

Sales Technology Relationship Building Role: Cognitive Insights from Salespeople and Customers

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Abstract

To improve customer relationship management, companies invest in sales technology to enhance satisfaction and valorize customer experience. This paper examines the benefits for the customer of sales technology usage by salespeople within a framework based on theories from the sales and IS literature. An in-depth exploratory qualitative study is elaborated among salespeople and their customers to identify perceived benefits of sales technology usage and in what way cognitions are shared among these roles. Three content analyses: thematic, lexical, and cognitive mapping are used to reveal the benefits most valued by interviewees. Findings indicate that sales technology have a direct impact on salesperson attitudes and behaviors like professionalism, responsiveness, availability or competence and an indirect one on customer relationship quality.

Keywords: relationship marketing - sales technology - customer's perspective - content analysis - cognitive mapping

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Introduction

As sales technology solution, Sales Force Automation (SFA) has great potential for the collection and dissemination of market information and for the development of profitable customer relationships (Ahearne et al. 2008). Research concerning the impact of IT/SFA mainly concentrates on salespeople or managers performance (Schillewaert and Ahearne 2001; Barnes and Engle 1995) and little is known on the customer's perspective in spite of the fact that it might reflect the effective and objective impact of SFA as a technological set of applications (Honeycutt et al. 2005). Since SFA is directed at improving sales force productivity, it should obviously have also an impact on the customer. For this reason, the way the customer assesses changes in the operational efficiency of sales meetings through skills, competencies and behaviors of automated salespeople should be the best evidence of SFA success and then relationship quality. Customers expect from salespeople timely and accurate information, rapid answers to requests, customized offers and market expertise (Atkinson and Koprowski 2006). In the context of this research, we will adopt a broader approach by evoking sales technology that involves the application of information technology to support the sales function.

The purpose of this paper is to examine sales technology benefits for the customer within a relationship building process. Borrowing both from IT and sales literature, we identify the benefits related to the use of sales technology applications in the first part. We then conduct an exploratory qualitative dyadic study among salespeople and their customers to uncover the benefits for customers using thematic content analysis, lexical analysis, and cognitive mapping. Finally, we present the main findings and conclude with future research directions.

Conceptual framework

Sales technology usage impacts the sales function on five main levels: productivity, information processing, communication, competence and customer relationship quality. As far as productivity is concerned, effective SFA usage enables better account management and customer profiling. An IT equipped salesperson has increased capacity to formulate alternatives to the customer, make effective decisions, stimulate more effective customer relationships, and increase productivity (Hill and Swenson 1994). Salespeople with access to automated systems can more easily plan and make sales calls to all customers in a specific territory (Ahearne et al. 2005). Concerning, information processing, salespeople who use sales technology applications can sift through customer data and focus on key information, putting them in a better position to sell. For example, automated applications allow tracking customer records, which helps salespersons identify good candidates for cross-selling and upselling efforts, as well as those who are less profitable (Jayachandran et al. 2005). The third category of benefits is related to communication. In fact, SFA systems enhance salespeople's ability to communicate clearly with customers (Hunter and Perreault 2007), which improves their capacity to convince them and then to close deals. Schillewaert and Ahearne (2001) find a positive effect of IT on sales presentation quality and adaptive selling behaviors. Regarding competence, the volume of information and the rapidity of data access allowed by SFA (Huber 1991), increase market and technical knowledge and then the perceived competence of

salespersons (Ahearne et al. 2008). Finally, by improving salesperson knowledge and responsiveness, sales technology facilitates the development and maintaining of customer relationships through its impact on trust drivers (Ahearne, Jelinek and Jones 2007). SFA also contributes to customer dependability by helping the salesperson in identifying and following through on customer requests, as well as keeping regular contact. In addition to this, SFA may lead to customer satisfaction by enhancing the salesperson's ability to meet buyers' expectations.

Methodology and results

Sample and data collection design

We conducted a qualitative study through fourteen semi-structured in-depth interviews with sales technology equipped salespeople and their customers. The interviewees were identified through a cascade process to make sure that they are talking about the same sales technology applications. Participants were asked to indicate the benefits for the customer of dealing with a salesperson using sales technology tools. To ensure that the provided benefits are attributed to sales technology usage by suppliers' salespeople (the variance source), we asked customers to answer by contrasting with a non- or less automated salesperson. Interviews were recorded and transcribed to be content analyzed using established qualitative data analysis techniques based on a two-step coding process to generate meta-categories (Miles and Huberman 1994). The overarching objective of our investigation is to identify the benefits of sales technology for customers and to contrast salespeople and customers perceptions. We analyzed the interviews using a methodological triangulation, i.e. thematic content analysis with a two-step coding procedure using N'Vivo, lexical analysis, and cognitive causal mapping (individual, aggregated and topographical analysis) to capture in detail interviewees' thoughts and ideas about sales technology benefits for the customer, using Decision Explorer software.

