



## Continuing the evolution of the selling process: A multi-level perspective



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### ABSTRACT

This paper considers the selling process from a relational perspective, thereby developing a more comprehensive understanding of the process. Emerging from this is a multi-level framework, which delineates the multiplicity and connectedness of relationships which exist in B2B interactions. The paper provides a relationship management tool for theorists as well as practitioners. The model visualizes strategic advantage for selling firms in seeking to optimize their position in an evolving network context. The combining of IMP, sales and relationship marketing theories that underpin this approach calls for further extension and/or reconceptualization of the selling process. Our reconceptualization asserts that identifying, measuring and managing selling-related relationships at the monadic, dyadic and network levels will facilitate the strengthening of a firm's network position and thus their performance. Our framework provides an analytical tool to assist in this.

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*“There is a lack of studies which deal with the management issues on the firm's level. This is surprising because the ability of firms to survive in their networks becomes a core competence given the importance of relationships and networks. This ability will ultimately determine a firm's performance.”*

[Ritter, Wilkinson, and Johnston (2002, p. 120)]

### 1. Introduction

The relationship marketing paradigm recognizes the centrality of effective relationships in effective business practice (Achrol, 1997; Gummesson, 1999). This has been a focus of academic research in both business to consumer and business to business (B2B) marketing in recent decades (Zaefarian, Henneberg, & Naudé, 2011). However, the selling process has not been sufficiently conceptualized — particularly in B2B contexts (Plouffe, Williams, & Wacliner, 2008) and thus many authors have called for a reconceptualization of the selling process (Bonney & Williams, 2009; Haas, Snehota & Corsaro, 2012; LaForge, Ingram, & Cravens, 2009; Lane & Piercy, 2009; Sheth & Sharma, 2008; Storbacka, Ryals, Davies, & Nenonen, 2009; Trailer & Dickie, 2006). The aim of this paper is to offer an extended conceptualization of the selling process which addresses these calls. This is needed for there is considerable divergence of opinion as to what is incorporated and thus managed within the selling process. This paper incorporates a broadened, multi-level

perspective and conceptualizes process in a broad sense — as being concerned with the flow of activities that constitute selling and the activities and capabilities that underpin it (in line with Wilkinson and Young's (2013) descriptions of processes). In particular, focus is on the activities that underpin selling, with particular reference to the activities and capabilities of relationship building and developing. This relationship-focused, multi-level selling process framework is developed using an eclectic approach, drawing from the work of the IMP (Industrial Marketing and Purchasing) Group (Ford, Håkansson, & Johanson, 1986; Håkansson & Snehota, 2000), particularly the literature focusing on “managing in” relationships and networks (Freytag & Philipsen, 2010; Ritter, Wilkinson, & Johnston, 2004; Wilkinson & Young, 2005), and using ideas in the selling and relationship marketing (RM) literature.

A major part of the framework to be introduced outlines a wide range of possible relationships in a B2B sales process, and highlights their complexity. This in turn raises the normative proposition that managers should be concerned with: (i) optimizing their firm's relationship competence; (ii) optimizing its relationship portfolio; via (iii) optimizing its relationship value. Relationship value is posited to strengthen a company's network position and thus to improve performance. The paper, which is conceptual, responds to Yadav's (2010) call for multi-level conceptual theory development strategies. To this end, the paper is organized as follows. First, the evolution of the ‘selling process’ is briefly outlined. Next, drawing on the IMP school of thought, the monadic, dyadic, and network levels of our interpersonal relationship selling process framework are developed. Third, selling and RM literature are used to extend the discussion of the model's three levels (monadic, dyadic and network) in order to verify the importance of relationship skills, identify potential interpersonal relationships in a selling process and show how these can create value. Fourth, the IMP

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concepts are integrated with the selling and RM literatures in the form of the multi-level framework. The paper concludes with consideration of the value the framework can provide for research and practice and how it can be developed in future research.

## 2. The evolution of the conceptualization of the selling process

The well-known “seven steps of selling” can be traced back to the 1920s sales literature (Moncrief & Marshall, 2005). This conceptualizes the sales process as a series of discrete steps (Daniel, Wilson, & McDonald, 2003). It has a “one on one”, individual, monadic perspective (i.e. views the sales process entirely from the salesperson's perspective) and focuses on a single relationship that exist between *one* salesperson and *one* buyer. Over time, conceptualizations of the steps in the selling process have been altered with steps added and/or changed (Comer, 1991; Dubinsky, 1980). However, the basic nature of the model remains dominant in sales theory (Moncrief & Marshall, 2005) and it is still presented prominently in most selling textbooks (e.g. Blythe, 2005; Tanner, Honeycutt, & Erffmeyer, 2009).

In the glorified days of selling (Bartels, 1976), the stepped conceptualization of the selling process became ever-more-comprehensive as it was augmented with numerous additional descriptive elements including ‘stimulus–response theory’, ‘formula selling’ models such as AIDAS, as well as ‘need-satisfaction’ theory (Strong, 1925). These augmented models are nevertheless still monadic, transactional with the “one on one” perspective and are in essence simple persuasion models (Plank & Dempsey, 1980). It was not until the 1970s that descriptions of the selling process were expanded to involve a dyadic, i.e. two-way, perspective with the Spiro, Perreault, and Reynolds (1977) model including both the salesperson and the buyer perspectives (Reeves & Barksdale, 1984). In addition, this model includes a dynamic perspective (i.e. one that is process oriented) that differs from the previous static models. About this time, the ISTE sales process model was introduced (Weitz, 1978), paving the way for the widely accepted adaptive selling theory (Spiro & Weitz, 1990; Weitz, Sujaan, & Sujaan, 1986) which features adjusting selling activities over time. However, these extended models are still largely discrete in nature and continue to see the selling process as occurring between two people – the salesperson and the buyer.

