Exploring the Influence of a Salesperson’s Selling Approach on Buyer-Seller Relationship Outcomes

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ABSTRACT

It is widely recognized that a salesperson’s selling approach is of crucial importance to buyer-seller relationship development. This study examines the influence of a salesperson’s selling approach on buyer-seller relationship outcomes. A model was developed and tested via structural equation modeling (SEM). Data collected from a dealership network in the blue jeans industry was used to test the model. Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) were used to purify the measurement scale. Results indicate that a salesperson’s customer orientation positively influences customer commitment. Surprisingly customer satisfaction does not affect customer commitment. Results also indicate that culture specific measurement scales of satisfaction, trust and commitment will lead to a better understanding and comparison of these constructs in international markets. Theoretical and managerial implications of these findings are also discussed.

Keywords: Buyer-Seller Relationship Outcome, Buyer Commitment, Confirmatory Factor Analysis, CRM, Exploratory Factor Analysis, Selling Approach, SEM, SOCO

INTRODUCTION

Perhaps the most basic tenet of modern marketing, the Marketing Concept, suggests that the best way to attain long-term profit maximization is to be customer focused and to implement an integrated company wide system designed to satisfy customer needs (Levitt, 1960). The Marketing Concept applies within both B2C and B2B contexts. The current popularity of relationship marketing is certainly consistent with this philosophy. Its relevance to personal selling is the strong implication that salespeople should be customer-centric and strive to understand buyers’ unique circumstances, needs, wants, and benefit expectations and, in turn, develop need-based solutions for them. This approach should increase the likelihood that customers will be consistently satisfied by both the firm’s products and their salespersons’ selling approach. Consequentially, they should be more likely to become repeat purchasers or even committed loyal buyers (Homburg, Muller & Klarmann, 2011a). Given the importance of

DOI: 10.4018/ijcrmm.2014010101
personal selling in B2B marketing, it seems clear that gaining a large cadre of committed customers by developing long lasting buyer-seller relationships is critical to reaching profitability goals.

The specific purpose of this study was to investigate the structural relationships among the elements of a salesperson’s customer orientation and buyer-seller relationship outcomes (e.g., buyer satisfaction, trust, and commitment). This study is unique because it is the first published article that examines these relationships in the market context of a developing country. We used a structural equations modeling approach (SEM) to test the set of relationships. Thus, a secondary purpose is to validate the measurement model in a developing country context.

The Marketing Concept element of integrated effort is extremely important to a company’s success. However, if top management believes that it has emphasized a company wide customer orientation but company personnel remain unaware of it or are not committed to practicing it, the prospects for the company’s success would likely be diminished. The necessity to be part of an integrated effort seems particularly true for the company’s sales force since salespeople operate at a critical interface with the customer base and play such an important role in helping to forge relationships with customers. Their behavior reflects their company’s attitude toward its customers. Specifically, the degree or lack of a customer orientation of an individual salesperson is reflected in their behavior toward current and prospective customers (Schwepker, 2003). It is critical that salespeople buy into the Marketing Concept and practice the customer oriented techniques of relationship selling (Saxe & Weitz, 1982). Long term customer relationships and contribution to profits are more likely to be achieved in this way than by using selling techniques designed to generate immediate sales transactions despite the long term best interests of customers (Williams, 1998). Thus, customer orientation for both company management and its salespeople are critical in generating desirable buyer-seller relationship outcomes such as customer satisfaction, trust and commitment.

Although the marketing literature contains a considerable amount of research in this area, the vast majority of these studies focus on how customers perceive a salesperson’s selling approach (e.g., Dubinsky & Staples, 1981; Saxe & Weitz, 1982; Michael & Day, 1985; Dunlap, Dostson & Chambers, 1988; Daniel & Darby, 1997, Tadepalli, 1995; Thomas, Soutar & Ryan, 2001). Other articles focus on the relationship between customer orientation and salesperson’s performance (e.g., Jaramillo et al., 2007; Cross et al., 2007; Wachner, Plouffe & Gregoire, 2009; Homburg, Müller & Klarmann, 2011b). Studies regarding customer orientation and its association with buyer-seller relationship outcomes are rare (Williams, 1998; Schultz & Good, 2000).

Another important consideration is that personal selling approaches are rather culturally bound and require cultural adaptation and personal selling activities across borders are primarily practiced on a national basis (Terpstra, Sarathy, & Russow, 2006, p. 358). Salespeople tend to practice the selling approach they employ in their domestic market in foreign markets without considering the cultural differences in these markets. This could alienate international customers and lead to results not necessarily desired by marketers. Thus, a big concern for marketers is to develop measures that can be used to assess a salesperson’s behavior and performance across national boundaries (Herche, Swensen & Verbeke, 1996). Guenzi, De Luca, and Troilo (2011) share this same concern and suggest developing country specific measurement scales in order to gain better understanding of customer orientation in different countries.

The vast majority of studies in this area have been conducted in developed economies, therefore, not necessarily representative of developing nations’ conditions. Since companies do business worldwide, knowing how a salesperson’s customer orientation influences buyer-seller relationship outcomes is very crucial to them. This research aims to shed light onto buyer-seller relationship outcomes in an emerging market like Turkey and to validate the previously developed measurement scales. Turkey has been chosen because of the importance of its economy. It is the world’s 16th largest...
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