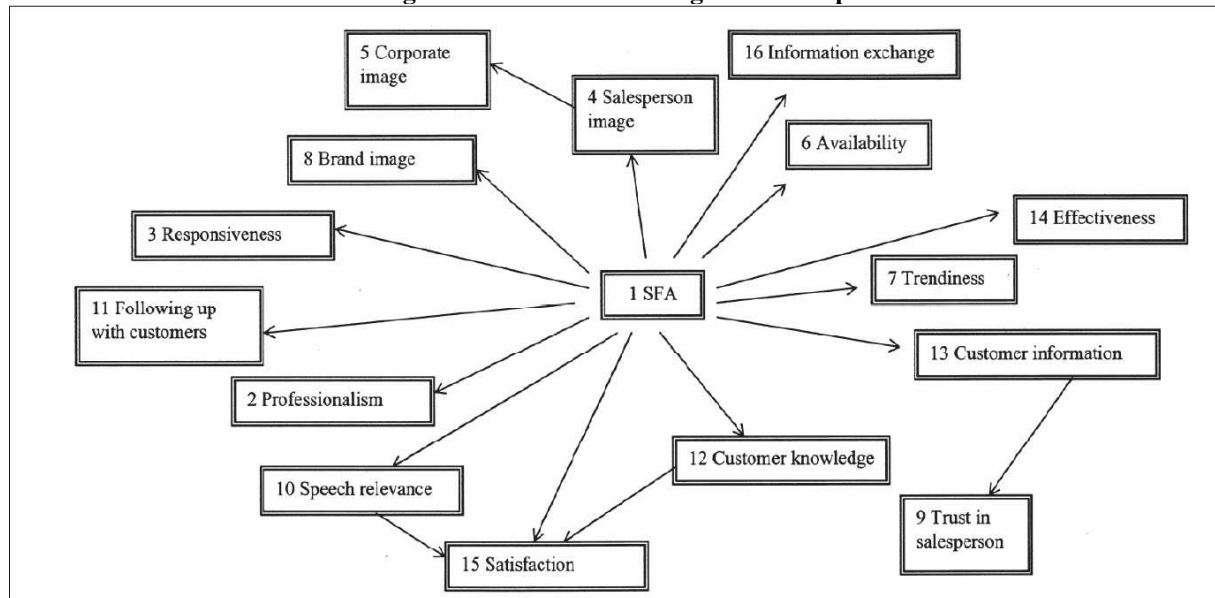
Main findings

Our research results in cognitive insights in sense that it reflects salespeople and customers' perceptions and experiences interpretation concerning the relational role of sales technology. Findings seem to support that the usage of sales technology contributes significantly to relationship based selling by facilitating customers' expectations meeting. Furthermore, the study permits a comprehensive and dyadic assessment of sales technology benefits. For salespeople, the main contribution of sales technology is first felt on the level of performing daily tasks. This improvement help them to show more customer oriented behaviors. The most important benefit emphasized by salespersons concerns arguments relevance due to a better visibility of accounts portfolio and market knowledge sharing. In addition to that, availability and responsiveness are also underlined thanks to the automation of some manual tasks and real time information exchange. Finally, results indicate that sales technology improve salespeople's proactivity, professionalism and conveyed brand image. “*[...] Ah exactly proactivity yeah euh proposal strength [...]*”.

As far as customers are concerned, professionalism is cited as the most important benefit and refers to the perception of the whole behaviors and competencies expressed by the salesperson during customer interaction. In terms of communication, customers notice that sales technology equipped salespeople are more responsive, available and call them more frequently, especially when needed. “*...it improves the communication with the customer [...]*”. IT improves the professionalism by which sales calls are prepared and performed.

Customers feel that salespeople using sales technology are better informed about their needs, previous orders, preferences and sector constraints. The customized and well structured sales presentations reveal this competence for customers. “...he is able based on my consumptions to propose me other prices, or other items or other solutions...”.

Figure 1. Customers’ average causal map



According to the lexical analysis results, presentation is the word cited most often by buyers when evoking sales technology benefits, possibly because sales presentations is one of the most straightforward perceptible salesperson behaviors. Then, as a result of their capacities, SFA tools give the salesperson the means to demonstrate his or her know-how in a sales context. “*I think that the personality shows through the presentations*”. Customer knowledge is also a factor that contributes to the reduction of buyers’ decision making uncertainty by providing rich information and demonstrating proactivity through proposition of different alternatives. In addition to this, the results indicate that SFA improves brand image and supplier image through salesperson performance perception. Finally, interviewees’ statements and causal cognitive mapping sheds light on the mechanisms that create value for the customer (Figure 1). SFA has an indirect impact on customer-salesperson relationship through the improvement of salesperson’s attitudes and behaviors. As shown in figure 1, customers’ perceptions of SFA equipped salesperson’s image are transferred to supplier and brand image. This is due to the boundary-spanning role of salespeople and their capacity to materialize company’s values. Moreover, database technology related to the SFA system allows salespeople to access to large and high quality information which make them more knowledgeable and trustworthy from customer point of view.

