Salesperson Professional Selling and the Effect
on Buyer and Salesperson Relationship

Maznah Wan Omar

Faculty of Business Management, Universiti Teknologi MARA

Kedah, Malaysia

Tel: 60-4-4562-550   E-mail: maznah199@kedah.uitm.edu.my

Kamaruzaman Jusoff (Corresponding author)

Department of Forest Production, Faculty of Forestry, Universiti Putra Malaysia

43400 UPM Serdang, Selangor, Malaysia

Tel: 60-3-8946-7176   E-mail: kjusoff@yahoo.com

Mohd Noor Mohd Ali

Department of Physics, Universiti Teknologi MARA

Pulau Pinang, Malaysia

Tel: 60-4-4243-069   E-mail: mohdnoorma@ppinang.uitm.edu.my

Abstract

Regardless of the growing importance and emphasis on relationship marketing, a complete operation of this concept is still unclear. There is a lack of studies that explore the impact of factors such as salesperson professional selling on customer loyalty. This study seeks to verify the relationship between salesperson knowledge and adaptive selling. Computer retail customers with different cultural backgrounds were used as respondents in this study. Respondents were asked to rate their evaluations of customer loyalty towards the salesperson knowledge and adaptive selling skills through a self-administered questionnaires which were written in English language and Bahasa Malaysia. Correlation analyses with Pearson's r coefficient were performed to identify the degree of one variable's position that occupies the same relative position on another variable. In addition, preliminary analyses were carried out to ensure no violation of the assumptions for linearity, normality, and homoscedasticity. No violations of the assumptions were found. The results of inter-correlation variables of the study indicate that the salesperson professional selling abilities which comprise of salesperson knowledge and adaptive selling managed to show a strong relationship with customer loyalty.

Keywords: Salesperson knowledge, Adaptive selling, Customer loyalty

1. Introduction

In recent years, a number of authors have addressed this issue of the changing role of the sales force. Cravens (1995) listed a number of critical agenda items for reinventing the sales organization. Among those are (1) building long-term relationships with customers, including assessing customer value and setting priorities; (2) creating sales organizational forms that are more nimble and adaptable to the needs of direct customer groups; (3) gaining greater job ownership and commitment from salespeople by removing functional barriers within the organization and leveraging the team experience; (4) shifting sales management style from commanding to coaching; (5) leveraging available technology for sales success; and (6) better-integrating salesperson performance evaluation to incorporate the full range of activities and outcomes relevant within sales jobs today.

As competition deepens, products and services become more indistinguishable, and markets become established, it is becoming increasingly tougher for companies in retailing industries to distinguish themselves from other stores. Simply offering customers with technical solutions to problems does not be sufficient anymore to be competitive and obtain and retain market share. Various value-added services, which commence before the actual operation begins, had gone far beyond it, so as to stay competitive and develop customer loyalty. Research and business customs have shown that

upholding customers through value-added services costs less than obtaining new ones (Anderson et al., 1994; Reichheld, 1993; Wetzels et al., 1998). A prevailing belief holds that an essential key to performance rests with the ability to sustain customer relationships (Anderson et al., 1994; Ganesan, 1994).

Up-and-coming trends of the extent and scope recorded above require a re-evaluation of the activities that salespeople must execute in order to successfully build and manage customer loyalty. Marshall et al., (1999), interviewed a diversity of professional salespeople to give evidence for 49 new sales activities that were not pointed out in Moncrief's (1986) original list. These latest activities fall into the following main categories: communication technology, selling technology, activities related to adaptive and consultative selling, and team-oriented activities. Many of the specific activities within these categories involve skills and content knowledge dissimilar from those traditionally observed in the past as key salesperson success factors.

This study therefore investigates the salesperson professional selling (salesperson knowledge and adaptive selling) and the effect on buyer and salesperson relationship through customer loyalty, in the Malaysian retail sector. Oliver's (1997) model which follows the cognition-affect-conation pattern is use in the development of this study.

2. Methods

2.1 Sampling design

To have a representative finding, the sampling technique used must be objective. This is an important effort adopted by most researchers in order to furnish a finding pertinent to the general. To choose the sample for this study, probability random sampling was used. A probability sample is necessary if the sample is to be representative of the population (Reeves, 1992). Therefore, a two-stage systematic sampling technique is employed in this study.

