

RELATIONSHIP MARKETING IN A DEVELOPING ECONOMY

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The sales representatives of a pharmaceutical manufacturer in India were surveyed to explore the effects of relationship marketing on sales performance. Specifically, the effect of buyer-seller relationship quality on sales performance was assessed. The results indicated that customer oriented selling behaviors helped in developing buyer-seller relationship quality and adaptive selling behaviors fully mediated the effects of buyer-seller relationship quality on sales performance. Based on the findings, managerial implications for US firms operating in developing economies, such as India, are discussed.

INTRODUCTION

Relationship marketing has been a major focus of theoretical and empirical research in marketing. Morgan and Hunt (1994) viewed relationship marketing as a “major directional change in both marketing theory and practice” (p. 20). Not surprisingly, a large number of studies have been conducted on buyer-seller relationships in the last two decades (e.g., Mysen and Svensson 2010; Bradford and Weitz 2009; Palmatier et al. 2008; Palmatier, Dant and Grewal 2007; Hewett, Money and Sharma 2002; Hibbard, Kumar and Stern 2001; Williams and Attaway 1996; Morgan and Hunt 1994). However, empirical studies on relationship marketing have focused almost exclusively on US and European markets. Although developing economies, such as, China and India are expected grow at 8.8 percent and 6.6 percent respectively (www.forbes.com), few studies have examined whether developing buyer-seller relationships are profitable in these markets. Since salespeople span the boundaries of selling and buying organizations, the manner in which they develop and manage buyer-seller relationships in developing economies should be of interest to US firms who have entered or plan to enter

these markets. The current study attempts to fill this void by exploring the relationships among buyer-seller relationship quality, selling behaviors, and salesperson performance in India.

USA continues to be India’s largest trading partner with bilateral trade in merchandise and commodities totaling US\$ 31.91 billion in 2006 (www.mea.gov.in). India’s middle class exceeds 200 million. US companies represent the largest share of foreign firms operating India (www.business.mapsofindia.com/india-company/america.html). US Fortune 500 firms in India include Microsoft, American Express, IBM, McDonald’s, Procter & Gamble, Pfizer, General Electric, Ford etc. Consequently, practitioners and academicians will be interested in whether the theories of selling which evolved in US can be applied to developing economies, such as India.

Scholarly research on selling and sales management in India has addressed various issues, such as, performance implications of causal attributions of salespeople (DeCarlo, Agarwal and Vyas 2007), effects of managerial behaviors and job autonomy on job satisfaction of salespeople (DeCarlo and Agarwal 1999), relationships among managerial behaviors, role stress, and organizational commitment in salespeople (Agarwal, DeCarlo and Vyas 1999), vendor selection criteria of purchasing

managers (Karande, Shankarmahesh and Rao 1999), etc. The current study adds to this growing body of literature on selling in India by studying the effects of buyer-seller relationship quality and selling behaviors on sales performance.

In the sales literature, customer oriented selling behaviors (hereafter referred to as COSB) and adaptive selling behaviors (hereafter referred to as ASB) have received extensive scholarly attention (e.g., Jaramillo and Grisaffe 2009; Rapp, Agnihotri and Forbes 2008; Jaramillo et al. 2007; Giacobbe et al. 2006; Franke and Park 2006; Boorum, Goolsby and Ramsey, 1998; Spiro and Weitz 1990; Saxe and Weitz 1982). COSB has been defined as “the practice of the marketing concept at the level of the individual salesperson and customer” (Saxe and Weitz 1982, p. 343). ASB has been defined as “the altering of sales behaviors during a customer interaction or across customer interactions based on perceived information about the nature of the selling situation” (Weitz, Sujan and Sujan 1986, p. 175). Although both COSB and ASB are key selling behaviors that are available to salespeople to manage their relationships with customers, the implications of choosing levels of these behaviors are quite different. Salespeople with “both low and high customer orientation will adapt sales presentations to customer interests” (Saxe and Weitz 1982, p. 344).

