovation, top managers create both the culture and processes for innovative new products/services (Hambrick, 1981). These processes and culture are passed down the levels of an organization through vertical strategic alignment. Therefore, it stands to reason the TMSI will influence the lower levels of the organization. Thus H1:

H1: A positive relationship exists between top management support for innovation and the innovation orientation of the managed department.

However, if the message of innovation from top management is not echoed by the department level manager (IO), then salespeople within the sales department will likely not see the firm as willing to customizing products or services. Thus H2:

H2: The relationship between top management support and the customizability of products will be insignificant.

Building on the justification of hypothesis 2, increased support by a department manager for customization will lead to greater acceptance by individual salespeople due to the more direct, day-to-day interactions between the two parties. Thus, H3:

H 3: A positive relationship exists between department innovation and product customization.

The flexibility of being able to customize product offerings is basic to providing salespeople with a breadth of possible solutions so as to match with various customer needs. If the ability to customize is not present, the latitude of a salesperson's creativity is dramatically limited. If the portfolio of product/services in the product line is not engineered for flexibility, this creates limited boundary conditions for salespeople's creativity. If, however, the system is designed to be very flexible, then the very nature of the selling proposition requires the sales representative to employ their creativity in proposing customer solutions. Thus, H4:

H 4: A positive relationship exists between product customizability and creative selling.

Past research has shown that creative selling has a positive effect on salespersons performance (Agnihotri et al., 2013; Wang & Netemeyer, 2004). However, it has been proposed that the outcome of the sales process is sometimes affected by outside factors (e.g., company resources and support) and thus outside the seller's control (Baldauf, Cravens, and Piercy, 2005; Miao & Evans, 2007). Therefore, to accurately gauge a salesperson's performance, both behavior and outcome factors need to be incorporated in accounting for job performance. Thus:

H5: A positive relationship between creative selling and behavior performance.

H 6: A positive relationship between creative selling and sales outcome performance.

H 7: A positive relationship between behavioral performance and outcome performance.

## RESEARCH METHOD

### Sample and Measures

This study employs a survey methodology with a sample of B2B salespeople within the United States obtained through a national online panel source. Respondents were screened on a number of items to ensure data quality. Tenure with their present firm ranged from 1 to 39 years ( $\mu= 8.12$ ,  $\sigma = 6.8$ ) and the total work experience ranged from 2 to 56 years ( $\mu= 21.87$ ,  $\sigma= 12.82$ ). Respondent's ages range from 18 to 78 years ( $\mu= 41.76$ ,  $\sigma= 13.55$ ). Top management support for innovation is measured using three items adapted from Swink (2000). Innovation orientation is

measured by adapting six items from Hurley and Hult (1998) measure of innovativeness. Customizability of products is measured using three items adapted from Ghosh, Dutta, and Stremersch (2006). Creative selling is measured using seven items developed by Wang and Netemeyer (2004). Both the behavioral and outcome dimensions of job performance are measured using four items developed by Behrman and Perreault (1982).

**Analysis** A confirmatory factor analysis (CFA) indicates modestly adequate fit indices:  $\chi^2 = 572$ ,  $df = 309$ ,  $p < .000$ ; Root Mean Square Error of Approximation (RMSEA) = 0.059; Comparative Fit Index (CFI) = 0.95. The CFA results demonstrate characteristics of good construct reliability with all construct reliabilities over 0.70, and convergent validity, with all constructs above 0.50, as described in the literature (Hair et al., 2010). Discriminant validity was assessed by comparing the average variance extracted (AVE) for each construct with the squared interconstruct correlations (SIC) associated with each construct. All AVE's are greater than the squared interconstruct correlations, except for top management support for innovation and innovation orientation. The squared interconstruct correlations (SIC) are 0.672 and the average variance extracted is 0.644 for innovation orientation. Given that both constructs are dealing with the salespersons' perception of their firm's innovativeness, this result is not surprising.

The hypothesized theoretical model is tested using structural equation modeling. The fit indices for the structural model are similar to those reported for the CFA:  $\chi^2 = 675$ ,  $df = 380$ ,  $p < .000$ , CFI= 0.946, RMSEA=0.056. The results find support for hypothesis 1 with a significant positive relationship between top management support for innovation and innovation orientation ( $\beta = 0.80$ ,  $p < 0.000$ ). H2 is supported as top management support for innovation is not significantly related to customizability of products ( $\beta = 0.03$ ,  $p = 0.763$ ). H3 is supported as innovation orientation is positively related to customizability of products ( $\beta = 0.68$ ,  $p = 0.000$ ). H4 is supported as customizability of products is positively related to creative selling ( $\beta = 0.52$ ,  $p = 0.000$ ). H5 and H6 are supported as creative selling is positively related to both behavior ( $\beta = 0.43$ ,  $p = 0.000$ ) and outcome job performance ( $\beta = 0.29$ ,  $p = 0.000$ ). Finally, H7 is supported as behavior job performance is positively related to outcome job performance ( $\beta = 0.63$ ,  $p = 0.000$ ).

## DISCUSSION OF RESULTS

The findings of this study highlight both the importance of cultural variables and department level leadership. It is in the vertical alignment of culture and behaviors from top to bottom that the conditions for individual creative expression are fostered. Without support from top management, managers down the organization are unlikely to accept the risk of "stepping out of line" and incurring unnecessary personal risk to achieve goals. Likewise, if sales managers do not adopt programs which advocate creative empowerment, salespeople will not receive the leadership and encouragement to deploy creative selling behaviors with their customers.

**\*References provided on request**

# **THE MODERATING ROLE OF ENVIRONMENTAL EXTRAVERSION ON JOB STRESS AND JOB PERFORMANCE IN MULTI-LEVEL MARKETING CONTEXT**

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## **INTRODUCTION**

Direct selling in MLM context inherently involves higher levels of stress (Albaum and Peterson 2001). This job stress has negative consequences on work and personal life. Past research has focused on exploring antecedents of job stress such as job efforts, adaptive selling among others to mitigate its impact on job performance (Jaramillo, Mulki and Boles 2011). Extant review of the literature provides the evidence that job effort significantly affects job stress (e.g. Shimazu, Schaufeli and Taris 2010; Burke and Matthiesen 2004). While working hard leads to more stress, working smart is related to less strain.

Past studies have also discussed personal factors affecting stress coping capabilities. These studies have shown that extraverted people are better at coping with stress since they are more optimistic and adopt active coping strategies (Swider and Zimmerman 2010; Parkes 1986). Prior empirical findings, however, are inconclusive about the effects of extraversion on performance (Vinchur et al. 1998, Furnham and Fudge 2008).

Using contingency theory (Weitz 1981), we contribute to this contradictory literature and propose that rather than measuring extraversion as an individual level variable, measuring extraversion at the state level, termed as state level extraversion or alternatively as the environmental extraversion, could be an important predictor of the number of recruits which a salesperson achieve. As Rentfrow, Gosling and Potter (2008) suggest, all behaviors in a location predict individual level behavior. Thus, people from states with high extraversion, as they argue, tend to have bigger circles of friendships and contacts because of underlying value for socialization. This provides support to assess the impact of state level extraversion on performance.

## **THEORETICAL BACKGROUND**

### **Work Efforts, Job Stress and Job Performance**

The Input-Output model suggests that effort can be used as an input to the job while the outcome of this effort is performance. Amount of efforts are directly related not only to job performance (e.g. Brown and Peterson 1994; Rapp et al. 2006; Fang, Palmatier and Evans 2004; Sujana, Weitz

and Kumar 1994), but also to job stress (e.g. Shimazu, Schaufeli and Taris 2010; Burke and Matthiesen 2004; Fournier et al. 2013; Jaramillo, Mulki and Boles 2011). While working hard is related to putting more number of hours in the job and leads to more strain, working smart is related to efficiency and planning and reduces job stress. In turn, job stress has a negative relationship with job performance (e.g. Sager 1994; Barrick, Mount and Judge 2001). Thus, we raise the following replicating hypothesis:

*Hypothesis 1a: Working hard is positively related to job performance (recruits).*

*Hypothesis 1b: Working smart is positively related to job performance (recruits).*

*Hypothesis 2a: Working smart is negatively related to job stress.*

*Hypothesis 2b: Working hard is positively related to job stress.*

*Hypothesis 3: Job stress is negatively related to job performance (recruits).*

**Extraversion and Job Performance** Gailbraith's (1977) model of contingency framework explains the impact of situational factors on performance and has been extensively researched in marketing literature (e.g. Spiro and Weitz 1990; Weitz 1987). The basic tenet of contingency theory is that the interactions between elements within an organization and between organizations with its environment ultimately determine organizational success (Galbraith 1977). Borrowing from this theory, we propose that performance of salesperson is contingent on extraversion as a higher level construct and that this state level extraversion impacts job effort-performance link as discussed.

*Hypothesis 4: State level extraversion is positively related to job performance (number of recruits).*

Rentfrow et al. (2013) argue that high extraversion states are positively related to sociability and dutifulness. Moreover, since extraversion environment emphasizes on the social interaction and support, salespeople may reciprocate support to the company (Spagnoli and Caetano 2012). Salespersons in MLMs are more likely to have "a sense of belonging" to the group and develop a feeling of "esprit de corps" (Sparks and Schenk 2001). Therefore, under the extraverted environment, salespeople may work harder. Therefore, we hypothesize:

*Hypothesis 5a: State level extraversion negatively moderates the relationship between working hard and job performance (recruits).*

*Hypothesis 5b: State level extraversion positively moderates the relationship between working smart and job performance (recruits).*

State level extraversion is positively related to social support (Rentfrow 2010). The existence of such social support provides stress coping mechanisms which reduce the impact of stress on performance (e.g. Viswesvaran, Sanchez and Fisher 1999). Thus,

*Hypothesis 6: State level extraversion negatively moderates the impact of job stress on job performance (recruits).*

## **MEASURES**

We collected data from the sales division of a large US direct selling MLM firm from consumer industry. Out of a total of 1455 returned surveys, 769 were usable questionnaires for the analysis after matching complete information on constructs used and on state level information available. We obtained an objective longitudinal measure of performance, the number of people recruited, and all other self-reported measures were adopted from literature. Working hard and working smart scales were adopted from Sujan, Weitz and Kumar (1994). Job stress scale was adopted from Netemeyer, Maxham and Pullig (2005). Environmental extraversion measures were adopted from Rentfrow et al. (2013).

## **METHODOLOGY**

We tested H2a and H2b using linear regression with SPSS® v22. We employed HLM technique (Raudenbush and Bryk 2002) for all other hypotheses to assess the hierarchical level data and analyze the impact of state level extraversion on salesperson performance (recruits).

## **RESULTS**

All the hypotheses except H2b and H5b were supported.

## **DISCUSSION**

The main objective of this paper was to analyze the impact of state level extraversion on the job performance of salespersons working for MLM firm. Results indicate that state level extraversion has a direct relationship with the number of recruits by the salespersons. Further, state level extraversion significantly moderates the relationship between working hard and performance.

## **REFERENCES AVAILABLE ON REQUEST**

# **THE ANSWER IS TO EMPOWER YOUR SALES FORCE WHEN IT COMES TO SALES TECHNOLOGY**

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## **INTRODUCTION**

Selling firms struggle to deploy CRM technology at their salespeople's level, a problem that could lead to failures firms try to avoid. This is a tremendous problem for firms because of the high costs associated with adopting similar technologies by firms. For that, this study tries to contribute to the sales technology literature by providing additional answers to why salespeople do possess different levels of CRM technology use. The study tests the effects different orientations of salespeople, relational versus transactional orientations (e.g., Geiger and Finch 2011), have on their use of CRM technology. Moreover, the study examines how certain managerial strategies can play role in divining better outcomes of sales technologies. Consistent with that, the moderating effect of job autonomy is tested on the relationship between CRM use and diligence service behavior of salespeople. Finally, possible outcomes of salesperson's diligence are also tested.

## **THEORETICAL FRAMEWORK AND CONCEPTUAL DEVELOPMENT**

To succeed in the today's market, selling organizations are in need to improve their implementation of customer relationship management to better manage relationships with customers (Chang, Park, and Chaib 2010). CRM is an organizational strategy that encompasses customer and relational focus in which technologies and automated process are keys (Landry, Arnold, and Arndt 2005). The advances in information technology are affecting buyer-seller relationships and altering the selling process to a great extent (Hunter and Perreault 2007; Marshall et al. 2012). Because of their role as boundary spanners, salespeople are major players in buyer-firm relationships and the implementation of firm's CRM (Landry, Arnold, and Arndt 2005).

While information technology is becoming a main component of the sales process (Rapp, Agnihotri, and Forbes 2008), CRM technology is a major kind of the different sales technologies used by salespeople to develop relationships with buyers and achieve better sales outcomes (Hunter and Perreault 2007). Despite that, selling firms are still facing impediments with their implementation of CRM technology at the level of salespeople (Marshall et al. 2012) leading firms to incur high losses because of the costs associated with the investments in similar technologies (Ahearne et al. 2012; Widmier, Jackson, and McCabe 2002).

In this study, the possible effects of different orientations of salespeople on the CRM use are considered for the purpose of understanding additional reasons why salespeople differ in their use of CRM technology. Based on the task-technology fit theory (Goodhue and Thompson 1995), the study proposes that the fit between salesperson's own orientation, represented in one's behaviors and actions, and the capabilities and usage outcomes of CRM technology will affect

the usage level. With that said, this study also examines the possible effects of CRM technology use on diligence behavior of salespeople. This is based on previous literature that show how information technology is known to cut down the time salespeople spend on non-selling tasks and at the same time allows reliable and fast selling process (Ahearne, Hughes, and Schillewaert 2007). The relationships between CRM technology use and diligence behavior is further examined for the possible moderating effect of job autonomy (Anderson and Huang 2006). Finally, service behaviors such as diligence are also said to influence customers' intentions and behaviors, and thus can lead to different sales outcomes such as purchase intention and price premium.

## **ANALYTICAL PROCEDURES**

To test the proposed relationships, longitudinal data collected from salespeople, working for firms across industries, were matched with that collected from buyers. In this study, all the scales used were adapted from previous literature in which they were validated before. Using SmartPLS (Ringle, Wende, and Will 2005), a measurement model was conducted. The findings show evidence of reliability, convergent and discriminant validity. Finally, two structural models were examined to test the main and moderating effects hypothesized in this study. Results found support for all relationships hypothesized. Positive effect of relational orientation on CRM technology use was found compared to a negative one of that of transactional orientation. In addition, the positive effect of CRM use on diligence found is moderated by job autonomy, which plays significant role in this relationship and can revoke the positive effect of CRM found. Finally, diligence service behavior was found to increase purchase intention and price premium.

