



# E-selling: A new avenue of research for service design and online engagement



Petri Parvinen <sup>a,\*</sup>, Harri Oinas-Kukkonen <sup>b</sup>, Maurits Kaptein <sup>c</sup>

<sup>a</sup> Department of Industrial Engineering and Management, Aalto University School of Science, Helsinki, Finland

<sup>b</sup> Department of Information Processing Science, University of Oulu, Finland

<sup>c</sup> Department of Methodology and Statistics, Radboud University, Nijmegen, The Netherlands

## ARTICLE INFO

### Article history:

Received 13 October 2014

Received in revised form 20 October 2014

Accepted 24 October 2014

Available online 4 November 2014

### Keywords:

E-selling

Flow

Human immersion

Persuasive technology

## ABSTRACT

E-selling is an activity that is distinct from e-commerce, e-marketing and e-retailing. E-selling is conceptualized to be computer–human dialog characterized by the digital spatio-temporal locus, the psychology of online persuasion, and complex perceptions of value. This definition warrants that flow user experience and human immersion are key premises for understanding e-selling. The ability to combine these with the different value drivers is identified as the key to e-selling success. This theoretical and conceptual article opens new avenues of research and design into online service design and user engagement.

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## 1. Introduction

Digitalization has led to fundamental changes in the organization of economic activity. Sociologists emphasize increased availability of information, improved comparability and faster access to potential suppliers as signs of the network society (Castells 2000, Castells et al. 2006, Fuchs 2013). Our contemporary social web, the network society, is epitomized by consumers' establishment of online social networks, access to a diversity of viewpoints and the capability to communicate their own ideas, as well as companies' increased capabilities to foster innovation (Oinas-Kukkonen and Oinas-Kukkonen 2013). These things have caused radical changes in the society around us and in the way that business is conducted.

E-selling has not been conceptualized in the information systems (IS), sales management or electronic commerce literatures. Thus, a conceptualization of e-selling and an exploration into how e-selling can be done needs development. Accordingly, the primary research question answered in this article is simple: *What is e-selling?* This article conceptualizes e-selling by investigating how human interaction works when it is dominated by digital exchange.

This article starts by defining e-selling in light of related e-commerce concepts (Shaltoni and West 2009, Brodie et al. 2007) and traditional face-to-face selling. The concept of *flow user experience* (Ghani and Deshpande 1994; Hoffman and Novak 1996, 2009; Hsu and Lu 2003) and one of its major facets, known as *immersion*

(Adams 2004, Bjork and Holopainen 2004, Nechvatal 2009), are then linked to the activity of selling through the premises of persuasion and interactivity (Fogg 2008, Oinas-Kukkonen and Harjumaa 2009). Flow has been elevated as a key theoretical tenet to fill the knowledge gap about e-selling. Human immersion in e-selling is identified as having different degrees of detachment, realism and personification that influence e-selling. We argue that human immersion is a key premise for conceptualizing e-selling.

## 2. Definition of e-selling and related terms

### 2.1. Definitions

We define *e-selling* as human or human-like activity in which digital interaction is directed at increasing customer value by securing a business exchange for mutual benefit. E-selling, as an activity, contains the use of human-like interactive sales psychology regardless of the extent to which the interaction is mediated, assisted or entirely performed by computers. Naturally, there are different degrees to which e-selling systems can incorporate human psychology. A simple definition of e-selling as “valuable e-saleswork” includes mechanistic e-saleswork processes, such as order-taking, that do not use interactive psychology or human intelligence. As such processes in value chains can increasingly be automated, we choose e-selling to describe the demanding use of psychology in human-like interactions. We consider the important conceptual elements of e-selling to be *human interactivity*, *intentionality*, *persuasion*, *value creation* and *closing*. Along contemporary ethical

\* Corresponding author.

E-mail addresses: [petri.parvinen@aalto.fi](mailto:petri.parvinen@aalto.fi) (P. Parvinen), [harri.oinas-kukkonen@oulu.fi](mailto:harri.oinas-kukkonen@oulu.fi) (H. Oinas-Kukkonen), [m.kaptein@donders.ru.nl](mailto:m.kaptein@donders.ru.nl) (M. Kaptein).

guidelines in selling and sales management, seizing opportunities to appropriate customers' money without creating any value for them is not selling, but cheating. These elements are discussed below.

## 2.2. E-selling in light of proximate concepts

Despite the wide adoption of web-based, mobile and other IS for use in consumer markets, e-commerce actually has lacked a commonly accepted definition in the academic literature. Even the OECD has had trouble defining it (Riggins and Rhee 1998). We propose that selling and e-selling are conceptually distinct from e-commerce, e-retailing and e-marketing. While commerce as a term is affiliated with the general phenomenon of business exchange, retailing is conceptually linked with the end-consumer interface. It emphasizes the presentation of price, quality, availability and selection, and, to an increasing extent, sustainability (Holbrook 1999).