Although the effects of selling behaviors on sales performance have been studied at the customer-salesperson level, the effects of buyer-seller relationship quality (hereafter referred to as RQ) has been studied primarily at the interorganizational level (e.g., Athanasopoulou 2009; Palmatier, Dant and Grewal 2007; Cannon and Perreault, Jr. 1999; Kalwani and Narayandas 1995; Morgan and Hunt 1994). Studies that explored RQ at the customer-salesperson level (e.g., Bradford and Weitz 2009; Belonax, Jr., Newell and Plank 2007; Campbell, Davis and Skinner 2006; Rutherford, Boles, Barksdale, Jr. and Johnson 2006; Boles, Barksdale, Jr. and Johnson 1997; Crosby, Evans and Cowles 1990) used

respondents from US and assessed the effects of RQ on customer retention, customer referrals and customer recommendations (Boles, Barksdale Jr. and Johnson 1997), and sales effectiveness (Crosby, Evans and Cowles 1990). The current study contributes to this growing body of literature by exploring the relationships among COSB, ASB, RQ, and sales performance among a sample of pharmaceutical salespeople in India.

BACKGROUND LITERATURE

Selling Behaviors

In their boundary-spanning role, the selling behaviors of salespeople are crucial to sales performance. COSB is needed to implement the marketing concept and achieve the sales objectives of the selling firm in the long-run. While interacting with customers, salespeople engaged in COSB are expected to increase “long-term customer satisfaction,” and “avoid actions which sacrifice customer interest to increase the probability of making an immediate sale” (Saxe and Weitz 1982, p. 344). Thus, in the long-run, the effect of COSB on sales performance is expected to be positive. However, empirical evidence on the COSB – sales performance link has been mixed. The relationship between COSB and sales performance has been positive (e.g., Martin and Bush 2006; Franke and Park 2006; Jaramillo et al. 2007), non-significant (e.g., Wachner, Plouffe and Grégoire 2009; Plouffe, Hulland and Wachner 2009; Jaramillo et al. 2009), and negative (Saxe and Weitz 1982). It is noteworthy that Saxe and Weitz (1982) found a significantly positive relationship between COSB and sales performance only for salespeople who were able to help their customers with whom they had long-term cooperative relationships. Consequently, successful implementation of the marketing concept by using COSB will depend on whether salespeople have developed RQs, and whether they have the ability to leverage RQs to satisfy customer needs.

Salespeople engaged in ASB use different presentations for different customers. They customize their sales strategy to fit the needs of the customer and the sales situation. By doing market research on each customer (Weitz, Sujan and Sujan 1986) “salespeople can engage in a unique behavior pattern oriented to each customer” (Weitz 1981, p. 92). Consequently, ASB “forces the salesperson to practice the marketing concept” (Weitz, Castleberry and Tanner 2009, p. 151). Given that the benefits exceed the costs, ASB is expected to improve sales performance. Scholars have reported a significantly positive relationship between ASB and sales performance (e.g., Jaramillo et al. 2009; Giacobbe et al. 2006; Boorum, Goolsby and Ramsey 1998; Spiro and Weitz 1990).

Buyer-Seller Relationship Quality

Based on Palmatier et al. (2006, p. 138), RQ is defined as an “overall assessment of the strength of a relationship, conceptualized as a composite or multidimensional construct capturing the different but related facets of a relationship.” Although there is no consensus on the components of RQ and the relationships among them, scholars have typically used trust (e.g., Dwyer, Schurr and Oh 1987; Crosby, Evans and Cowles 1990; Morgan and Hunt 1994; Bradford and Weitz 2009), conflict (e.g., Weitz 1981; Anderson and Narus 1984), anticipation of future interaction (e.g., Weitz 1981; Noordewier, John and Nevin 1990; Jap 2001), and satisfaction (e.g., Crosby, Evans and Cowles 1990; Jap 2001; De Wulf, Odekerken-Schröder and Iacobucci 2001). In the current study, RQ is conceptualized as a composite of trust, conflict, anticipation of future interaction, and satisfaction. Salespeople evaluate RQ by assessing their customers’ trustworthiness, the degree to which they disagree with customers on various issues, their expectations of continuity of customer-salesperson relationships, and their level of relationship satisfaction.

Sales Performance

Achieving high sales performance and attaining the goals of the selling organization are the key measures of success of salespeople. Consequently, salespeople engaged in relationship marketing should expect to achieve high levels of sales performance. Therefore, sales performance is conceptualized as the degree to which salespeople achieve the sales objectives of their firms.