## **DISCUSSION AND IMPLICATIONS**

The results found allow additional understanding to selling organizations trying to better understand the reasons why their salespeople may or may not use the CRM technology adopted at the firm level. The reason found in this study is concerned with the orientation of salespeople that is shown to be an influential factor that impacts the usage level of CRM technology. Other findings are in line with previous literature, which suggest that technology can enhance salesperson performance through mediating attitudes and behaviors (Ahearne et al. 2008; Ahearne and Rapp 2010).

From a managerial perspective, it is important to highlight that organizational strategies and procedures implemented at the same time of adopting CRM technology, such as job autonomy, plays important role to better achieve the expected outcomes of the technology adopted, and thus not leading any kind of failures. While service behaviors provide competitive advantage to firms (e.g., Vargo and Lusch 2008), sales managers should be aware that CRM technology can facilitate salespeople service behaviors if executed with the necessary management strategies. In line with Anderson and Huang (2006) suggestions, salespeople must be empowered when it comes to the implantation of CRM. Moreover, some of the possible outcomes of salesperson's diligence are shown here and provide additional evidence of the importance of service behaviors.

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# **FOLLOW UP AND LEAD QUALIFICATION: AN EXAMINATION THROUGH A CONSTRUAL THEORY LENS**

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## **INTRODUCTION**

Organizations invest significant amounts of money each year on increasing the selling skills of their salesforce. Evidence suggests these investments are producing meaningful returns for these organizations (Ahearne, Jones, Rapp, and Mathieu 2008). In recognition of the importance of selling skills and technology to increase salesperson and organizational performance, a substantial body of sales literature is accumulating. Prospecting, qualifying leads, and following-up on leads is widely recognized as being amongst the most important contributors to sales performance. To advance research regarding these activities, we apply construal level theory to examine how abstract versus concrete mindsets influence salesperson perceptions of leads.

## **THEORETICAL BACKGROUND**

Construal level theory (CLT: Liberman and Trope 1998; Trope and Liberman 2003) posits that people interpret and respond to stimuli in their environment using either a low- or high-construal. The central premise is that psychological distance between the perceiver and the stimuli influences how the stimuli is mentally construed, evaluated, and to what extent the stimuli is preferred in actual choice. Psychological distance refers to a person's subjective experiences of things (i.e., entities, events, objects) that are close or far away from one's direct experience of here and now (Liberman Trope, and Stephan 2007; Trope and Liberman 2010). Psychologically distant stimuli prompt more abstract thought orientations, which emphasize general, superordinate, goal-relevant, and essential features of the stimuli, and are associated with high-level construals. In contrast, psychologically proximal stimuli prompt more concrete thought orientations, which emphasize specific, subordinate, goal-distant, and incidental features of the stimuli, and are associated with low-level construals (Trope and Liberman 2003).

The distinction between values associated with desirability and feasibility aspects of stimuli is one of the important manifestations of high- versus low-level construal. Desirability refers to the value of the action's end-state and reflects the superordinate *why* aspects of an action, whereas feasibility refers to the means (i.e., ease or difficulty) of reaching the end-state and reflects the subordinate *how* aspects of an action (Liberman and Trope 1998).

Making sales to prospective customers as well as the amount of the purchase are two critical factors that determine salesperson's performance. Thus, it reasons that both probability of making a sale and the expected purchase amount are important to a rationale salesperson when

forming judgements and taking action regarding a prospective customer. We propose, consistent with CLT, that the probability of a business-to-business (B2B) salesperson making a sale (*how*) refers to feasibility, whereas the expected amount of a sale (*why*) refers to desirability. Normatively, the importance of the probability of making a sale (i.e., feasibility) should depend on the expected amount of a sale (i.e., desirability) to the same degree that the importance of the expected amount of a sale (i.e., desirability) depends on the probability of making a sale (i.e., feasibility). However, according to CLT, in thinking about near compared with distant future goal directed actions, feasibility features (i.e., low construal level) are more likely to influence near-future preferences, whereas desirability features (i.e., high construal level) are more likely to influence distant-future preferences (Liberman and Trope 1998). Thus, we predict that by activating a more abstract (i.e., high construal level) mindset salespeople will focus more on the sales potential of a prospective customer (i.e., desirability) (**Proposition 1**), whereas the activation of a more concrete (i.e., low construal level) mindset will lead salespeople to focus more on the probability of making a sale to a prospective customer (i.e., feasibility) (**Proposition 2**).

Furthermore, CLT posits that the feasibility of attaining an end-state is subordinate to the desirability of the end-state (Sagristano, Yaacov, and Liberman 2002). Thus, in the B2B sales context, the probability of making a sale is subordinate to the expected amount of a sale. Hence, salespeople may view the probability of making a sale to be important only if the expected amount of a sale is high; however, salespeople may continue to view the expected amount of a sale as important whether the probability of making the sale is high or low. If salespeople think of the probability of making a sale as subordinate to the expected amount of a sale, then information regarding the probability of making a sale should be more prominent in construing near- than distant-future actions. In contrast, information regarding the expected amount of a sale should be more prominent in construing distant- than near-future actions. Thus, we predict that salespeople will focus more on the probability of making a sale to a prospective customer (i.e., feasibility) depending on the level of sales potential of a prospective customer (i.e., desirability) more than the sales potential of a prospective customer (i.e., desirability) depending on the level of probability of making a sale to a prospective customer (i.e., feasibility). As the perception of sales become psychologically distant, salespeople will prefer sales with a low probability of making a sale with a large amount purchase (**Proposition 3**). As the perception of sales become psychologically proximal, salespeople will prefer sales with a high probability of making a sale with a small amount of purchase (**Proposition 4**).

Recency bias refers to the tendency of people to react more heavily to recent observations, outcomes, and experiences and assume they are more likely to occur in the future if they have recently occurred in the past (Fudenberg and Levine 2013). Applied to the B2B context, recency bias suggests that recent outcomes of leads prospecting may bias near-future expectations on results. Thus, we predict that recent success (failure) prospecting is positively associated with expectations of success (failure) for near-future prospecting efforts (**Proposition 5**). Additionally, the repetition of an event or experience enhances that event or experience's recency relative to other experiences (Flexser and Bower 1974). As B2B salespeople prospect on a continual basis, the frequency with which salespeople prospect may desensitize them to recent outcomes. Thus,

we propose that experience prospecting moderates the positive relationship between recent success (failure) prospecting expectations of success (failure) for near future prospecting efforts such that higher frequency prospecting weakens this positive relationship (*Proposition 6*). Higher levels of construal advance abstract thinking, thus prompting people to focus on similarities between a target and reference category (McCrea, Wieber, and Myers, 2012). Therefore, we postulate that construal level moderates the positive relationship between recent success (failure) with a lead and expectations of success (failure) with a soon to be contacted lead such that higher levels of construal strengthen this positive relationship (*Proposition 7*).

## DISCUSSION

This research contributes to the sales literature in that it associates construal levels of lead salespeople to the evaluations of factors that influence prospecting, qualifying leads, and following-up on leads. First, we illustrate how abstract and concrete mindsets influence salespeople's perception of leads. That is, when a more abstract (i.e., high construal level) mindset is activated, salespeople will focus more on the sales potential of a prospective customer (i.e., desirability). In contrast, when a more concrete (i.e., low construal level) mindset is activated, salespeople will focus more on the probability of making a sale to a prospective customer (i.e., feasibility). Furthermore, the subjective importance of the feasibility (i.e., probability of making a sale) outcomes of prospecting, qualifying leads, and following-up on leads depend on their desirability (i.e., expected amount of sale) more than the subjective importance of the desirability (i.e., expected amount of a sale) outcomes of prospecting, qualifying leads, and following-up on leads depend on their feasibility (i.e., probability of making a sale). Second, we describe recency bias to be positively correlated with subjective probability estimates of the outcome. More importantly, construal level and frequency of prospecting moderates the relationship. Specifically, whereas higher construal level strengthens the relationship, high frequencies of prospecting negatively affect the relationship between recency and subjective estimates.

We highlight that construal level is an important factor that influences salespeople's evaluations of leads and presumably their subsequent behavior. Hence, managers and salespeople must consider how factors such as workplace design, software design, and well as personal dispositions influence construal levels of persons.

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## **SELLING TO EMPOWERED CONSUMERS: IS THE CONSUMER'S REGULATORY FOCUS THE KEY TO SALESPERSON TRANSFORMATION TO KNOWLEDGE BROKER?**

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Change is ubiquitous in the sale environment and, to remain effective, salespeople are being encouraged to change as well. One prominent area of change, and a persistent topic in the popular press, focuses on the availability of information and how consumers use it prior to a sales interaction (e.g., Hoar 2015). Sisakhti (2015) terms these information armed consumers as “empowered consumers (ECs).” In essence, EC access to large amounts of information from nearly limitless traditional, online, mobile, social, and interpersonal outlets is driving the change in *how and when* customers make buying decisions. This, in turn, affects their interactions with salespeople.

Recent scholarly work highlights changes to selling such as: customer expectations of salespeople (Jones et al. 2005), customer focused selling (Sheth and Sharma 2008), a new definition of selling focused on value creation (Dixon and Tanner 2012), revised customer adaptive antecedents of sales performance (Verbeke et al. 2011), and the knowledge broker role (Rapp et al. 2014). It is clear in the popular press and the literature that ECs are driving changes which are requiring salespeople to change their “traditional selling” ways to succeed. This need for change leads to the research question of the current study which is “if traditional sales practices do not work with ECs, *what does?*”

The current study suggests that that the answer is directly related to when ECs form their specific purchase decision. To illustrate, a Microsoft (2015) study suggests that ECs are 57-70% of the way through the buying process before they ever consult with a salesperson. This late in the buying process, ECs have already formed purchase intentions and simply desire the salesperson to “process” their order, not add information. Regulatory focus theory (Higgins 1987 ; Xie and Kahle 2014) is advanced as a basis to understand how this change affects the ECs goal focus when they enter a sales interaction. Consumers have either a promotion or prevention focus based on their pursuit of goals. Zhu and Meyers-Levy (2007) explain that in both cases, the consumer is highly sensitive to influences that deter attainment of the desired outcomes. The promotion focus treats goals as hopes and aspirations that make the consumer eager for information and advice. The prevention focus considers goals as duties or obligations that need to be fulfilled, making the consumer vigilant not to be deterred from their goal attainment. In regard to the EC, pre-interaction information search (leading to a promotion focus) results in an intention to buy prior to the sales interaction. Hence, when the EC enters a sales interaction, his or her goal is no longer the traditionally expected information gathering step, but rather it is to purchase.

With an understanding of the goal focus of ECs, the current study considers recent literature that suggests salespeople should act as a knowledge brokers to add value (Rapp et al. 2014 ; Verbeke et al. 2011). To fulfill the knowledge broker role, the salesperson must assess the ECs overall situation to determine what scarce knowledge his/her customer has not considered (Verbeke et al. 2011). Scarce

knowledge is information that the EC does not have, has not considered, and/or may not be able to access. The marketing literature does not offer deep insight into the concept of salesperson scarce knowledge. Therefore, the current essay adds to the literature by suggesting that the salesperson can add scarce knowledge in one (or both) of two ways. Specifically, the salesperson can add scarce knowledge by filling gaps in customer information (Gap), and/or by challenging customer mis-information (Challenge). The problem is that in light of regulatory focus theory, it is apparent that ECs are *not interested in listening* to salesperson added information. In essence, the EC thinks they know what they need to know and may view the knowledge broker's input as a threat to their goal of purchase.

Fortunately, the mechanisms that underlie regulatory focus theory provide a potential solution to this problem. Zhu, and Meyers-Levy (2007) empirically demonstrate that there are differences in how prevention and promotion focused consumer's process information. These differences lead to the current essay's proposed answer to the "what does work" question. First, by developing an understanding of the ECs determinant attributes, salespeople can present *attribute-specific* information. This is critically important because while prevention focused ECs respond negatively to general information, they *will elaborate on and respond to attribute-specific information* that focuses on the product/service attributes most important to them (Zhu and Meyers-Levy 2007). Then, as the salesperson develops a deeper understanding of the ECs information, he/she can then act as a knowledge broker by adding highly relevant Gap (information adding) and/or Challenge (information correcting) attribute-specific information. The current essay contributes to the marketing and sales literature, and fulfills its objective to answer the question of "what does work" when selling to ECs, by proposing a conceptual model of how knowledge brokers can add value when selling to ECs and outlining a plan of empirical study.

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# **BUYING VALUE: TOWARDS UNDERSTANDING THE PERFORMANCE IMPACT OF PURCHASING AGENT'S VALUE-CREATING BEHAVIORS**

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## **EXTENDED ABSTRACT**

While selling value has received much attention, research has largely neglected to address value creation of purchasing. Consistent with current research on value creation, this study develops a model that links supplier screening and requirement definition to purchasing agent's performance. We investigate how these relationships are affected by value demandingness and cross boundary teams. We test our model, drawing on a sample of 158 purchasing agents. Apart from hypothesized positive effects, results show an unexpected negative effect of cross boundary teams on the relationship between requirement definition and purchasing agent's performance. This study provides a better understanding of buying value and has important implications for purchasing and sales managers alike.

## **RESEARCH QUESTIONS**

In order to successfully sell value, a better understanding of value generating behaviors on the buying side is needed. Because the key to value generation is to link suppliers' resources to customers' resources, sales people need purchasing agents who adopt the proposed value aspect and engage in value generating activities with their suppliers. Before getting involved in information exchange processes, a supplier screening is needed to compile a list of suppliers containing only those with the highest potential for value contribution to the buying organization's performance. To furthermore ensure a proper fit between the organization's needs and the supplier's offerings, it is important for purchasing agents to help suppliers to understand these needs by clearly defining requirements. While selling value has received much attention, research has largely neglected to address value creation of purchasing. Furthermore previous research in purchasing and business-to-business marketing did not provide a framework to measure effects of purchasing agents' behaviors.