In the 1980s, Plank and Dempsey (1980) expanded the notion of who was involved in the selling process with the inclusion of a buying center. This recognized that selling included interpersonal relationships between several buying members (Bonoma, 1982; Hutt, Johnston, & Ronchetto, 1985). Building on this, DeCormier and Jobber (1993) presented their ‘counselor selling process’ and Kurtz and Brooksbank (1995) their ‘new selling process’, which look at building productive sales relationships with customers through time. However, these extensions retained a monadic, “one on one” orientation, considering (only) the seller's perspective. In the mid-1990s, the sales participant domain expanded to include “everyone in the TQM chain” and moreover, the focus of the selling process was changed from a still somewhat transactional focus toward “bettering the customer's position...establishing a relationship of trust and mutual benefit” (Wotruba, 1996, p. 336). However, this only expanded sales thinking to a perspective of “one selling organization interacting with one buying organization”.

Relationships entered mainstream sales thinking in 2003 when Daniel, Wilson and McDonald presented what they called a “revised definition” of the sales process, which embraced the notion of building “a long-term relationship” between the buyer and the seller (Daniel, Wilson, & McDonald, 2003, p. 836). In a similar vein, Moncrief and Marshall (2005) offered what they called ‘the evolved selling process’, which grounded a relational focus into the selling process. Among other things, these researchers argued there was a need to include: (1) customer retention and deletion; (2) customer relationship maintenance; (3) adding value and satisfying needs; and (4) nurturing the relationship (Moncrief and Marshall, 2005, p. 19). More recently,

value-based aspects of the selling process have become a focus (e.g. Haas et al., 2012; Ingram, LaForge, Avila, Schwepker, & Williams, 2009; Terho, Haas, Eggert, & Ulaga, 2012; Töytäri, Alejandro, Parvinen, Ollila, & Rosendahl, 2011). These developments have resulted in a growing recognition and articulation of the activities of the selling process and their interconnections. However, in these perspectives, despite placing greater emphasis on the relational elements and value, the focus remained on the single buyer–seller relationship.

While the history of selling thought and its theories presented here are incomplete, the intention was to provide an overview of the evolution of the modern selling process. This brief history illustrates that conceptualization of relationships in the selling process have gradually expanded. In line with contemporary relationship marketing philosophy (in particular the IMP Group), it is argued that relationships from the surrounding network have the potential to impact upon and bring value to selling processes and as such these need to be taken into account (Borg & Freytag, 2012).

## 3. Creating a multilevel relationship framework for understanding relationships in a B2B selling process

The IMP Group challenged the then-existing view of the business world as an atomistic structure of individual actors that performed discrete transactions. Originally their view was dyadic. Håkansson's (1982) interaction model conceptualized the individual interactions of relationship participants as its “fuel”. The business world was presented as a slowly evolving structure of often long-lasting relationships between buyers and sellers (Ford & Håkansson, 2006a). This was later expanded to a network perspective, which saw actors as embedded in complex webs of relationships, which affect and are affected by one another to varying degrees (Ritter & Ford, 2009).

The business network perspective argues that firms do not survive solely through their own individual characteristics, but are dependent on resources, information, knowledge, etc., from external business partners (Wilkinson & Young, 2002). As such, inter-organizational cooperation via relationships is considered important to compete and strengthen a firm's position in the market (Håkansson & Snehota, 1997; Wilkinson, Young, & Freytag, 2005). Furthermore, in juxtaposition with Mintzberg and Waters (1985) emergent strategy, IMP researchers (e.g. Harrison, Holmen, & Pedersen, 2010; Munksgaard, 2010) see business as a process where the actions of a single firm are based on its interpretation of the previous actions of specific others and on its anticipation of the possible reactions and re-reactions of those specific others in the future (Ford & Håkansson, 2006a,b). The ability of a firm to successfully manage in a marketplace (network) involves *dual forces* – the pull of the network as well as the actions of the individual organizations (Harrison et al., 2010; Möller & Svahn, 2003; Ritter et al., 2004).

Ford and Håkansson (2006a) claim that the firm's relationships are one of the most valuable resources that a firm possesses. However, relationships are inherently social, emerging as they do from the interaction between two or more *actors* over time (Biggemann & Buttle, 2005), which can include “...individuals, groups of individuals, parts of firms, firms and groups of firms” (Håkansson & Johansson, 1992, p. 28). Implicit is that at the core of any level of actor relationship is one or more interpersonal relationships between two or more people. Some studies using the IMP approach have emphasized this “social” aspect of relationships (Cunningham & Turnbull, 1982; Håkansson & Snehota, 2000). However, multiple levels of analysis are essential (Henneberg, Naudé, & Mouzas, 2010). This is, in part, because value is created at different levels in different ways (Young, Wiley, & Wilkinson, 2009). For example, relationships are *valuable* because they provide direct and indirect benefits. Direct benefits emerge via the functions relationships perform and the resources they help create and provide access to, including knowledge and market access. Indirect benefits emerge via

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