DEVELOPMENT OF HYPOTHESES

COSB enables salespeople to stress the benefits of their products and the selling organizations, “meet unique customer needs, “continuously serve customers,” and build credibility by making a balanced presentation (Schwepker, Jr. 2003, p. 152). COSB incorporates low pressure selling (Saxe and Weitz 1982) and helps customers reach their own buying decisions (Bursk 2006). Thus, COSB is expected to increase long-term customer satisfaction (Stock and Hoyer 2005; Saxe and Weitz 1982) and facilitate the development of RQ (Williams and Attaway 1996; Williams 1998). Saxe and Weitz (1982) reported a significant positive correlation between COSB and sales performance only in high RQ conditions. Based on a meta-analysis of COSB, Franke and Park (2006, p. 700) found that the effects of COSB on manager-rated and objective performance was nonsignificant and concluded that “the meta-analysis raises questions about how effectively customer-oriented selling implements the marketing concept at the salesperson-customer level.” If COSB helps implement the marketing concept primarily by developing RQ, the COSB – sales performance relationship may not be significant in all sales situations (e.g., Wachner, Plouffe and Grégoire 2009; Plouffe, Hlland and Wachner 2009; Jaramillo et al. 2009). COSB has been found to explain 65 percent (Williams and Attaway 1996) and 72 percent (Williams 1998) of the variance in buyer-seller relationship development. Therefore,

Hypothesis 1: A salesperson’s customer-oriented selling behaviors will be

positively related to his/her buyer-seller relationship quality.

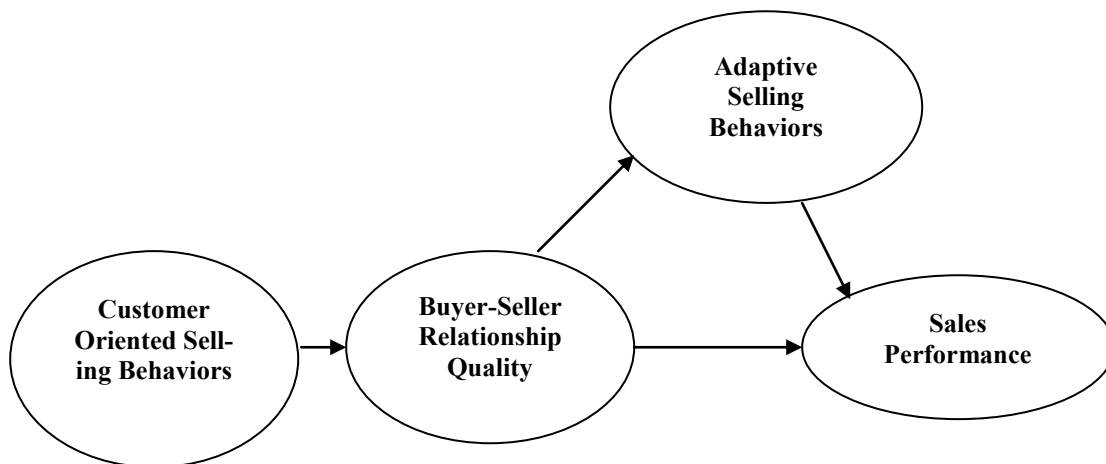
For salespeople, the purpose of developing RQ by engaging in high levels of COSB is to achieve his/her sales objectives, such as, achieving the sales quota, increasing the profits of the selling firm, etc. However, these benefits of COSB are realized in the long-run since the development of RQ takes time. Saxe and Weitz (1982) asserted that the costs of engaging in high levels of COSB include, the opportunity cost of sacrificing short-term sales to increase long-term customer satisfaction, the time spent in identifying customer needs and demonstrating solutions to those needs, etc. Consequently, a salesperson manages a set of RQs by adjusting his/her selling behaviors to the uniqueness of each RQ. A salesperson's success in matching the behavioral responses to the characteristics of each RQ is necessary for the successful implementation of relationship marketing strategies by selling firms. By enabling salespeople to alter their selling behaviors based on perceived information about the RQ and its corresponding customer needs, ASB is expected to increase sales performance.