To advance knowledge, this study investigates how purchasing agents' value-oriented buying behaviors affect their performance, focusing on the two important behaviors supplier screening and requirement definition. Additionally, we investigate how these relationships are affected by the two contextual variables value demandingness and cross boundary teams. We suggest that supplier screening as well as requirement definition increase purchasing agent's performance. In addition to these direct effects, we expect value demandingness and working in cross boundary teams to positively influence the relationship between supplier screening and purchasing agent's

performance. We also suggest that value demandingness and working in cross boundary teams strengthen the relationship between requirement definition and purchasing agent's performance.

## **METHOD AND DATA**

In order to test the hypothesized model, we collected data with an online survey and received a final sample of 158 German purchasing agents. Respondents were mostly male (87%), had over ten years of job experience (51%), and worked as employees (34%), team leaders (11%), or as managers (55%) in purchasing departments. The final sample contained data from various industries such as automotive, chemical, electronic, mechanical engineering and others.

We followed well-established procedures to develop the measurement instrument for this study. Whenever possible, existing measures of the constructs were used. Overall, the measurement model fits the data well. The values of Cronbach alpha, composite reliability, the average amount of variance extracted of every factor and results of validity tests provided strong evidence for convergent and discriminant validity of the constructs. Furthermore, the structural model's goodness-of-fit indices were clearly better than the threshold values recommended in the literature.

## **SUMMARY OF FINDINGS**

Overall, the current study provides important insights on the effects of value-adding behaviors and contextual variables on purchasing agent's performance. Results show a positive effect of supplier screening on purchasing agent's performance, which is found to be strengthened by working in cross boundary teams, as suggested. In contrast, value demandingness has no influence on this relationship. Against our expectations, there is no direct effect of requirement definition on purchasing agent's performance. Looking at the contextual variables value demandingness positively affects the relationship between requirement definition and purchasing agent's performance, as expected, whereas cross boundary teams turn out to have a negative impact on the relationship between requirement definition and purchasing agent's performance.

## **KEY CONTRIBUTIONS**

The key research contributions are threefold. First, having a look at the direct effects, results show a positive effect of supplier screening on purchasing agent's performance, which shows the benefit of value focused screening procedures from the early on. As requirement definition is a challenging process, it is especially important to pre-qualify suppliers in terms of value potential. Furthermore requirement definition has no direct effect on purchasing agent's performance. We propose that inaccurate needs articulation and inaccurate analysis of consequences are time consuming and may lead to misaligned solutions.

Second, looking at the contextual factor value demandingness, the study reveals on one side that value demandingness has no effect on the relationship between supplier screening and purchasing agent's performance. As in early phases, it is best to assess future potential in terms of value, only purchasing agent's demand for further value does not facilitate effectiveness. On the other

side, results show that value demandingness fosters the relationship between requirement definition and purchasing agent's performance. As we propose, the focus on value helps purchasing agents to improve the effectiveness of requirement definition, because subsequent implementation in terms of value is secured.

Third, we provide evidence for a two sided effect of working in cross boundary teams. Results show a positive effect of implementing cross boundary teams on the relationship between supplier screening and purchasing agent's performance. As proposed, results indicate it seems to be easier for the purchasing agents to exploit value potential during the subsequent implementation due to mutual understanding. Surprisingly, the implementation of cross boundary teams impairs the relationship between requirement definition and purchasing agent's performance. Prior research has provided evidence for both directions, positive effects of constructs related to cross boundary teams (e.g. team diversity) on team effectiveness, but also negative effects like hidden profile and groupthink. Additionally, mismatching individual goals due to team members with diverse backgrounds and different priorities can explain the negative influence.

Therefore, managers should support a value demanding climate and working together with suppliers in teams with keeping in mind that double edged effects on performance can occur. Especially during requirement definition managers should supervise boundary spanning teamwork to account negative group effects taking the focus away from the value perspective. Overall, purchasing managers should emphasize the importance of value and guide purchasing agents to focus on the financial impact that purchased solutions have on the business model. Especially, buyers defining value demanding requirements and foster working in cross boundary teams are able to maintain aspects of value during the relationship.

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# **EXAMINING THE SALES FUNCTION THROUGH AN INSTITUTIONAL, SYSTEMIC, SERVICE-DOMINANT LOGIC LENS**

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## **INTRODUCTION**

Changes in modern and dynamic markets are bringing about major changes to the business-to-business (B2B) sales role. Some believe these changes will diminish the strategic importance of B2B salespeople. Others believe the strategic importance of B2B salespeople will increase. Moreover, although sales scholars generally recognize that B2B salespeople operate amongst a set of actors, work employing systemic perspectives that account for such interrelations is generally non-existent. Herein, we employ a service-ecosystem service-dominant (S-D) logic perspective to articulate that salespeople, more broadly: (1) reciprocally and dynamically foster direct and indirect service-for-service exchange (i.e., the application of knowledge and skill for the benefit of another (Vargo and Lusch 2004)); (2) play an important role in institutionalization processes—the maintenance, disruption and change (Lawrence & Suddaby 2006) of institutions (i.e., practices, assumptions, norms, laws, beliefs, and values amongst other attributes) that enable and constrain practices of social actors by simplifying and enabling thinking (Scott 2001); and (3) discover and resolve inconsistencies and contradictions in the institutional arrangements of various actors by aiding alignment in the narrative infrastructures of actors across service ecosystems.

## **LITERATURE REVIEW**

S-D logic is a framework for studying the creation of value using a systemic lens. Foundational to S-D logic are two important realizations. First, S-D logic highlights that value creation takes place in systems since the resources used in service provision typically come from other actors. Second, S-D logic argues for the primacy of operant resources (i.e., knowledge, skills, and abilities) in service exchange since only operant resources can enhance human viability and cocreate new resources. Also, S-D logic portrays value as being cocreated by actors within service ecosystems—ever-changing constellations of actors applying operant resources for the benefit of others (Vargo and Lusch 2004). This systemic view is compatible with the concept of bounded rationality (Simon (1945/1997)), which claims that human actors are guided by value assumptions, cognitive frames, rules, and routines and that the rational actor is, and must be, an organized and institutionalized actor. Institutions refer to the rules, norms, meanings, symbols, practices, and similar aides to collaboration and institutional arrangements can be described as interdependent assemblages of institutions (Vargo and Lusch 2015). Thus, a systemic and

institutional perspective highlights that all service exchange, that is resource integration and value cocreation practices of actors, is influenced by institutional arrangements.

Actors, including B2B salespeople, integrate resources and exchange service-for-service (i.e. apply resources for the benefit of another) in an attempt to solve problems. Viewed from an S-D logic perspective, value perceptions of resources are based on the availability of complementary resources and are uniquely and phenomenologically determined by the beneficiary. Specifically, value perceptions are guided by institutions and institutional arrangements because institutional arrangements enable and constrain what purposes are perceived (i.e. what problems exist), what resources are drawn upon to pursue a purpose (i.e. solve a problem), value of respective purposes (and thus specific resources), and if and how a resource is used in conjunction with others. As others (Vargo and Lusch, 2015) have noted, this points to the importance of institutionalization—the maintenance, disruption and change of institutions (Lawrence & Suddaby, 2006)—in solving new or existing problems. All actors, including B2B salespeople, are guided by varying, nested and overlapping institutional arrangements, which uniquely influence how actors interpret problems, interpretation of how to solve problems (i.e. integrate and apply resources), as well as the perceived value of solving such problems. Thus, by interacting with other actors, B2B salespeople participate in the maintenance, disruption, and change of their own and other actor’s institutions and institutional arrangements. These institutions and institutional arrangements govern what can be drawn upon to serve a purpose; in other words, institutions and institutional arrangements influence what is and what is not a resource.

Developments in the institutional literature emphasize that actor involvement and change processes are broad and systemic. Lawrence and Suddaby (2006) articulate that institutional change results from the activities of various interconnected actors as they repair and conceal tensions and conflicts—while also reinforcing similarities—in their existing institutions. Hence, as Zietsma and McKnight (2009) conceptualize, these institutional change processes are cocreated by multiple actors iteratively and non-linearly and bring about (imperfectly) aligned commonality in the institutions and institutional arrangements of systemic actors. Thus, based on this theoretical foundation, the B2B salesperson needs to be viewed as an actor that engages not only in the change and disruption of institutions and institutional arrangements, but also their maintenance. This engagement, however, needs to be viewed in the context of larger service ecosystems as actors, such as B2B salespeople, alone cannot disrupt and/or change the institutions and institutional arrangements of other actors (e.g. customers), or stated differently, act as institutional entrepreneurs.

Perceptions of problems can be viewed as the inconsistencies and contradictions among the institutional arrangements of various actors. Inconsistencies and contradictions “are areas of opportunity that can be exploited by individuals and organizations in identifying and solving problems and garnering support through new combinations of existing symbols and practices (Thornton et al. 2012).” Solutions can be viewed as the way in which actors can interact with other actors to integrate and act on resources and the value perceptions of these resources. That

is, viewed from an institutional perspective, solutions are not formed when actors, or groups of actors introduce new value propositions, but instead when new practices (i.e. solutions) become institutionalized (Vargo et al. 2015) through the “ongoing negotiations, experimentation, competition, and learning” (Zietsma and McKnight, 2009, p.145) of systemic actors until these actors arrive at shared, but always imperfect, conceptions of problems and solutions.

Deuten and Rip suggest that, in social systems, there is no single author and no master text being written, but multiple stories can come into alignment to form a narrative infrastructure. According to these scholars (Deuten and Rip 2000, p. 74), this infrastructure can be seen as the ‘rails’ along which multi-actor and multi-level processes gain thrust and direction.” However, as Araujo and Easton (2012, p. 41) point out, these ‘rails’ are not static, and narrative infrastructures are in constant danger of losing “their compelling character, as they fail to hold the attention of, and capacity to, mobilize constituencies.”

## DISCUSSION

In accord with the arguments proposed above, we propose that B2B salespeople facilitate alignments in the narratives of systemic actors through interaction with other actors. Partly attributable to this, B2B salespeople connect actors—as well as their narratives—across the service ecosystem. Hence, the establishment of relational norms and delivery of the firm’s value proposition, often the focus of more contemporary sales-buyer research, are only part of B2B salespeople’s responsibilities and involvement in alignment processes. Indeed, responsibilities and involvement in alignment processes include ensuring that actor’s stories are heard, reconciled, and acted upon. In this capacity, B2B salespeople identify opportunities to exchange service-for-service and align narratives by uncovering inconsistencies and contradictions in institutional arrangements and by providing discursive venues to, at least partly, resolve these inconsistencies and contradictions. In doing so, B2B salespeople play a pivotal role in aligning stories to form a narrative infrastructure without ever becoming the master story teller. Therefore, B2B salespeople serve in a necessary role whose strategic importance to organizations is likely to increase as the complexity of the marketplace increases.

In this pursuit, we illuminate that institutionalization and resource integration is the basis for much of change in the B2B sales role. Moreover, we articulate that service-for-service exchange generally occurs at where conceptions of problems and solutions tend to be misaligned and the perceived benefits to costs of coordinating with other actors is low. Hence, B2B salespeople (amongst other actors) not only coordinate resources, but also facilitate relational contracts and bring about institutionalization, which results in greater convergence of perceived problems and solutions by aligning the narrative infrastructures of actors within the service-ecosystem.

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# A FRAMEWORK FOR EVALUATING SALES MANAGERS

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Ask any sales executive what role they consider one of the most critical to the long-term success of the business and they will most likely answer, “the sales manager”. No one position has a greater bearing on the shaping of the firm’s interactions with its customers and bottom line results as sales managers are responsible to plan, direct, and control the selling function through effective recruitment and selection, training, motivation, and supervision of direct reporting salespeople (Anderson, Dubinsky and Mehta 1999; Czinkota, Kotabe, and Mercer 1997; Dubinsky, Anderson, and Mehta 1999). Given this, most of the sales research has centered on evaluating salespeople and there lies a major research gap relative to how sales managers are evaluated. In fact, an alarming statistic reveals that executives responsible for evaluating sales managers admit to being ill-prepared to do so and only about 20% of U.S. companies are satisfied with their sales management appraisal system (Bricker 1992). This under-researched topic is important to study because organizational effectiveness falls squarely on the shoulders of the sales manager and evaluation at this level of the organization can have a direct-impact on areas such as recruitment and selection, training, motivating, and supervision of salespeople to mention a few (Ingram, et al. 2009). Thus, the objectives of this study are twofold. First, results of a survey will be used to better understand what sales executives perceive are the most important criteria to which sales managers should be evaluated. Based on this, a framework for evaluating sales managers will be proposed to reflect what sales executives’ see as the more critical elements of a sales manager evaluation system. A second objective of this study is to identify gaps that exist between sales executive’s perceptions of the ideal evaluation tool (in theory) and what is actually being used (in practice). The overall significance of this research will provide a new and unique contribution to both the practice and research of sales management evaluation. Sales executives will be provided with a tool that they can customize to suit their business while researchers will be provided with a framework to advance the study of evaluation of the sales organization.

## **Sales Manager Performance Evaluation**

A review of the literature reveals that three main categories of sales management functions define their key roles. These are:

*Salesforce Planning & Organizing Functions* - Two critical sales management functions in this category are *recruitment/selection* of salespeople and *design/administration of the compensation plan*. Inadequate implementation here can lead to negative consequences such as inadequate sales coverage and lack of customer follow-up, increased training costs to overcome deficiencies, higher turnover rates, and suboptimal salesforce performance, to mention a few. Seeing that compensation is an important motivational component to sales effort, the effective sales manager should be proactive in the design and administration of compensation plans.

*Salesforce Management & Development Functions*. Sales management functions within this category provide the salesforce with *motivation, training, coaching, management support, and general leadership* to effectively build customer relationships. Motivating salespeople to accomplish individual goals and objectives is crucial to the overall success of the sales organization and sales managers have a key role

here to set fair and attainable sales quota/goals as well as to use incentive programs such as performance bonuses, sales contests, and recognition events to reward sales performers. The training and coaching that salespeople receive builds the skills necessary for salespeople to define and succeed in their role. General leadership skills entail communication with the salesforce (via regular meetings) to clearly articulate expectations is necessary to ensure that shared goals are sought and met.