Marketing can be considered as the general activity, set of institutions, and processes that have value for customers, clients, partners, and society at large. On a general level, this includes selling and retailing. E-marketing is a rich concept, which has a variety of definitions; for example see Shaltoni and West (2009). For the most part, the definitions vary only in the technologies used, that is, the Internet versus the Internet on par with several other technologies. But they seem to share the understanding that e-marketing uses interactive technologies to create and mediate an information exchange dialogue between the firm and identified customers (Brodie et al. 2007).

E-marketing has been conceptualized to include the areas of sales activity, customer relationship management and research, analysis and planning (Brady et al. 2002). E-commerce can be defined through transactions, for example, “*transactions conducted by buyers who perform online interactions with sellers and transact with electronic channels*” or more broadly as “*transactions conducted by buyers who perform online interactions with sellers and their final decisions are influenced accordingly, no matter which type of channel they choose to transact with at last*” (Chen and Jiang 2009). On the other hand, a company can take an even broader perspective to e-commerce, incorporating in it the electrification of flows of information, goods, services and money (Urban 2003). Our conceptualization of e-marketing as a part of e-commerce is different in comparison with marketing scholars, who conceptualize marketing as a holistic concept that covers everything a company does (Gummesson 2008, Kotler 2010).

What then does not qualify as e-selling? We explicitly exclude from the definition of e-selling the following:

- *E-retailing* falls outside the definition of e-selling, since it only focuses on the flow of money and goods and process-oriented information exchange (Kim et al. 2011). For example, web stores and web retail outlets with complete self-service concepts do not exercise the interactive human activity of e-selling (Turban et al. 2009).
- Through a similar argument, *digital shelving* is not e-selling, and digital order-taking, cashing and delivery-handling are not e-selling (Trainor et al. 2011).
- The same applies for distinguishing between e-marketing communications and e-selling (e.g., Xiang and Gretzel 2010): marketing communication does not, at least not necessarily, engage in an interactive dialogue.
- *Offering online product information*, no matter how accurate, reflexive or tailored, is not interactive selling *per se*.
- On the business-to-business (B2B) front, traditional support systems such as CRMs and automated telephone services are neither considered e-selling – even if they might facilitate

selling or e-selling. The components of activity and interactivity, value-creation and closing a deal need to be fulfilled.

## 2.3. Objectives of digitalization of the customer interface

Three primary objectives for the digitalization of the customer interface are: (1) channel cost optimization, (2) improvement of channel collaboration and (3) increasing end-customer value-in-use (Otto and Chung 2000, Steinfield et al. 2002). E-selling is defined here to aim at increasing end-customer value, whereas achieving cost savings through the management of customer processes or relationships is beyond the definition of e-selling. The focus on value creation adds an ethical dimension to the definition, acknowledging critical management studies on selling (cf. Korczynski 2005). Given that the value of a seller lies in the interaction, the digitalization of the interaction and communication relationships governs, and often dominates, the patterns and results of a business exchange.

Thus, a typical contemporary e-selling activity is an intentional act of selling, performed by a computer-mediated social or a computerized agent, aimed at engaging a targeted customer in a digital interactive exchange with the intention of triggering and ensuring the buying of a value-creating offering. With current technology, such professional e-saleswork is still rudimentary. It can entail a salesperson answering product enthusiasts' discussion forum requests, targeting “virtual customers” with emails based on website participation, regular sales interactions in click-to-chat applications, virtual sales assistants or tailor-made web shop arguments geared at removing hesitation at the payment stage. While B2B applications are not that different, as is typical with business applications in their infancy, similar computer-human and digital human-to-human interactions around collaborative product configurators, payback time calculators and intranets represent more common current e-selling practice.

## 2.4. Spatio-temporal locus of interaction

There are various reasons why digitalization has challenged the rules of successful proactive behavior and interaction. When interactive selling behavior takes place in or through digital media, the *locus* of selling changes. Human-computer interaction research has demonstrated that humans are capable of establishing a communication relationship containing a sense of responsibility (Johnson et al. 2008) and elements of personality (Card et al. 1983, Nass and Moon 2000) with a computerized agent or a computer-mediated social agent. Immersion in computer-led narratives can be measured in terms of curiosity, concentration, challenge and skills, control, comprehension, empathy, and familiarity (Qin et al. 2009). In digital exchange, human and human-like interaction can thus take a number of forms that capture one's interest, such as reciprocity, responsiveness, trust and emotions.

According to Grudin (2007), human-computer interaction can be categorized largely as: (1) computers behaving like humans, (2) humans represented by computers, and (3) humans operating through computers. In our view, computers imitating humans should be considered the future of computing, while humans operating through computers constitutes a key contemporary development area (Shackel 2009). The vision of “computers behaving like humans” includes applications that are not only trying to portray a human as the centerpiece of interaction, but also “humanized” computer applications employing characteristics of human interaction (cf. Oinas-Kukkonen and Harjumaa 2008b, Oinas-Kukkonen and Oinas-Kukkonen 2013). Typically, this could be a very smart, interactive and persuasive web shop application (Punj and Moore 2007). The vision of “humans represented by computers” consists of the establishment of fictive or non-fictive

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