According to Baron and Kenny (1986, p. 1176), "mediators explain how external physical

events take on internal psychological significance." While interacting with customers, RQ represents a characteristic of a salesperson's microenvironment (Weitz 1981) which determines ASB by salespeople who categorize the selling situation and access the declarative and procedural knowledge associated with that category (Weitz, Sujan and Sujan 1986). For example, the manner in which salespeople handle objections during the exploration stage (Campbell, Davis and Skinner 2006) will differ from that of other stages of RQ. Knowledge to recognize sales situations and access to appropriate sales strategies are triggered by a salesperson's assessment of RQ, and the salesperson responds by ASB. Thus, salespeople respond to RQ by determining the appropriate ASB, which in turn determines their sales effectiveness. Consequently, ASB mediates the effect of RQ on sales performance. Empirical evidence exists for the mediating effects of ASB (e.g., Jaramillo et al. 2009; Franke and Park 2006). Formally stated, Hypothesis 2: A salesperson's adaptive selling behaviors will mediate the effect of his/her buyer-seller relationship quality on sales performance.

Figure 1 summarizes the research hypotheses.

FIGURE 1



METHOD

Sample and Data Collection

The sampling frame consisted of 253 missionary salespeople employed for a pharmaceutical manufacturer in India. These salespeople represented the selling firm to physicians, retail pharmacies, distributors, and wholesalers across the entire nation. A self-report mail questionnaire was used to measure the study variables. Salespeople were promised confidentiality and completed questionnaires were received from 146 respondents, thereby providing a response rate of 57.7 percent. Missionary salespeople are appropriate to study the relationships among COSB, ASB, RQ, and sales performance, since adaptability is an important ability for their success (Weilbaker 1990), and the variability in physicians' needs, the risks of side effects of pharmaceuticals, and the need to develop RQ with physicians for continued patronage makes pharmaceutical selling an "adaptive condition" requiring ASB (Giacobbe et al. 2006).

Non-response bias was assessed by comparing early and late respondents on the study variables (Armstrong and Overton 1977). There was no significant difference between early and late respondents with regard to the scores on the study variables. Consequently, nonresponse is unlikely to bias the study findings. Regarding subject characteristics, 92 percent of the respondents were male, 78 percent were college graduates and 12 percent had post-graduate degrees. On average, they were 28.5 years old and had six years of selling experience. Consequently, the respondents were predominantly male, highly educated, young and relatively less experienced.

Measures

A combination of emic and etic approaches was used to measure the study variables (Herche, Swenson and Verbeke 1996). Selling behaviors and sales performance was measured using the etic approach and established scales developed in US was utilized. It was assumed that concern

for customers and adapting to the selling situations should be universal traits of effective salespeople. Consequently, COSB was measured by the 24-item SOCO scale (Saxe and Weitz 1982) and ASB was measured by the 16-item ADAPTS scale (Spiro and Weitz 1990). Sales performance was measured by the 7 items representing the "sales objectives" dimension of the 31-item scale developed by Behrman and Perreault, Jr. (1982).

With regard to the measurement of RQ, an emic approach was used for several reasons. First, "there is no consensus on this measure" (Bradford and Weitz 2009, p. 31). Second, in interdependent cultures, such as India, the "thoughts, feelings, and actions of others in the relationship" (DeCarlo, Agarwal and Vyas 2007, p. 135) determines one's behavior. Thus, in collectivistic cultures, such as India, salespersons' perceptions of RQ are expected to be largely determined by customers' thoughts, feelings, and actions, and the social situations surrounding the customer-salesperson interactions. Consequently, it was necessary to develop items to measure RQ that are specific to the context of the study, rather than assuming the measures of RQ developed in independent cultures, such as US, can be transportable to India.

A key informant technique was used where the national sales manager of the firm was interviewed to generate items measuring RQ. For example, the sales manager revealed that for his salespeople, conflict with customers happens primarily on prices and quality of products sold. In addition to the interviews, the sales manager determined the face validity of several items representing the dimensions of RQ, such as, trust, and anticipation of future interaction. These items were combined to generate an overall measure of RQ. The actual items used to measure the study variables are displayed in the appendix.