*Salesforce Evaluation & Control Functions.* Key sales management functions within this category include: *performance results, customer relationship development, salesperson evaluation/feedback, and expense control/management.* A key consideration in evaluation and control of the salesforce is determining the appropriate measures of organizational effectiveness and performance. Expense or budget control is the ultimate responsibility of sales management and can have a direct impact on bottom line profitability. Customer relationship development can be managed by minimizing customer complaints, maximizing customer satisfaction, utilization of customer relationship management processes and tools (to mention a few) serve to create value in the eyes of the customer. Systematic and scheduled evaluation and feedback sessions between a manager and his/her salespeople are vital sales organizational control mechanisms. It is the responsibility of the sales manager to ensure that such evaluation sessions are scheduled, conducted, documented, and that actions plans are developed where it is determined that improvement is needed.

**Sample, Survey, and Results** A convenience sample of 98 senior sales managers were recruited and requested to complete a survey about their first line sales management practices. In all, 74 usable surveys were obtained (completion rate of 75%). Statistical comparison of the variables used in this study between the two data collection methods (paper versus online) revealed no significant differences. The senior sales manager sample was predominantly male (79.7%) with a mean age of 39.6, 5.1 years in their position, 15.8, years of selling experience, responsible on average for evaluating 7.1 sales managers, and conducted formal evaluations at least on a quarterly basis. Subjects were provided a brief summary of the study purpose and consent information. Subjects were first instructed to “think about the sales managers that they have evaluation responsibility for.”

Based on the subject’s responses, each item was evaluated as a continuous variable with a range of 1 to 10 and reflective of the sales executive’s *perceived importance* and the *frequency of actual use* for evaluating their sales managers using that item. The perceived importance values from each of the evaluation items were then compared to the overall mean score for each sales management function using a paired sample t-test. Evaluation items that were rated *significantly* ( $p < .05$ ) *lower* in importance relative to the mean of that sales management function were removed from the set – leaving only the items perceived (by sales executives) to be most important for evaluating their sales managers. Next, each sales management function was bundled into one of the three general sales management dimensions (Planning & Organizing, Management & Development, and Evaluation & Control). The contribution of each of these general dimensions toward the overall sum total of the three was computed to provide a relative weighting of each and to provide the basis for the Sales Manager Evaluation System Framework.

To determine how often sales executives actually use the evaluation criteria from this framework in practice, a comparison of each evaluation item’s *frequency of actual use* rating was compared to the *perceived importance* rating using a paired sample t-test. Significant ( $p < .05$ ) mean differences reflect a gap between what is perceived important and what is actually being used in practice and provides the basis for discussion (e.g., potential explanation). Based on these results, the final set of evaluation criteria for each sales manager function was combined with other functions theoretically proposed to be a part of the three general sales management dimensions. The contribution of each of these general dimensions toward the overall sum total of the three was Planning & Organizing functions – 30%, Management &

Development functions – 36%, and Evaluation & Control functions – 34%. These results are also displayed below:

**Reported Importance vs. Actual Use of Sales Manager Evaluation Criteria**

<b>Evaluation Criteria (category/function)</b>	<b>Mean Difference <sup>†</sup></b>	<b>T-value</b>	<b>Sig.</b>
<b>Planning and Organizing (30%)</b>			
Compensation Design/Administration	0.42	3.53	.001
Salesperson Recruitment and Selection	0.69	3.54	.001
<b>Managing and Developing (36%)</b>			
Motivating Salespeople	0.76	6.28	.000
Salesperson Training	1.07	6.63	.000
Salesperson Coaching and Development	0.99	5.99	.000
Salesperson Supervision	0.58	3.92	.000
General Leadership	0.61	5.43	.000
<b>Evaluation and Control (34%)</b>			
Performance Results	0.42	3.74	.000
Customer Relationship Development	0.73	6.12	.000
Salesperson Evaluation and Feedback	0.68	4.15	.000
Expense Control / Management	0.57	3.00	.001

<sup>†</sup> Mean difference between mean perceived importance of evaluation criteria within sales management function and mean actual use of evaluation criteria.

**Implementing a Sales Manager Evaluation System** The findings from this study can be used to assist sales executives or senior sales managers in developing new or refining existing systems to evaluate sales manager performance. Although sales executives felt that certain criteria are important components of a sales manager evaluation system, they infrequently use them in practice. This was the case in each of the eleven sales management functions across all three categories. The reasons for these “across the board” gaps are unclear, but one possibility is that sales management evaluation criteria in general tends to be more behavior-based and thus hard to measure. It would be very time consuming for sales executives to develop behavioral anchored rating scales for *each and every* evaluation criteria they deem important and thus, they do not do it. Another possible reason is that is that sales executives may feel that formal evaluation is too time consuming and may be reluctant to refocus sales managers’ time and effort away from managing the salesforce. Among the largest gaps (between perceived importance and frequency of use) were the three Management & Development criteria: training salespeople (md = 1.07, p = .000), coaching & developing salespeople (md = 0.99, p = .000), and motivating salespeople (md = 0.76, p = .000). One speculative reason for the larger differences here is that these functions tend to be so pervasive and defining of the sales manager’s role that the importance levels are going to be highest. Because of the behavioral nature of training, coaching, and motivating, it is incumbent on sales executives to invest the time and effort to develop appropriate measure to evaluate these functions. Once again, time constraints and competing demands may stand in the way of doing this. A recommendation to senior managers might be to isolate these three areas defined by the largest gaps and invest the time and effort to develop and use measures to evaluate sales manager performance. For sales researchers, this study will expand the breadth of knowledge that currently exists on sales management evaluation. The contribution of this work is unique seeing that it reports the sales manager evaluation priorities and perspectives from the sales executive’s point of view. To date, research on this topic primarily has centered on either the views of the front line sales manager or has been conducted from a theoretical perspective only.

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# **THE IMPACT OF IMPRESSION MANAGEMENT TACTICS AND IDENTITY SIMILARITY AND DISTINCTIVENESS ON CUSTOMER-BASED SALESPERSON PERFORMANCE**

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## **ABSTRACT**

Studies in impression management has been shown that people use it to influence career opportunities (Judge & Bretz, 1994), supervisors' ratings for subordinates (Bolino & Turnley, 2003), and interviewee evaluations (Ellis, West, Ryan, & DeShon, 2002). However, little research has been investigated how it affects customer-salesperson dyadic relationships. Thus, one of our research objectives is to investigate how impression management tactics (customer-focus, job-focused, and self-focused) affect customer liking, trust, commitment, and customer-based salesperson performance (CSP). We also examine how customer-company (C-C) relationship influence the effect of impression management. Specifically, we test the impact of identity similarity and identity distinctiveness on C-C identification, commitment, and CSP as well as the moderating role of C-C identification in the relationship between customer liking and trust.

The sample consisted of customers from personal financial planning and life insurance industries. All of the constructs included in the proposed model were measured using multi-items scales drawn from previous studies that reported high statistical reliability and validity. A total of 650 were distributed and 544 returned surveys were valid. The response rate was 83.69%. Of the respondents 57.9% were male and 42.1% were female. 45.4% of the respondents were between the ages of 31 and 40. 64.5% of the respondents had at least a college degree.

Following procedures recommended by Anderson and Gerbing (1988), this research conducted two analysis phases. First, the measurement model is estimated with confirmatory factor analysis (CFA) to test reliabilities and validities of the research constructs. All composite reliabilities for the constructs were above 0.867, which indicates acceptable levels of reliability for each construct. In addition, each of the Cronbach alpha values exceeded the threshold value of 0.7 recommended by Nunnally (1978), which suggests that for each of the constructs, there is a reasonable degree of internal consistency between the corresponding indicators. Measures of overall fit evaluate how well a CFA model reproduces the covariance matrix of the observed variables. The measurement model showed strong levels of fit. Results also support for the convergent and discriminant validity. Then, the structural model is used to test the strength and direction of the proposed relationships among research constructs. The structural model is used to test the strength and direction of the proposed relationships among research constructs. Our findings indicate that customer-focused tactics and self-focused tactics positively influence

customer liking whereas job-focused tactics negatively influences customer liking. Customer liking has a significant positive impact on trust. On the other hand, identity similarity and identity distinctiveness positively influence C–C identification. C–C identification has a significant positive impact on commitment. In addition, trust has a positive and significant impact on commitment and customer-reported salesperson performance. Moreover, commitment has a positive and significant impact on CSP. The results also show that C-C identification strengthens the positive impact of customer liking on trust.

The findings support our proposed model. This research makes contributions to impression management and C-C identification literature. From the relationship marketing perspective, our research demonstrates that salesperson impression management influence customer liking, trust, commitment and CSP. In addition, our research shows how C-C identification moderates the effect of customer liking on trust.

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# HOW DO RESIDUAL RELATIONSHIPS AFFECT SALESPEOPLE'S OPPORTUNITY AND EFFORT TO REGAIN BUSINESS? COMPARING GENDER DIFFERENCES

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Recent research suggests that reacquiring lost customers should be the strategic second half of CRM since acquiring new customers is often more uncertain and costly than regaining lost ones (Leach & Liu 2014; Kumar et al., 2015). When business customers defect, they leave behind a wealth of transaction-specific information – including transaction history, residual relationships, and/or evidence of what spurred their defection. This information may assist salespeople to win them back. Conversely, defected customers' negative experiences and relationships with the sales organization may also be a deterrent. If so, salespeople may need to repair a damaged relationship before reacquisition initiatives is possible. As such, salespeople need to assess the residual relationships in the defected customer's buying center, identify advocates vs. blockers, and to estimate how much effort will be needed to regain the lost account (Leach & Liu, 2014). Although prior sales literature recognized gender differences in selling behavior and perceived role stress, there is lack of research in comparing gender differences in perceptions of difficulty and efforts in regaining lost accounts. The purpose of the current research is to develop and test a model of positive/negative residual relationships on a salesperson's likelihood to regain the defected customers. Specifically, the model will examine potential gender differences.

## LITERATURE AND HYPOTHESES

Past literature in subscription-based consumer research showed that different reacquisition offers have impact on consumers' return and company's profitability. Recently, research in B2B buyer seller-relationships showed that salespeople often evaluate potential reacquisition opportunity by identifying desirable customer characteristics and market conditions and that salespeople often undergo different sales process to regain businesses, restore trust, and rebuild relationships. Additionally, buying center research (e.g., Krapfel, 1985) helped identify advocates and blockers within the buying organization as a source of support or obstacle to supplier choice. Advocates are members within the buying firm who maintain positive relationships with the prior supplier and would like to return, and therefore advocate for a switch-back. Meanwhile, blockers are those who will may sustain negative relationships with the prior supplier or prefer competing suppliers, and therefore oppose to switching back. Salespeople attempting to reacquire a customer may be able to leverage remaining positive relationships with their advocates while contending with blockers.

Tanner (1999) suggests that buying center advocates can serve as an internal relationship manager for salespeople and may lessen a salesperson's perceptions of difficulty when attempting to reacquire the customer ( $H_1$ ). Inside advocates may serve as a conduit between the salesperson and the defected firm. As such, advocates may motivate salespeople to focus more

efforts toward reacquiring the lost customer ( $H_2$ ). As a result, salespeople tend to increase the probability and the level of reacquisition ( $H_3$ ).

On the other hand, salespeople are often constrained by the strong objections from blockers and tend to perceive the reacquisition task more challenging ( $H_4$ ). Facing strong opposition from blockers, salespeople may withhold effort and/or conserve resources for other more rewarding sales activities. Especially when salespeople perceive the goal to regain lost customer is unobtainable with additional efforts. As such, blockers tend to reduce a salesperson's effort toward reacquiring the lost customer ( $H_5$ ). Thus, salespeople are less likely to succeed in reacquiring customer's business ( $H_6$ ).

Most scholars believe that salesperson have higher level of control over their sales-related effort than over their sales performance. Unless the goal is unreachable, a salesperson tends to invest relative amount of effort needed to reacquire lost customers ( $H_7$ ). However, task difficulty alone does not prevent salespeople from successfully regain lost customers, the amount of effort tends to determine the level of reacquisition. Various sales studies also show that effort mediates the relationship between other "indirect antecedents". As such, we propose that the amount of effort a salesperson dedicates to reacquire the lost customer *mediates* the relationship between perceived difficulty and level of reacquisition ( $H_8$ ).

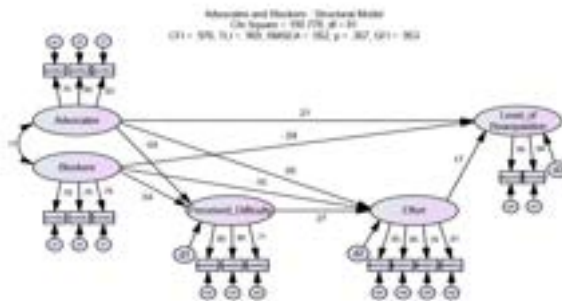
## METHODOLOGY

All scales were developed and modified specifically for the current study. B2B outside sales panel data was acquired to test hypothesis. Statistical comparisons between early and late respondents show no significant differences in sales experience, gender, and type of products sold. A confirmatory factor analysis (CFA) was performed to test the relations of manifest indicators to their intended latent constructs. The results indicate good fit. Additionally, reliability estimates, discriminant validity and common method variance were assessed.

The results of the structural equation model showed that the proposed structural model fits well with the data. Furthermore, a multi-stage Bonferroni procedure (Larzelere and Mulaik 1977) resulted in the rejection of the null hypothesis and acceptance that all parameters are nonzero at an alpha level of at least 0.05 for all parameters except Hypothesis 1, 6 and 8. Hypotheses 2, 3, 4, 5 and 7 are all significant at  $p < 0.01$  level. In order to examine the moderating effects of gender, a two-group model is specified. Three hundred and eleven (311) salespeople were male and 195 were female. Tests for moderation are conducted with the model constraining the measurement loadings to be invariant. The results of this analysis show three parameters are significantly different between male and female salespeople: the relationships between advocates and efforts; between blockers and efforts; and between perceived difficulty and efforts.

## RESULTS & DISCUSSION

Findings of this study suggest that salespersons' assessments of the buying center network have an impact on their effort and the success of their reacquisition. Even with inside advocates (i.e., positive residual relationships), salespeople do not perceive re-approaching lost customers is less difficult. Nevertheless, having inside advocates encourage salespeople to invest more directed efforts and enhance the opportunity to regain lost business. Meanwhile, salespeople believe that blockers make reacquisition process more difficult and often reduce their effort, although they reported that blockers have no significant effect on reacquisition success.