2.2 Population and sample size

The unit of analysis for this study is individual customers who patronize the electrical appliance store. Studying primary consumer groups permits a more valid and reliable clarification to the model research in this study. A total number of 500 samples will be collected from 5 different locations in the states of Penang, Kedah, and Perlis. In determining the sample size for this study, sample size selected were based on the criteria set according to Roscoe's rule of thumb (cited in Sekaran, 2003) i.e. a sample that is larger than 30 and less than 500 are appropriate for most research, and the size must be several times larger (10 times or more) for multiple regression analysis to be conducted.

Electrical appliance store will be used in this study to permeate good interactions between salesperson and customers as selling electrical product involve a non-routine kind of buying behavior. Obviously, electrical products are mostly classified as specialty goods. Thus consumers will try to gain as much information about the product, either from the salesperson itself or from other sources, before they make the final purchase decision.

Subsequently, small distributors are chosen for this study as they don't provide facilities such as easy payments, membership card, Plus One loyalty programmed, extended warranty on goods purchased. Such facilities mentioned, can influence why customers visit the same store again in the future. Thus, a true loyalty will not be portrayed in such conditions.

2.3 Data analysis

To test the research hypotheses, the Pearson's product moment correlation coefficient (r) were computed as a measure of correlations to examine the patterns and directions that exist in the association between the variables. In addition, this analysis was carried out to determine the interdependency of the study variables.

3. Results and Discussion

3.1 Demographic data

Results from the analysis of the demographic profile of respondents indicate that there is a greater representation of customers in Kedah (41.4%), Penang (34.4%) and in Perlis (24.4%) respectively. This is viewed as being reflective of the accessibility to respondents.

Majority of the sample are male (65%) as compared to female (35%). Respondents spanned the range of age categories from 15 to 64 years of age, with the majority (43.3%) of the respondents included in the survey sample being between the ages of 15-25 years, followed by the 26-35 age groups at 30.4%. The next largest age group was the 36-45 years at 18.2%.

3.2 Correlation between salesperson professional selling (salesperson knowledge, adaptive selling) and customer loyalty

All the components of salesperson professional selling dimensions were statistically significant, ranging from $r = .57$ (p < .01) to $r = .58$ (p < .01). The dimensions of salesperson professional selling managed to show strong relationships with customer loyalty. For example, there is a strong positive correlation between repurchase intention and salesperson

knowledge (r = .57, p < .01), adaptive selling (r = .58, p < .01). The second dimension of customer loyalty which is intention to positive word-of-mouth, when correlate with salesperson knowledge and adaptive selling also shows a strong relationships, ranging from r = .47 (p = < .01) to r = .51 (p < .01). As a whole, the pattern of the correlation table displayed that both dimension of customer loyalty is positively and significantly correlated with all the salesperson professional selling dimensions.

Although correlations among all variables were significant and positively correlated, the strength of the correlations was well below .90. Results from this study indicate that there was no serious multi-collinearity problem for all variables in this study. Results on the correlation analyses on the study variables suggested that if the salesperson has high salesperson knowledge and adaptive selling skill, customers tend to experience greater affective commitment towards the salesperson. High affective commitment will then generate greater satisfaction. Subsequently, leads to customer loyalty.

4. Conclusion

It can be concluded that this study are significant to marketers on an applied level, whereby the results provide information to retailers to help them to be more effective in providing appropriate customer service levels in the area of salesperson professional selling. The nature of the product used in this research may help to explain the reported importance of the sales presentation knowledge and adaptive selling skills delivered to customers. Electrical goods are often complex or technical, have numerous features, and change frequently due to the inclusion of new features or combinations of features. For their part, customers shopping for electrical products may find it easy to be overwhelmed with numerous details and become confused. They may well be seeking a straightforward presentation of only that information that will help them make a choice. Salespeople in this product category are typically much more knowledgeable than the customer, and may be eager to explain technical features of the product. Thus signify the importance of a function of a salesperson in ensuring that customers will be satisfied and are willing to return to the store again in the future.

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