RESULTS

Despite using the etic approach to measuring COSB, ASB, and sales performance, the

measurement properties of these constructs required scrutiny since scholars have debated the unidimensionality of these scales. For example, with regard to the ADAPTS scale, Spiro and Weitz (1990, p. 65) cautioned that “the 16-item scale is not unidimensional on the basis of statistical tests using confirmatory factor analysis.” Marks, Vorhies and Badovick (1996) confirmed the lack of unidimensionality and Robinson et al. (2002) proposed ADAPTS-SV, a shorter version of the original scale. Scholars have also used shorter versions of the 24-item SOCO scale (e.g., Jaramillo et al. 2009; Jaramillo and Grisaffe 2009; Brown et al. 2002; Thomas, Soutar and Ryan 2001).

First an item-analysis was performed on the SOCO, ADAPTS, and sales performance measures by examining the item-to-total correlations. After eliminating items with low item-to-total correlations, exploratory factor analyses were used to eliminate items that loaded poorly or cross-loaded. The remaining items were subjected to confirmatory factor analyses where the covariance matrix was input in LISREL 8.72, and the models were respecified based on theoretical (item content) and statistical grounds (modification indices and standardized residuals). The fit statistics of the respecified models were satisfactory and they are displayed in Table 1.

In the current study, RQ was conceptualized as a “global construct of relationship quality” (Palmatier et al. 2006, p. 136) reflecting a combination of trust, satisfaction, conflict, and

anticipation of future interaction. RQ has been conceptualized as a higher order construct (e.g., Dorsch, Swanson and Kelley 1998; Hewett, Money and Sharma 2002; Hibbard, Kumar and Stern 2001; De Wulf, Odekerken-Schröder and Iacobucci 2001), “an overall assessment of the strength of a relationship” (De Wulf, Odekerken-Schröder and Iacobucci 2001, p. 36). Although RQ has been studied mostly at the interorganizational level, its conceptualization at the customer-salesperson level can be gleaned from the marketing literature.

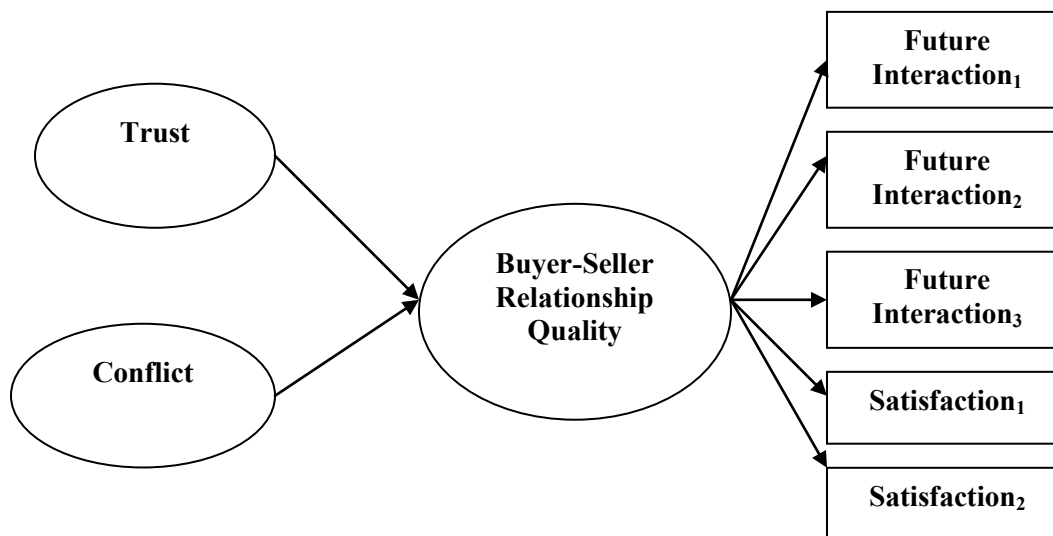
Weitz (1981) argued that a good RQ is characterized by a low level of conflict and a high anticipation of future interaction. Due to disagreements between customers and salespeople, conflict can cause RQ (e.g., Bradford and Weitz 2009) and the degree to which salespeople anticipate future interactions with their customer may depend on RQ (Crosby, Evans and Cowles 1990). As a “pivotal facet of expectations development” (Dwyer, Schurr and Oh 1987, p. 22), trust will cause RQ, and as an overall appraisal (Anderson and Narus 1990) satisfaction will be an outcome of RQ. Consequently, RQ was modeled as a formative second order construct with two reflective first order factors (conflict and trust) and items measuring satisfaction and anticipation of future interaction as its reflective indicators. Table 1 includes the fit statistics of RQ and Figure 2 displays the conceptual model (See appendix for the items).