The results of the moderation analysis indicate that although advocates don't make reacquisition easier for a saleswoman, they help her increase efforts and enhance reacquisition success. Saleswomen anticipate more difficulty and will decrease their efforts to regain lost customer with blockers; but blockers have no effect on saleswomen's reacquisition success. Interestingly and maybe due to self-preservation, saleswomen do not believe that blockers reduce their chance to regain lost business. Similarly, advocates don't make reacquisition easier for a salesman, but help him increase efforts. However, advocates have no effect on reacquisition success for a salesman's. Meanwhile, blockers increase a salesman's perceptions of difficulty, but have no effect on his efforts or probability to regain lost customers. As expected, perceived difficulty enhances efforts for both salesmen and saleswomen. Interestingly, salesmen believe that more efforts will lead to higher probability to regain lost customers; but saleswomen don't. Furthermore, the results of the two-group comparison shows significant differences between saleswomen and salesmen for three parameters: (1) with the presence of advocates, female salespeople tend to put more efforts than male; (2) with the presence of blockers, women are more likely to decrease their efforts than men; and (3) when tasks are difficult, women are more likely to increase their efforts than men.

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# TRANSFORMING B2B CUSTOMERS' COGNITIVE THINKING IN SALES INTERACTION: A CONCEPTUAL MODEL

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## INTRODUCTION

Salespeople often encounter customers who hold fixed views of needs and desired solutions. Recent research by CEB Global notes that the average business buyer is 57% of the way through the buying decision before a sales rep is contacted, and that the average supplier gets about 12% of the mindshare of the customer engaged in the purchase process (CEB 2015).

To truly advance the selling process, salespeople need to help customers form new mindsets to better co-create value. In other words, salespeople need to be able to impact the cognitive thinking of customers. Cognitive thinking involves customer learning (Payne et al. 2007, Schön 1983). The learning of new conceptual and procedural knowledge is required to understand and adopt new ideas in a sales interaction. Currently there is little empirical research on how salespeople can influence cognitive thinking. The purpose of this paper is to explore how salespeople act when trying to promote new ideas and perspectives with the customer.

## LITERATURE REVIEW

### **The changing environment calls for more creative approaches**

The sales environment has been changing a lot over the last decade leading to expectations for value creation, higher service levels, and the role of the salesperson in understanding their business are elevated. A new era of collaboration and value-oriented selling requires higher levels of creativity, innovativeness and interpersonal skills (Dixon and Tanner 2012, Haas et al. 2012, Borg and Yong 2014). At the same time, as a result of the increasing amount of information available on-line, customers often define their needs and assumed solutions themselves (CEB 2015). This buying behavior, however, is problematic for salespeople, as the customer's early selections and decisions are largely outside salespeople's influence.

**Transforming customer thinking in sales interaction** Customers ultimately determine what is valuable for their businesses (Payne et al. 2007, Vargo & Lusch 2004, 2008). Selling value is dependent on influencing customer thinking during the sales interaction. We do not suggest

manipulating customer thinking; the purpose is to help customers identify what best contributes to business objectives, which may be something other than their own initial, presumed solution. Value co-creation involves more than sharing relevant knowledge; it requires a higher level of thinking: transformative sales thinking, defined as *an aspect of the sales interaction where customers analyze and evaluate their current business practices, as well as synthesize and create new business value, often with the help of salespeople.*

## **METHOD**

We carried out an exploratory qualitative study and looked at both salesperson (60 interviews) and buyer (30 interviews) perspectives on thinking and doing to find out what they say and do to influence customer mindset and transform thinking. Questions were broad and open, starting from their own job role and weekly routines, then proceeding to narratives on sales cases that were triggered by asking to tell a recent sales case with all its details step-by-step. Afterwards, researchers proceeded to thematic questions, asking for example: *what makes sales interaction successful? how do you sell new ideas? what do you do if you notice the customer has a fixed mindset?* The data was analyzed by four researchers in order to find regularities, patterns and phenomena around the this specific topic of influencing customer thinking, and then key words and phrases were recorded to represent emerging topics or themes.

## **FINDINGS**

Based on the analysis, we suggest that there are five elements that play a role in successfully transforming customer thinking: 1. in-depth customer insight, 2. trust and credibility, 3. balanced dialogue, 4. attitude questions and 5. building on customer's prior knowledge.

The findings show that first two elements are pre-requisites for starting a successful process of transforming. To facilitate the process, salespeople would need to trigger customers' both emotional and cognitive processes by attitude questions. In order to apply the proposed elements, salespeople need to proceed carefully and build readiness for new ideas and approaches being accepted in a step-wise manner.

We believe that our preliminary findings of the part one research, reported here, make an additional contribution to the literature in three ways: 1. we find some support of challenger selling principles, 2. we enhance challenger selling with evidence for Rapp and colleagues' additions of trust and relationship, and 3. we introduce the important role of customer transformative thinking to reestablishing the salesperson's important role as facilitator of customer's transformative thinking in value co-creation.

## **REFERENCES AVAILABLE FROM LEAD AUTHOR ON REQUEST**

# **LUCKY HAPPENSTANCE FOR YOUNG SALES PROFESSIONALS OR WOULD YOU RATHER WORK HARD OR SMART TO GET LUCKY**

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## **ABSTRACT**

Young sales professionals face high probability of failure, especially in the exploration stage of their career (Cron and Slocum, 1986; Dixon et al., 2005). As a result, their goal orientation along with their supervisors' support is key to their motivation and success (Dixon et al., 2003; Kholi et al., 1998; Sujan et al., 1994). Research have emphasized the importance for sales professionals to work smart to develop the right knowledge about sales situations and leverage this knowledge to perform (Spiro and Weitz, 1990; Sujan et al., 1994). Moreover, working hard also facilitates salespeople's success based on their persistence-in terms of effort and continuing to try in the face of failure (Sujan et al., 1994).

In sales, luck has mainly been studied through the lens of chance (i.e., randomness or blind luck) (DeCarlo et al. 1997; Teas and McElroy 1986) or bad luck (Dixon et al. 2001; Dixon et al. 2003; Dixon and Schertzer 2005). Research show that luck deflates salespeople's expectancies and confuses them on the instrumental reasons of their success (Dixon et al. 2001; Dixon et al. 2005; Teas and McElroy 1986). Interestingly, correlation matrixes reported in the literature reveal intriguing intercorrelations surrounding luck. In fact, luck seems to correlate positively to salespeople's effort, ability, task perceived easiness, or sales performance (e.g., DeCarlo et al. 1997; Dixon et al. 2001). However, no clear explanations are sought after and offered. Yet, understanding the role of luck in sales performance is an important and fascinating question. It should help uncover how inexperienced salespeople can better handle uncertainty, while they are still learning how to adjust their effort, planning, and selling strategies (e.g., working hard or smart) to their environment and customers (Sujan, 1986. Sujan et al., 1994).

Building on qualitative interviews conducted with young and experienced salespeople, sales students, and multi-source data collected from the latter involved in a customer relationship management course requiring a real field sales assignment, we offer new insights to enhance young salespeople's motivation and performance. More specifically, we suggest that inexperienced salespeople are better learners and performers if they attribute sales success to effort conjointly with accidental luck and provoked luck no matter whether they work smart or hard.

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# **DEVELOPING A MEASURE FOR UNDERSTANDING THE FREQUENCY AND PURPOSE OF USING SOCIAL MEDIA IN THE SUPPLY CHAIN**

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## **INTRODUCTION**

As social media usage grows, companies have learned that the company no longer controls all communication about their brand or service. Peters et al. (2013) note that social media are about influence, not control, quality not quantity and importance not urgency. Li and Bernoff (2008) describe this shift in control as a “groundswell” and suggest that organizations will have to develop strategies to participate in the groundswell if they wish to remain relevant. Five groundswell objectives that executives should incorporate into their strategic plans in order to become more customer centric are described (Bernoff and Li 2008): Listening, Talking, Energizing, Supporting and Managing. Since 2008, the social media conversation has expanded beyond customers to include more of the supply chain. Choosing to participate in a conversation suggests that every party involved has objectives to fulfill. Understanding the supply chain perspective and objectives in participating in the social media conversation would have value for marketers, salespeople, suppliers, purchasing agents and logistics managers. Leveraging social media is predicted to be one of the key trends in the next generation of supply chain (Sengupta 2013).

## **BACKGROUND**

Social media usage in the supply chain is not well documented. O’Leary (2011) suggests that the use of social media in the supply chain is early in the technology life cycle and describes a variety of ways companies are incorporating the emerging technology. More recently Chae, (2015) has looked at hashtag and Twitter analytics in relation to supply chain. Gonzalez (2013) is noteworthy as he argues that social media can and should play an important role in supply chains. He argues that it is not social in the sense of socializing, but is really about getting communication among parties to foster collaboration and integration at various levels. Li (2011) comments similarly that the value of social media is in the realm of communication among supply chain partners. More efforts have been made to examine social media use by sellers within the supply chain. The sales literature has many recent examples. Rapp et al (2013) considered the supply chain when they examined B2C social media effects across suppliers, retailers and consumers and found that the use of social media increased retail store performance significantly. This suggests a need for instruments to better understand social media.

## MEASURE DEVELOPMENT

Following the second step in Churchill's (1979) paradigm for developing better measures, we have generated items that follow this framework based on a review of articles that describe how social media is currently being used to address business opportunities and challenges. We looked for examples that fit descriptions from Bernoff and Li (2008). The full paper discusses examples from each of the five social media objectives. *Listening* can be described as gaining new insights about the business environment by paying attention to what people are saying about their interactions, experiences, thoughts and feelings with the company, the competitors, the suppliers and markets. *Talking* is explained as "talking with", distinct from "shouting" or "talking at". "Talking with" implies moving from one-way mass communication to timely interactive responsive discussion. Li and Bernoff (2008) used the term "energize" for *engaging*. Looking at social media from a marketing perspective, these authors were referring to getting customers to interact with one another to evangelize a product. We chose the term "engage" to describe a similar concept of encouraging the supply chain members to collaborate, discuss and interact with one another to identify supply chain best practices and promote industry problem solving and innovation. *Supporting* consists of providing answers, directions and updates in time sensitive situations to front line decision makers. A main task in *managing* supplier relationships is to optimize the existing portfolio of suppliers. This includes identifying and building a relationship with new suppliers, building and maintaining relationships with current suppliers and evaluating and dissolving ineffective relationships.

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## SUPPLY CHAIN MEASURE ITEMS

### Statement

We use Social Media to:

#### Listen

Detect changes in demand

Get early warnings about disruptions in the supply chain  
(weather, events...)

Monitor trends in our industry

#### Talk

Keep employees up to date

Get vital information to suppliers faster

Enhance transparency (visibility) on industry concerns

#### Engage (energize)

Participate in forums on industry issues

Invite feedback on supply chain performance.

Involve suppliers in product development

#### Support

Respond to changing conditions

Increase speed and accuracy in decision making

Identify and reduce supplier conflicts

#### Manage (embrace)

Search for new suppliers

Give performance feedback to suppliers

Manage across geographic boundaries

# **HOW MANY FISH DOES YOUR “NET” CATCH? THE IMPLICATIONS OF SOCIAL MEDIA IN SALES STRATEGY**

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## **INTRODUCTION**

Recently, social media has been the focus of special attention from sales researchers and practitioners because of its dramatic impact on the way that people and companies interact. Instead of being restricted to one-way interactions (such as a customer information search), which was more common in the past, social media is facilitating dialogue such that customers can now freely express their thoughts and feelings about products or service they purchase. Social media alleviates the disadvantages of older technologies by offering inexpensive platforms for sharing information, facilitating integration with current information systems, and opening new ways of approaching markets and customers (Inks, Schetzle, & Avila 2012). However, although many recognize the important of having effective sales strategies in B2B markets (Piercy 2006, Lane 2009, LaForge, Ingram, and Cravens 2009), research to date has focused on sales processes (Moore, Hopkins, & Raymond 2013, Schultz et al. 2012, Rodriguez, Peterson, & Krishnan 2012) leaving the question of how social media helps sales organizations improve their sales strategies unknown. In this paper, we try to fill this gap by answering the following research question: How can social media activities help to improve sales strategy effectiveness?

## **RESEARCH QUESTION DEVELOPMENT**

Customer segmentation, customer prioritization and targeting, relationship objectives and selling model, and use of multiple sales channels are the most important activities that an effective sales strategy must involve (Ingram et al. 2009). Having clear customer segmentation and prioritization would help salespeople approach clients and allocate efforts and resources properly and effectively. Once the customer groups are identified and prioritized based on company criteria (e.g. customer potential values), different relationship archetypes would be identified for each. These would help the sales force have clearer sales objectives and more customized directions for approaching prospects, thus increasing their success rates. Furthermore, when salespeople focus on the high value customers, they should develop close relationships with these strategic customers, thereby engendering mutual trust, increasing information sharing, reducing conflicts, maintaining commitment, and co-creating value (Ingram, LaForge, Avila, Schwegker, and Williams 2009). Therefore, proper strategy increases salespeople’s ability to achieve their objectives and bring about huge potential for productivity and profitability leverage. Hence:

RQ 1. To what extent do the combination of sales strategy components impacts sales outcome?

Ever increasing complexity and dynamism are inherent features in any market, especially in the B2B arena. Therefore, it is of the utmost importance that salespeople have the ability to recognize changes if they are to be successful sustaining and enhancing their companies' competitive positions (Leigh & Marshall 2001). Thus, knowledge and information acquisition become vital resources that salespeople need for planning activities (Weitz et al. 1986, Leigh & McGraw 1989). Social media platforms (e.g. Blogs, Twitter, Facebook, LinkedIn, forums, etc.) offer salespeople many sources from which to collect competitive intelligence (Rapp, Agnihotri, & Baker 2011). Through the utilization of such tools, a sales organization would be able to retrieve a huge amount of information revealing customer needs and preferences and market changes, which would serve to advance sales strategy planning and increase success rates. Furthermore, a presence in social media platforms not only allows companies to open new communication channels with which to share information with customers but also helps these companies get feedback from their stakeholder groups. Therefore:

RQ 2. To what extent does collecting competitive intelligence on social media exert a moderating influence the relationship between sales strategy and sales performance?