To summarize, even both parties’ perceptions seem sometimes to converge, there are some discrepancies that subsist. Salespeople seem to have more “contact management” or functional approach of sales technology than customers. The main contribution for them consists in converting manual tasks to electronic processes. This can be due to the fact that companies often invest in sales technology to improve salespersons productivity and then set objectives and communicate according to that. Sales technology implementation must be accompanied by a communication strategy that emphasizes the relational role of this type of solution through better satisfaction and loyalty. Another point is related to the capacity and

degree of stored market intelligence usage. Although, some customers underline the improvement of salespeople knowledge, customer data integration and synchronization among teams and collaborators are perceived as time-consuming and are sometimes unachieved. This leads to non optimal knowledge processes that limit value creation for the customer. Finally, salespeople don't seem to use sales technology system as an activity driving tool. This will help them better lead their objectives, allocate their efforts, segment their customers and adapt their offers and behaviors.

Conclusion

This research helps in identifying and understanding how sales technology may play a relational role by comparing both salespeople and customers perceptions. Three qualitative methods (thematic content analysis, lexical analysis and causal cognitive mapping) have been combined to gain an in-depth understanding of interviewees' cognitive structures. Results indicate that the main benefits of sales technology for the customer focus on argument relevance, customer knowledge, professionalism, responsiveness, and relationship quality. Like other studies on the impact of IT, our findings support the existence of direct effects of sales technology on information and communication processes in sales activities, as well as indirect effects on relational outcomes.

From a theoretical standpoint, by focusing on the customer perspective, this paper provides insight into underresearched and intangible facets of the return on investment on sales technology and CRM applications in general. The results show how the effect of SFA on salespersons' cognition and behavior results in relational outcomes. Whereas previous research mainly has studied the impact of SFA in terms of sales outcomes (e.g., turnover, market share), we reveal its impact on customer-salesperson relationships, which are crucial because relationship quality leads to increased purchase and loyalty. We therefore propose that the impact of sales technology on sales should be studied through a series of mediating variables, some of which we identify here, such as customer relationship quality. The exploratory aspect of our study enables us to reveal several value-creation mechanisms through which SFA usage might influence customer relationships. Our results thus suggest additional research to confirm our exploratory findings and analyze the benefits further, such as professionalism, image (brand, corporate), interaction quality, salesperson proactivity, customer decision-making assistance, and relational outcomes. In addition, the analysis of our qualitative material leads us to identify a set of concepts (sales presentation, responsiveness, adaptive selling, trust, commitment) that should be integrated into a research model and empirically tested to confirm the benefits of SFA from the customer's perspective. The next step is naturally to build and test a comprehensive model of the impact of SFA on customer relationship quality and buying behavior. The qualitative study allows us to identify some factors that may moderate customers' assessment of sales technology benefits like salesperson familiarity, customer attitude toward IT, and customer usage level of IT.

From a methodological point of view, this study uses qualitative methods and could then encourage qualitative approaches within the sales domain. Furthermore, this study demonstrates the contribution of cognitive mapping to analyze perceptions and to clarify a complex problem that entails both technology and human interactions. Finally, this research helps managers in sense that it sheds light on new means for evaluating returns and justifying investments in SFA that go beyond salespersons' productivity. Managers should reconsider studying or communicating the effects of SFA solutions. Our results provide insight on the relationship-building role of SFA which is probably not considered by research suggesting

that up to 70 percent of SFA/CRM projects fail or do not allow any obvious benefits (Reinartz, Krafft, and Hoyer 2004). The perception of sales technology benefits by the customer shows that the impact of IT on productivity can be channeled in a profitable way through customer satisfaction improvement.

However, this study does have some limitations. The first limitation is related to the examination from customer's perspective. Since we decided to study sales technology benefits from the customer's point of view, it's obvious that some facets of sales technology applications cannot be perceptible. In fact, the customer could base his or her apprehension on some tangible elements pertaining to computer-assisted sales presentations, the relevance and the personalization degree of sales presentation content, the usage of personal digital assistant to plan calls, the access to a CRM database during the sales call to check market or product information, the degree of information sharing about customer profile when the buyer calls the company, and so forth. The second limitation concerns the sampling method. As we explained, we go through a cascade process of interviewees' identification, starting by salespeople and then asking them to indicate some of their customer to be in line with a dyadic approach. We can consider that salespeople could sometimes be tempted to communicate their best references which can lead to less objective statements. However, because we were looking for sales technology benefits, we wanted to ensure homogeneity of applications starting by controlling sales technology softwares attributes. Finally, our research adopts a deterministic approach to determine sales technology benefits and may then seem positive and optimistic. However, technology in general and more specifically sales technology can also have some negative influences on the salesperson, the customer, and the company like salespersons' stress and turnover, precariousness perception by salespeople due to knowledge sharing and time needed to enter data in the centralized system, to ensure synchronization, and to check electronic mails and market data.

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