Customer engagement plays an increasingly important role in the success of sales organizations because of its enormous benefits such as trust, referrals, recommendations to other customers, and value co-creation (Brodie et al. 2011). Moreover, social interactions trigger new interpretations and new discoveries that solitary consumer thinking could not have generated (Hargadon and Bechky 2006). The high level of interactivity characteristic of social media promotes bonding among community members and strong bonds with the host company, increasing the social benefits members perceive to be getting and, in turn, enhancing their engagement with the communities and, in turn, attracting more participants. Therefore, the higher the degree of engagement from community members, the more valuable the insights and trends for future product or service development (Kim et al. 2008) that are generated, and the stronger relationships with the customers will be. Thus,

RQ 3. To what extent does the degree of customer engagement on social media moderate the relationship between sales strategy and sales performance?

Previous research has indicated that word of mouth valence can influence product sales by changing consumer valuation of the products (e.g., Chevalier and Mayzlin 2006), and word of mouth volume plays an informative role by increasing the degree of consumer

awareness and the number of informed consumers in the market (Liu 2006). With the help of social media, online word of mouth is exponentially more powerful than traditional, offline word of mouth. In minutes the message can reach millions of online users with almost no cost. Therefore, online word-of-mouth is a “double edged, powerful sword” (Samutachak et al. 2012, p. 130).

Positive WOM is found to positively impact sales. Recent research on WOM has revealed that information diffused in social media can influence customer actions (such as joining a social network) (Trusov, Bucklin, and Pauwels 2009). Hence, information from social sources may be more influential in shifting customer opinions and, ultimately, generating buying intent. That is why online discussion forum activities affect television show ratings (Godes and Mayzlin 2004), user-generated online book reviews influence book sales (Chevalier and Mayzlin 2006), and more than 75% of respondents in one survey choose companies and brands based on others’ experiences posted online (Barnes 2008). Finally, Stephen and Galak (2012) confirm that WOM from current customers play a critical role in driving both the acquisition of new customers as well as in promoting retention and growth. Therefore,

RQ 4. To what extent does online word of mouth have a moderating influence on the relationship between sales strategy and sales performance?

## **CONCLUSION**

The advent of social media has transformed major business processes and functions. In the sales context, social media opens new channels and environments in which businesses can interact with their customers. Scholars and practitioners alike have focused their intentions so far on how social media helps with sales processes and behaviors. This study is among the first to look at how social media impacts the relationship between sales strategy and sales performance. It is known that sales strategy has a strong impact on sales performance. However, in the context of social media, this influence might be affected by companies’ social media usage. This paper examines the relationship of four components of sales strategy customer segmentation, customer prioritization and targeting, relationship objectives and selling models, and the uses of multiple sales channels with sales performance and the moderation effects of social media usage has on this relationship. From that, this paper suggests four important questions about these moderation effects.

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## **GRIT, MENTAL TOUGHNESS AND TENANCITY: ARE THEY DIFFERENT?**

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Many sales managers believe that the level of determination a salesperson possesses may be a key factor in consistently high performance (Harris and Artis, 2005; Harris, et al., 2006; Johnston and Marshall, 2013). In response, researchers are looking to develop psychometrically-reliable scales that predict sales performance by measuring a three constructs: grit, mental toughness and tenacity. A pilot study was used to compare existing scales for these constructs using a sample of 226 business students from three different universities.

Grit - Duckworth and Quinn (2009) define grit as “the capacity [of a person] to sustain both effort and interest in projects that take months or even longer to compete” (p. 166). Grit was measured using the 12 item scale from Duckworth and Quinn (2009) which views grit as a second order construct. The scale contains two facets of grit, Consistency of Interest (CI) and Perseverance of Effort (PE), each measured by 6 items.

Mental toughness - The construct of mental toughness is defined by Loehr (1982) as a person’s ability to perform well under pressure. Mental toughness was assessed via the MT18 questionnaire (Cherry, 2005) which consists of 4 facets; competitive desire (4 items), focus (5 items), resiliency (5 items), and self-confidence (4 items).

Tenacity - Fern and Avila (1986) define tenacity as a person’s will power, persistence or resoluteness to not let go based on the concept from industrial/organizational psychology (Hogan et al., 1984). Tenacity was measured by the 15 item tenacious goal pursuit scale (Brandtstädter and Renner, 1990).

### **FINDINGS**

A multistage analysis was used to determine the level of discrimination between the constructs. First, each scale was subjected to a reliability analysis to purify the measures and ensure convergence of the items. The resulting measurement items all displayed acceptable internal consistency with Cronbach’s alphas above .70. For the grit facet the alpha was .762 for CI and .801 for PE; for mental toughness the alphas were .872 for competitive desire, .785 for focus, .821 for resiliency and .867 for self-confidence; for tenacity the alpha for the reverse coded item facet was .913, and .883 for the direct coded item facet.

The second step was to subject the refined scales to a confirmatory factor analysis to assess the convergent and discriminant validities across the higher order constructs. When it comes to the first order facets loading on to the second order constructs, all loadings were statistically significant, but the standardized loading of the CI facet on to the grit construct was low at .214. The model fit for the single construct model was significantly worse than the proposed model with fit indices between .45 and .55 and a RMSEA of .128, which provided support that the results were not due to CMV.

The third step was to assess the relationship between the variables to determine whether they were in fact distinct constructs or rather different ways of naming the same thing. The covariance between all three constructs was significant below the .05 level of significance. An examination of the magnitudes of the covariance between each construct shows that from a practical perspective, the covariance between grit and the other two constructs is quite low with both being below .20. The covariance between mental toughness and tenacity is more concerning with a magnitude of .546. This necessitated a closer examination of the relationships between the constructs which was undertaken by first creating summated scale scores for the second order constructs of grit, mental toughness and tenacity and running bivariate correlations between the constructs. The correlations between the second order constructs was significant not only statistically, but also practically with the magnitude of each correlation greater than .5.

As an additional test of the level of interconnectedness of these second order constructs, simple linear regressions were conducted with each of the constructs predicting the others to allow an assessment of the overlap in variance of each construct. The regression between grit and mental toughness produced an r-square value of .291, the regression between grit and tenacity produced an r-square of .412 and the regression between mental toughness and tenacity produced an r-square of .294. In an attempt to determine what, if any, facets were driving the overlap in variance between these second order constructs, summated scales scores were calculated for each first order facet and they were then compared using bivariate correlations. The correlations between the first order facets run the gamut from nonsignificant (e.g., CI and competitive desire) to large magnitudes (i.e., PE and tenacity direct facet). As was expected, the facets within each higher order construct were significantly correlated which shows convergent validity, but the strong correlations between facets from different constructs again calls into question whether these are truly separate constructs. For instance the PE facet of grit had a .679 correlation with the self-confidence facet of mental toughness and a .680 correlation with the direct coded measure of tenacity. Similarly, the direct coded facet of tenacity had .610 and .614 correlations with focus and self-confidence facets of mental toughness, respectively. This indicates that there are clear areas of overlap between the scales.

## **CONCLUSION**

The findings raise significant concerns about the discrimination between the constructs. The covariance, correlation and simple regression analyses show that there is significant overlap between the three constructs, specifically in the area of the PE facet of grit with all four facets of

mental toughness and the direct coded facet of tenacity. These findings indicate that further research is needed to tease apart the overlap between these constructs.

The three constructs—grit, mental toughness and tenacity—apply a “forward” looking process to predict a salesperson’s future actions *before* facing a dilemma by understanding how much grit, mental toughness, and tenacity they have prior to an event. Hence, current thinking suggests that a person’s mental disposition prior to facing a problem is key to facing the difficulty and working through it, but this ignores training designed to have a “backward” focus—like resiliency training (Collie, 2005). While these three constructs are viewed as determinates to salesperson performance might they actually be moderators influencing training that leads to overcoming a problem to improve sales performance? For example, resilience training has been shown to help individuals to cope *after* a negative event to better prepare them for future difficult tasks (Collie, 2005).

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# CONVERTING PURCHASE COMMITMENTS INTO PURCHASE FULFILLMENTS: AN EXAMINATION OF SALESPERSON CHARACTERISTICS AND INFLUENCE TACTICS

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The final stage of product merchandising occurs when salespeople are in direct contact with the customer, deciding whether to complete the transaction or not. At this stage, the actions of salespeople have a critical impact on the customer's decision to buy, because all other efforts (e.g., marketing and branding activities) are fixed (Spiro and Weitz 1990, p. 61). The goal of the salesperson at this stage is to gain agreement (commitment) from the customer, which results in a completed sale (fulfillment). However, many things can prevent a commitment from being fulfilled (Plouffe et al. 2014). For example, a car shopper may verbally commit to purchasing a car from a particular dealer/salesperson, but never fulfill the transaction. Any number of factors could affect the actual fulfillment of the purchase commitment including a better deal being offered from a competitor, an unforeseen financial hardship (e.g., bad credit, home repair costs, etc.), or perhaps a lack of sincere commitment from the customer.

Given that fulfillment does not always translate into commitment, understanding the relationship between commitment and fulfillment is an important topic for three salient reasons. First, the customer does not transfer complete funds until the purchase is fulfilled. In essence, while gaining commitment is laudable, to a firm's accountant customer commitment is *essentially* a "zero" on the books. Further, when customer commitments go unfulfilled indefinitely, they are *exactly* a "zero" for accounting purposes. The second reason relates to the lack of physical payment because often salespeople and their managers treat purchase commitments as "banked" sales for forecasting and planning purposes. Having confidence that sales commitments will translate into sales fulfillments is critical to both salespeople, for proper time allocation in pursuit of sales period quotas and commissions, and sales managers, to accurately report sales expectations. Therefore, commitments that do not fulfill affect proper time allocation, budgeting, and planning (Johnston and Marshall 2013). Unfulfilled commitments can cause problems in other areas of the firm, including the human resources (e.g., incorrect personnel requirements), production (e.g., inventory overages), and purchasing (e.g., incorrect material amounts) departments. In summary, while gaining a customer commitment is positive, unfulfilled commitments have negative implications for firms.

Finally, experts and managers' report that the issue of commitments versus fulfillments is a critical issue in their firms. The seriousness of the issue was supported within interviews of sales managers. The topic led one manager to add that unfulfilled commitments "lead to an unending cycle of follow-up that often that does not result in a finalized deal." Another manager went

further and added that he “would rather these customers just say no in the first place.” Additionally, firms take the issue seriously as evidenced by unfulfilled commitment problems being cited as a factor spurring the creation of the role of Chief Customer Officer to focus on such problems (Bingham 2014). Unfulfilled commitments are even used as an economic indicator with changes in the magnitude of difference between commitments and fulfillments indicating positive or negative economic conditions (Reuters 2014). Therefore, the current study suggests that identifying ways that salespeople can more effectively minimize unfulfilled commitments is an area ripe for study.

To that end, the current study first turns to the potential impact of salesperson influence tactics on customer fulfillment. Influence tactics are used by salespeople to persuade customers in decision making. Attempts to influence are accomplished using various influence tactics which range from non-coercive to coercive (Plouffe et al. 2014). Salespeople have control over which tactics they employ in a sales interaction as they attempt to effectively adapt influence tactics to their customer and the situation (McFarland 2006). In some cases, a more coercive tactic is effective (e.g., buy now, the product is scarce), while other situations are more effectively handled using a non-coercive approach (e.g., a “no haggle” furniture store). Given the varying levels of coercion associated with influence tactics they are expected to impact the commitment to fulfillment relationship different ways (e.g., highly coercive pressure tactics may lead to insincere commitments that are not fulfilled). The current study considers the underlying mechanisms of different influence tactics (compliance, identification, and internalization) to hypothesize positive and negative relationships of the individual influence tactics moderating effect on the commitment to fulfillment relationship. Second, the current study considers the role of three salesperson characteristics (long-term orientation, customer orientation, and adaptive selling) which have the potential to impact the commitment to fulfillment relationship. The study of the moderating role of these characteristics is conducted to test the moderating effect of the characteristics on the commitment-fulfillment relationship.

All data are collected and results are pending at the time of manuscript submission, but will be available at the conference for inspection and discussion.

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# **THE ROLE OF GUILT, RELATIONAL ORIENTATION SELLING, AND POSITIVE OUTCOME FEEDBACK ON CUSTOMER SATISFACTION**

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## **INTRODUCTION**

The development of cooperative and long-term relationships with customers is a major objective of salespeople working in today's customer-centric market. The study of different variables that can possibly impact customer-salesperson relationships' quality as measured through customer trust, satisfaction and loyalty, is of high interest to sales researchers (e.g., Ahearne et al., 2007). During their interactions with salespeople, customers experience different behaviors of salespeople which in turn can affect the quality of their relationships with those salespeople (Parsons, 2002). Other than salespeople's behaviors, the quality of the relationship depends on interpersonal variables and other relational aspects (Parsons, 2002). This study, with a framework that is built based on social psychology literature, investigates the effects of salespeople's guilt proneness on their relational selling orientation, which in turn is suggested to increase effort exerted. The more effort salespeople put at work the more satisfied their buyers should be. Moreover, the direct and moderating effects of positive outcome feedback by managers on salespeople's effort are examined.

## **THEORETICAL FRAMEWORK AND CONCEPTUAL DEVELOPMENT**

In this study, we deployed the pro-social motivation and behavior theory (Hoffman, 1982, 2001) to study the links between salespeople's emotional traits and relational behaviors, in line with other related studies in the sales literature (Agnihotri et al., 2012). Of the different emotion-related variables, we focused on guilt proneness of salespeople. The theory of pro-social motivation and behavior suggests that one's behaviors and motivation are driven by "the human capacity to take the other's roles" (p. 1), of which experience of guilt represents one of the different capacities (Hoffman, 1982). Moreover, guilt proneness often imposes behaviors that ensure equity among all the entities involved in a relationship (Baumeister et al., 1994). For that, a guilt prone salesperson's actions are directed toward the facilitation of the relationship with the customers (Regan, 1971). For B2B salespeople who are most of the time considered as boundary spanners and relationships managers, guilt proneness is considered a pertinent factor that can affect the way they interact with their customers and thus the relationships they have with them. In relationship marketing setting, a guilt prone salesperson will be more relational orientated when dealing with customers to elicit symbolic affirmation of thoughtfulness. In addition, employees that share customer-relationship orientation of their firms will consider relationships with customers as assets and drives the choice of processes to accomplish it (Jayachandran et al.

2005). Consistent with that, salespeople with higher relational selling orientation will exert higher levels of effort and hard work to establish quality relationships with customers as measured by the increase in satisfaction. Building on the previous discussion, positive effect of guilt proneness on relational selling orientation is proposed. In addition, relational selling orientation is said to increase effort exerted by salespeople, which in turn will lead to more customer satisfaction.

As mentioned earlier, direct and interaction effects of positive feedback outcome by managers on salespeople's effort are also considered in this study. According to Teas & Horrell (1981), performance feedback has been considered to positively influence salespeople's satisfaction with their job, and thus is suggested in this study to affect effort exerted. On the other side, implementation of an effective relationship-based sales program would require managers to keep a constant vigil to ensure that salespeople are indeed putting right amount of effort to realize their relational orientation into action (Keillor et al., 2000). Thus, positive outcome feedback is suggested to moderate the relationship between relational selling orientation and effort wielded by salespeople at work.

## **ANALYTICAL PROCEDURES**

To test the relationships proposed, the study used data collected from 129 B2B salespeople working for different firms across industries. All the measures used were adapted from previous literature in which they were validated. A measurement model was conducted for additional analysis of the reliability and validity of the measures through a confirmatory factor analysis. The analysis demonstrates adequate model fit with required levels of reliability, convergent and discriminant validity. We further test two structural models, main and moderated, using Latent Moderated Structural equation modeling in Mplus. In sum, the majority of the relationships were supported. The analysis shows positive effect of guilt proneness on relational selling orientation of salespeople, which in turn increases effort exerted at work. As suggested, this effort is found to increase customer satisfaction. Regarding the effects of positive outcome feedback, the results show that it has positive effect on effort as suggested. Further, an interesting interaction effect between positive outcome feedback and relational orientation is found on effort.

## **DISCUSSION AND IMPLICATIONS**

The goal of this research is to examine the role of relational selling orientation and a critical emotional factor of salespeople, guilt proneness, with associated customer outcomes. The current research provides additional understanding to the effects of relational selling on salespeople's behavioral performance. The results show that salespeople with high relational orientation always put forth more effort into their job, with no effect of the feedback they get from managers. More efforts are translated to more highly satisfied customers. Based on the results found, managers should provide more positive outcome feedback to help foster salespeople efforts with low relational selling orientation. Such strategy is found to increase the level of effort exerted by low relational selling orientation. In sum, understanding the subtleties of this dynamic between feedback and orientation is vitally important to optimizing salesperson effort.

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# **THE ROLE OF SOCIAL MEDIA IN PROACTIVE POSTSALES SERVICE**

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## **SUMMARY ABSTRACT**

The social media usage has been proposed to affect all aspects of personal selling and sales management including the final stage of the sales process, following up with customers. However, there has been little attention on how social media usage enhances postsales services in various industries. Firms trying to build strong connections with their customers are proactive in their approach and do not wait for customers with complaints to reach out to them. Including product delivery, installation, warranties, service quality, and feedback, proactive postsales services (PPS) is argued to have a significant effect on customer satisfaction (Choudhary et al. 2011) and corporate image (Monga and Chaudhary 2012). To establish long-lasting and profitable customer relationships, firms engage in PPS described as a firm initiating a customer contact to provide a service after a sale is complete. In certain industries, PPS is a more important profit source than the initial purchase; PPS is designed to boost customer satisfaction and loyalty through preempting product failures, educating customers on product usage, and soliciting customer feedback (Challagalla et al. 2009).

In this research, the authors investigate the effect of social media usage on the link between PPS and customer satisfaction. Proactive postsales services are studied under three categories. First, proactive prevention refers to a firm proactively managing efforts to spot problems that may be impending for a customer and taking actions to avoid them. Using social media to proactively identify potential product failures may create undesirable outcomes. Being approached in front of their social network due to a potential product failure may induce the feeling of embarrassment in customers. Second, proactive education refers to firm's managing efforts to educate customers on how they can gain higher utility from its products and services. Using social media to initiate and provide postsales contact educating customers on how to benefit more from the product may boost the tech-savvy image of the firm and make the customers more invested in the process. The customers may also be more flattered to receive the attention in front of the members of their social network. Third, proactive feedback-seeking refers to a firm's managing efforts to contact its customers to receive feedback on their experiences with its products. The fact that their opinion is sought publicly may again flatter customers and motivate them to provide useful feedback. The basic expectation of this practice is not only an increased level of customer satisfaction but also a higher survey participation rate compared to an email survey seeking feedback after a service is rendered.

The results of the pilot study gives confidence to further investigate the proposed relationships. First, the type of the communication medium had a significant relationship with how customers

evaluate the services provided. Besides, as expected, proactive prevention established a better match with the customer contact platforms other than social media. In the following stages of this research, current customer data from various industries will be collected. This study has many theoretical and managerial implications. First of all, we partially test the PPS model developed by Challagalla et al. (2009) positing that proactive postsales services including proactive prevention, proactive education, and proactive feedback-seeking have an effect on customer outcomes such as customer satisfaction and supplier innovativeness. The authors further suggest that this relationship holds both in business-to business relationships and business-to-consumer relationships and is moderated by customer and product characteristics containing usage intensity, openness to experience, life-cycle stage and network externalities.

Second, the current research extends the previous work by adding a social media component to the proactive postsales service model, which was argued to be extremely important in the sales research (Andzulis et al. 2012). Studying the role of social media is particularly important given the recent technological advancements and customer and business involvement in the social media usage. Finally, the results of this research are relevant to day to day practices of managers who are constantly seeking customer feedback and improve customer satisfaction. Our preliminary results show that collecting customer feedback over social media, as a prominent social media outlet, does not exhibit a significant advantage over collecting customer feedback via email.

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## A SYNTHESIS OF RESEARCH ON LISTENING

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Listening is a critical skill that if used effectively, creates trusting relationships with customers, results in customer satisfaction, greater anticipation of future interactions, and improves salespeople's performance (Ramsey and Sohi 1997; Shepherd et al. 1997; Castleberry et al. 1999; Aggarwal et al. 2005; Pelham and Kravitz 2008). In fact, Marshall et al. (2003) find that listening skills are the most important skill that successful salespeople possess. On the other hand, poor listening skills are one of the most significant factors contributing to salesperson failure (Ingram et al. 1992).

The notion of listening dates back to ancient China and its importance has been posited not only by academicians, but also government and popular press. Ancient Chinese symbols indicate that listening ("to listen") is made up of characters for the ear, eye, heart, and undivided attention (Navarro 2010; U.S. Department of State 2012). This illustrates that listening goes beyond simply what one hears; according to the U.S. Department of State (2012), "we must use both ears, watch and maintain eye contact, give undivided attention, and finally be empathetic... we must engage in active listening!"

Researchers have crafted many definitions for listening, in fact Bodie and Gearhart (2011) comment that "definitions of listening are almost as abundant as researchers studying the phenomenon," (p.86). Table 1-1 provides samples of these definitions of listening, from varying perspectives. Although these definitions are diverse, they all seem to have a common theme: listening is a multi-dimensional process involving cognitions, affect, and responses both verbal and nonverbal (Bodie and Gearhart 2011).

**Table 1-1 Definitions of Listening\*\***

<b>Source</b>	<b>Definition</b>
Comer and Drollinger (1999, p. 18)	Active empathetic listening is a process whereby the listener: receives verbal and nonverbal messages, processes them cognitively, responds to them verbally and nonverbally, and attempts to assess their underlying meaning intuitively by putting themselves in the customers' place throughout.
International Listening Association (1996)	Listening is the process of receiving, constructing meaning from and responding to spoken and/or nonverbal messages.

Yrle and Galle (1993)	Active listening means listening well and demonstrating an interest in what is being said.
Castleberry and Shepherd (1993, p. 36)	The cognitive process of actively sensing, interpreting, evaluating, and responding to the verbal and nonverbal messages of present or potential customers.
Hennings (1992, p. 3)	To listen is not just to hear; it is the active construction of meaning from all the signals – verbal and nonverbal – a speaker is sending.
Lewis and Reinsch (1988, p. 58)	A set of interrelated activities, including apparent attentiveness, nonverbal behavior, verbal behavior, perceived attitudes, memory, and behavioral responses.
The Institute of Financial Education (1988, p. 88)	The process of receiving sights and sounds, attending to them, and assigning meaning.
Devine (1978, p. 302)	A matter of processing the incoming meaningful sounds into syntactical and then into larger units, so that the listener can make sense of the sounds.

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*\*\*Adapted from Ramsey and Sohi (1997, p.129) table.*

Listening theorists have posited that listening is a multistage process involving sensing, evaluating, and responding (Drollinger, Comer, and Warrington 2006; Pence and Vickery 2012). In a sales context, the process is initiated with salespeople sensing cues (verbal and nonverbal) communicated by customers (Castleberry and Shepherd 1993; Comer and Drollinger 1999). After sensing occurs, listening progresses into the evaluating stage which is highly cognitive (Castleberry and Shepherd 1993; Ramsey and Sohi 1997; Comer and Drollinger 1999). This stage is related to the energy the salesperson devotes to analyzing and organizing messages for understanding and recollection. At this stage, the effective listener offers reassurance that the message will be remembered through paraphrasing and head nods (Drollinger, Comer, and Warrington 2006; Pence and Vickery 2012). Once a salesperson has sensed and evaluated messages provided by the customer, listening moves to the responding stage, which can be seen as the end result of the other two stages (Comer and Drollinger 1999; Roman, Ruiz, Munuera 2005). This is also the stage that has the greatest impact on outcomes of the listening process like adaptive selling, satisfaction, and performance (Ramsey and Sohi 1997; Boorum et al. 1998; Aggarwal et al. 2005).

The importance of advancing listening theory and developing a framework surrounding listening process for salespeople was first posited by Castleberry and Shepherd (1993). Their conceptual paper suggests a framework incorporating motivations, the listening process, adaptive selling, and performance (Castleberry and Shepherd 1993). In sales, this

has spurred scale development efforts to define listening's dimension in a sales context, and the testing of various antecedents and outcomes of listening to establish its importance in relationship building (Pryor, Malshe, and Paradise 2013). Given the importance of listening, as indicated by academicians, popular press, and the U.S. government, the objective of this meta-analysis is to synthesize existing empirical research on listening to empirically assess the state of the literature stream and advance listening theory.

### **The Process of Salesperson Listening**

Researchers generally agree that listening is a sequential process comprised of three dimensions, or stages: sensing, evaluating, and responding. Listening begins with the *sensing* of verbal and nonverbal messages that are being sent by others (Castleberry and Shepherd 1993). This stage of listening is measured by items from a customer perspective like "focused only on me," (Ramsey and Sohi 1997). From the salesperson perspective items include: "I am aware of what my customers imply but do not say," and "I understand how my customer feels," indicating both the reading of nonverbal cues and affect (Drollinger, Comer, and Warrington 2006).

Once messages are sensed, the receiver assigns meaning and value to the message(s); this stage is termed *evaluating* (Castleberry and Shepherd 1993). Items measuring this stage, from the customer's perspective, include: "asked for more detail," and "paraphrased my questions," (Ramsey and Sohi 1997). On the salesperson side, items include: "I assure my customers I will remember what they say by taking notes when appropriate," and "I summarize points of agreement and disagreement when appropriate," (Drollinger, Comer, and Warrington 2006). As indicated by the aforementioned items, the evaluating stage of listening is highly cognitive and involves interpretation of the cues received, as well as sending cues back to show you are listening (e.g., questioning, paraphrasing, and taking notes). Furthermore, Castleberry and Shepherd (1993) suggest that salespeople with effective listening "listen first, and evaluate second," (p. 42). The listening process must occur in this progression so the salesperson does not miss any of the customer's messages or misinterpret them (Castleberry and Shepherd 1993).

After messages are sensed and evaluated, the listener enters the *responding* stage where they react to messages with both verbal and nonverbal communication. Examples of responding items on the customer side are: "offered relevant information to the questions I asked," and "answered at appropriate times," (Ramsey and Sohi 1997). From the salesperson perspective, items include: "I assure my customers that I am listening by using verbal acknowledgments," and "I show my customers that I am listening by my body language (e.g., head nods)," (Drollinger, Comer, and Warrington 2006). Also, this is the stage with the greatest impact on outcomes of listening like adaptive selling, satisfaction, and performance (Ramsey and Sohi 1997; Boorum et al. 1998; Aggarwal et al. 2005).

Sales researchers have developed three scales to measure this process: Salesperson Listening

(Ramsey and Sohi 1997); Interpersonal Listening in Personal Selling (Castleberry et al. 1999); and Active Empathetic Listening (Drollinger, Comer, and Warrington 2006). These scales have aided in determining the dimensions of listening specifically in a sales context, and for listening to be measured along with other constructs that contribute to relationship building with customers (Pryor, Malshe, and Paradise 2013). Table 1-2 shows a sampling of studies on salesperson listening and its antecedents and outcomes. Although this is not a robust area, there has been a steady stream of research in order to advance the understanding of salesperson listening (Pryor, Malshe, and Paradise 2013). Given this, the following research questions are proposed:

- RQ1: What constructs have been examined with listening and what are the relationships?  
 RQ2: What research is needed to better understand listening in the sales context?

**Table 1-2 Select Studies Examining the Antecedents and Outcomes of Listening**

<b>Study</b>	<b>Antecedents</b>	<b>Outcomes</b>
Ramsey and Sohi 1997		<ul style="list-style-type: none"> <li>- Satisfaction with salesperson</li> <li>- Trust in salesperson</li> <li>- Anticipation of future interaction</li> </ul>
Boorom et al. 1998		<ul style="list-style-type: none"> <li>- Adaptive selling</li> <li>- Salesperson performance</li> </ul>
Castleberry et al. 1999		<ul style="list-style-type: none"> <li>- Salesperson performance (6 measures)</li> </ul>
Aggarwal et al. 2005	<ul style="list-style-type: none"> <li>- Empathy</li> </ul>	<ul style="list-style-type: none"> <li>- Satisfaction with salesperson</li> <li>- Trust in salesperson</li> <li>- Anticipation of future interaction</li> </ul>
Roman, Ruiz, Munuera 2005	<ul style="list-style-type: none"> <li>- Experience Education</li> <li>- Gender</li> <li>- Intrinsic motivation</li> <li>- Compensation system</li> </ul>	
Pelham and Kravitz 2008	<ul style="list-style-type: none"> <li>- Adaptive selling</li> <li>- Emphasis on consulting salesperson evaluation</li> </ul>	<ul style="list-style-type: none"> <li>- Customer orientation</li> <li>- Salesperson consulting</li> </ul>
Pelham 2009	<ul style="list-style-type: none"> <li>- Market orientation</li> <li>- Adaptive selling</li> <li>- Customer orientation</li> </ul>	<ul style="list-style-type: none"> <li>- Salesperson consulting</li> </ul>
Drollinger and Comer 2013		<ul style="list-style-type: none"> <li>- Trust</li> <li>- Relationship quality</li> </ul>

## METHOD

Hunter and Schmidt's (2004) random effects model was utilized to estimate effect sizes and confidence intervals. This approach assumes that the variability in findings across studies comes from both the sampling of studies and the sampling of individuals within studies (reflecting between-studies variance, and sampling error, respectively) (Franke and Park 2006). On the other hand, the fixed-effects perspective assumes that studies only differ in terms of the participants examined, and possibly by a few study characteristics that are accounted for as moderators (Hunter and Schmidt 2004; Franke and Park 2006). When the assumptions of the fixed-effects approach are not met, the random-effects approach produces more generalizable results that are less subject to Type I errors in testing mean effect sizes (Hunter and Schmidt 2004). Also, observed correlations were corrected for statistical artifacts using Hunter and Schmidt's (2004) mixed meta-analysis procedures. The following discussion provides a description and rationale for procedures used.

### Collection of Studies

Sales researchers have developed three scales to measure the listening process: Salesperson Listening (Ramsey and Sohi 1997); Interpersonal Listening in Personal Selling (Castleberry et al. 1999); and Active Empathetic Listening (Drollinger, Comer, and Warrington 2006). Thus, as a logical point of reference, 1997 was used as the starting point; then a search was conducted for published and unpublished empirical research on listening. After establishing this initial starting point for sales research, empirical research on listening for all years across all disciplines was also searched for. The analysis started by conducting web-based searches for empirical studies from the following databases: EBSCOhost Business Source Complete, Emerald, Google Scholar, and Science Direct. The following key words were used in the web searches: listening, salesperson listening, interpersonal listening, active empathetic listening, ILPS, and AEL. The next step was to manually search all issues of the leading sales, marketing and communication journals. To identify unpublished studies, ProQuest Dissertations & Theses, an online dissertation database, was also searched.

Furthermore, when relevant studies were identified, their references were examined for additional sources. The results of these searches revealed over a 100 articles concerning listening, however only 22 papers contained empirical research that utilized one of the salesperson listening scales (or a variant of them), along with relevant sales constructs.

### Effect Size Metric and Coding

**Effect Size Metric** The effect size coded for the analyses is the Pearson's correlation coefficient ( $r$ ), which is easy to compare and interpret across studies (Hunter and Schmidt 2004). Also, this statistic is common in marketing and sales research. Eligibility of studies was limited to those reporting a Pearson's Correlation Coefficient ( $r$ ) or other statistics that could be converted to  $r$ .

**Coding Procedure** Before coding was conducted, a coding manual was developed that outlined

all necessary study-level and effect-size information for each study (Lipsey and Wilson 2001). Then studies were coded in three steps that are similar to other recent meta-analyses (Verbeke et al. 2011): (1) Search for reported determinants, reliability measures, effect sizes, and study descriptors; (2) Carefully enter all data obtained into the database; (3) Examine the theoretical and operational definitions of constructs. Based on previous research on listening, the following variables were identified as important constructs related to effective listening: customer orientation, adaptive selling, satisfaction, trust, salesperson performance, and intention of a future interaction. Thus, studies were limited to those that provided an  $r$  (or statistic that could be converted to  $r$ ) between listening, or one of the three dimensions of listening, and to the aforementioned constructs.

**Bivariate Analysis** In order to examine the strength of the bivariate relationships in this study, first the simple average of the correlations was calculated for each determinant. However, this simple average is not used in meta-analytic models but instead raw correlations ( $r$ ) are adjusted for reliability and then weighted for sample size to minimize potential differences with the “true” correlation that is free of artifacts; this procedure is suggested by literature and recent meta-analyses (Hunter and Schmidt 2004; Verbeke et al. 2011; Zablah et al. 2012).

**Results** Tables 1-3 and 1-4 show the significance and relative strength of the relationships examined in this meta-analysis; Table 1-4 also provides detailed information about the studies included in the meta-analysis. These tables show that listening has a positive relationship with many other relationship-building constructs. However, in order to better understand the individual dimensions of listening’s relationship with these constructs, sales researchers should report the correlation of each dimension of listening with other constructs.

**Table 1-3 Meta-Analytic Correlations for the Study Samples**

Relationship		k <sup>a</sup>	n <sup>b</sup>	r <sup>c</sup>	r <sup>d</sup>	Q-statistic <sup>e</sup>	95% Confidence	
Variable 1	Variable 2						Lower Bound	Upper Bound
Listening	Customer Orientation (CO)	4	987	0.52	0.72	2.97	0.63	0.77
	Adaptive Selling (ADAPTS)	5	103	0.33	0.34	7.71	0.18	0.50
	Satisfaction (SAT)	5	859	0.26	0.32	3.98	0.20	0.44
	Trust	5	832	0.52	0.66	6.37	0.44	0.88
	Performance (PERF)	7	160	0.43	0.61	5.08	0.44	0.79
	Future Interaction (FI)	3	633	0.22	0.25	1.95	0.10	0.38

\*  $p < .05$ ; \*\* $p < .10$

<sup>a</sup> Number of effect sizes

<sup>b</sup> Sample size

<sup>c</sup> Unadjusted for artifacts and not weighted for sample size.

<sup>d</sup> Disattenuated mean effect size. Reliability adjustments are based on individual study reliabilities. In those cases where this data was not available, it is based on the reliability distribution.

<sup>e</sup> The  $Q$ -statistic is a chi-square statistic that indicates whether the heterogeneity of variance is significantly greater than zero.

**Table 1-4 Meta-Analytic Correlations for the Relationships with Salesperson Listening\*\***

Study	Sample Size	Respondent	Customer Type	Relationships					
				CO	ADAPTS	SAT	TRUST	PERF	FI
Aggarwal et al. 2005	162	Customers	B2B			0.26*	0.58*		0.10
Boorum, Goolsby, and Ramsey 1998	239	Salespeople	B2C		0.27*			0.29*	
Castleberry, Shepherd, and Ridnour 1999	604	Salespeople	Mix					0.63*	
Castleberry, Ridnour, and Shepherd 2004	101	Salespeople	B2B		0.51*			0.66*	
deRuyter and Wetzels 2000	147	Customers	B2C			0.33*	0.26*		
Drollinger, Comer, and Warrington 2006	175	Salespeople	Mix				0.41*	0.39*	
Drollinger and Comer 2013	175	Salespeople	B2B				0.65*		
Essay 2	298	Customers	B2C			0.25*			0.32*
Essay 3 – Study 2	164	Salespeople	Mix	0.51*					
Essay 3 – Study 3	205	Salespeople	Mix	0.52*				0.37*	
Pelham and Kravitz 2008	420	Salespeople	Mix	0.58*	0.20*				
Ramsey and Sohi 1997	173	Customers	B2C			0.10	0.71*		0.24*
Shepherd, Castleberry, and Ridnour 1997	79	Salespeople	B2B		0.25*	0.33*		0.37*	
Unpublished Study - Jaramillo	198	Salespeople	B2B	0.46*	0.40*			0.33*	

\*  $p < 0.05$ ; \*\* Correlations are unadjusted for artifacts and not weighted for sample size.

## DISCUSSION

The purpose of this paper is to provide a snapshot of the current position of salesperson listening research by utilizing meta-analytic approaches. Given the limited results, it is clear that there is a need for more research on salesperson listening, thus providing direction for future research. However, there is sufficient research to establish that the salesperson listening construct is one that relates strongly to other known relationship building variables (e.g., customer orientation, satisfaction, and adaptive selling). Thus, effective listening skills have a positive relationship with customer orientation, adaptive selling, customer satisfaction, customer trust in the salesperson, intention of future interaction, and salesperson performance, which are all important variables for relationship building, and marketing which impacts firms ultimately in their profitability (Franke and Park 2006).

Although this meta-analysis provides some initial insight, there are some limitations that provide future directions for research. First, even though 22 studies were found examining salesperson listening only 14 could actually be used in this meta-analysis. The inability to utilize the remaining studies lies in variances in how researchers have measured and reported their findings on salesperson listening. Following theory, listening research should report the relationship between each dimension of salesperson listening and other constructs (Halone and Pecchioni 2001; Aggarwal et al. 2005). Unfortunately, there were not a sufficient amount of studies reporting the three dimensions of listening's relationship with other constructs to conduct a meta-analysis with the separate dimensions.

Also, it is clear from how disjointed salesperson listening research has been, that there is a need for a framework surrounding the listening process. Castleberry and Shepherd (1993) suggested a framework for the listening process; however, it is yet to be tested. In addition, there have been changes in how we communicate since 1993, particularly with the onset of technology and communication like social media. Future research should also explore the role of technology in salesperson listening.

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# **AGILITY SELLING: HOW FLEXIBILITY AND SPEED INFLUENCE VALUE CO-CREATION WITH CUSTOMERS**

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## **INTRODUCTION**

The notion of agility has been well established in the management literature (Goldman et al. 1995; Christopher 2000; Huang 1999). From the firm perspective, agility is the ability to operate in a competitive environment characterized by unpredictable and ever-changing customer opportunities (Goldman et al. 1995). The importance of agility is evident not only in operations which strengthen the adaptability of a firm, but across a wide variety of business functions. Agility has previously been explored with respect to agile competitors (Goldman and Nagel 1993), agile supply chains (Aitken et al. 2002; Christopher 2000), and even agile decision support systems (Huang 1999).

Chonko and Jones (2005) assert that an agile company needs agile people, however there is scarce little research that explores how flexibility, speed, and other components of agility operate at the individual level. The traditional concept of agility is based on company-centric operations such as manufacturing processes, but this research applies the agility construct to the individual employee through the study of salespeople. Van Oyen et al. (2001) offered a conceptualization of the agile workforce, but empirical support is called for to develop agility in the sales domain. While the broad concept of agility—the readiness to cope with continuous and unanticipated variability in the business environment (Menor et al. 2001; Yusef et al. 1999), has been previously explored, a greater understanding of agility in salespeople warranted. This research presents an empirical study of agility as it manifests within a sales organization and finds positive outcomes with value co-creation and overall performance.

## **AGILITY AND VALUE CO-CREATION**

As the business world evolves and the customer becomes an integral part of the exchange, salespeople who exhibit agility become tremendous assets to their companies. The agile salesperson's ability to inspire meaningful interactions between the customer and the firm is compelling in that it greatly enhances the value of these exchanges (Levine et al. 2001). The co-creation of value is fostered by dynamic customer-firm interactions. Much attention has been paid to the growing power of the consumer in today's modern marketplaces and no longer are consumers passive participants in exchange (Prahalad and Ramaswamy 2004). While consumers increasingly become more informed and seek more meaningful interactions with the companies they patronize, *value exchange* becomes a critical function in the business environment (Prahalad and Ramaswamy 2004).

The notion of value co-creation originates in the process—the customers are active in the exchange and as such are co-creators of the value generated by the exchange. This is driven by greater consumer-to-consumer communication and increased firm transparency (Prahalad and Ramaswamy 2004). It is the customer's entire experience with the firm that necessitates value co-creation, not merely a single static point of exchange. This puts much greater weight on employees (such as salespeople) who maintain close and longstanding relationships with customers because they become key touchpoints for value co-creation. It is in the interaction with the customer that value is created and the impacts of agility can be most readily seen.

## METHOD

For this research, data were collected from salespeople at a U.S.-based Fortune 500 Company. The focal firm sells to companies in the chemical, construction, energy, manufacturing and telecommunications industries. The firm's sales force structure is typical of many sales organizations—salespeople are encouraged to develop relationships with customers and practice behaviors that can increase customer satisfaction. The measures used in this study were salesperson agility, communications, value co-creation, customer demandingness and salesperson outcome performance. The 9-item salesperson agility scale was developed from Chonko and Jones (2005) and was pretested to determine reliability and validity. Control variables included salesperson experience as well as age and gender.

Hypotheses were tested using partial least square analysis (Hair et al. 2012). The results show that salesperson agility is positively and significantly related to value co-creation with customers (*path coefficient* = 0.50,  $p < 0.001$ ), and that value co-creation with customers is positively and significantly related to salesperson performance (*path coefficient* = 0.34,  $p < 0.001$ ). Finally, the moderator of customer demandingness had a negative effect on the relationship between value co-creation and salesperson performance (*path coefficient* = -0.11,  $p < 0.001$ ).

## DISCUSSION AND MANAGERIAL IMPLICATIONS

The purpose of this research was to examine the relationship between salesperson agility and value co-creation and its resulting impact on salesperson performance. In today's competitive business environment, being knowledgeable about customers' needs is no longer enough—being *agile* and able to respond quickly to these needs is a critical. In long-term customer relationships, the way to create value and satisfy customers is ever-changing. To meet the challenge of today's demanding customers, firms and salespeople must be agile and respond to customer changes quickly and frequently. This research found that salesperson agility has a positive impact on value co-creation with customers, and the study also provided empirical support for the benefits of the sparsely researched construct of salesperson agility.

Furthermore, this research shows that salesperson agility has an indirect effect on salesperson performance through salesperson value co-creation with customers. The key findings demonstrate that although value co-creation by salespeople is positively associated with salesperson performance, this effect is minimized among customers who have very demanding

requirements. This may be due to the fact that demanding customers may not regard rapid responses to their needs from salespeople as something that adds value, but instead view it as something that they expect salespeople to do.

The findings of this study suggest that agility is an important behavior that sales managers should look for in their salespeople. When salespeople are agile, they are forward-thinking and proactive and are able to anticipate customers' current and future needs and take steps to address these needs. By having a thorough understanding of their customers, agile salespeople are able to co-create value with buyers in a manner that goes beyond simply assessing current needs and matching those needs with the products and services offered by the salesperson's firm. Agile salespeople are likely to be able to win the business due to their unique ability to proactively anticipate customers' needs and quickly respond to them. This has tremendous implications for relationship building and establishing trust between buyer and seller. Agile salespeople can therefore aid firms by maintaining loyalty across all of their customer accounts.

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