TABLE 1
Fit Statistics of the measurement models

Construct	Fit Statistics	α^1
Customer Oriented Selling Behaviors	$\chi^2 = 97.30$, $df = 76$, $p > 0.01$, GFI = 0.90, CFI = 0.97, RMSEA = 0.05	.81
Adaptive Selling Behaviors	$\chi^2 = 24.97$, $df = 14$, $p > 0.01$, GFI = 0.95, CFI = 0.98, RMSEA = 0.07	.81
Sales Performance	$\chi^2 = 11.06$, $df = 9$, $p > 0.10$, GFI = 0.97, CFI = 0.99, RMSEA = 0.04	.85
Buyer-Seller Relationship Quality	$\chi^2 = 39.86$, $df = 24$, $p > 0.01$, GFI = 0.94, CFI = 0.97, RMSEA = 0.07	

¹ Coefficient alpha

FIGURE 2



A covariance matrix of the items measuring COSB, ASB, and sales performance was input in LISREL 8.72 to assess validity. The initial fit of the model ($\chi^2 = 531.21$, $df = 318$, $p > 0.001$, $GFI = 0.75$, $CFI = 0.92$, $RMSEA = 0.07$) indicated a low goodness of fit index. After carefully evaluating modification indices, standardized residuals, and item content, the measurement model was respecified. Only 2 items from each of the constructs were deleted. Although the χ^2 statistic was significant, the fit statistics of the final model was satisfactory ($\chi^2 = 260.33$, $df = 183$, $p > 0.001$, $GFI = 0.83$, $CFI = 0.96$, $RMSEA = 0.06$). This model consisted of a 12-item measure of COSB, a 5-item measure of ASB, and a 4-item measure of sales performance (See appendix).

The measures met the criteria of convergent validity since the t-values of each of the path estimate was significant (Anderson and Gerbing 1988). However, for 4 items measuring COSB, the standardized path estimate was less than 0.60. To assess discriminant validity, each pairwise positive correlation was constrained to unity (perfect correlation) and the change in model fit (χ^2 for 1 df) was examined. In each

case, the χ^2 value was significantly positive for each pair of perfectly correlated constructs, implying a deterioration of the overall fit of the measurement model. The smallest χ^2 was 29.97 for 1 df. Since the χ^2 statistic was significantly lower in the unconstrained model than in the constrained models, discriminant validity was established (Bagozzi and Phillips 1982).

The research hypotheses were tested by OLS regressions using summated scores of the items measuring COSB, ASB, RQ, and sales performance. To test hypothesis 1, RQ was regressed on COSB. The model was significant ($F_{1,130} = 58.90$, $p < 0.001$) and explained 31 percent of the variance in RQ. Thus, as in US, COSB helps salespeople develop RQ in India. Therefore, hypothesis 1 was supported.

The multi-step procedure recommended by Baron and Kenney (1986) was used to test hypothesis 2. To establish mediation, RQ should affect sales performance and ASB (mediator), and in the presence of ASB the effect of RQ on sales performance should become non-significant. Accordingly, three OLS regressions were run and the results are displayed in Table 2.

As Table 2 indicates, the direct effect of RQ on sales performance was non-significant. However, RQ significantly predicted ASB ($a = 0.50, t = 5.10, \text{adj. } R^2 = 0.16$) and ASB significantly predicted sales performance ($c = 0.42, t = 4.63, \text{adj. } R^2 = 0.14$). Since there is a significant relationship between RQ and ASB and between ASB and sales performance, and RQ does not explain any additional variance beyond ASB ($b' = -0.12, t = -1.05$), ASB fully mediates the effect of RQ on sales performance (Schneider et al. 2005). The z-score of the mediated effect was significant ($z = 3.39$) (Sobel 1982). Consequently, hypothesis 2 was also supported. These findings have important managerial implications for US firms selling in India.

DISCUSSION

Scholarly research on relationship marketing has been limited to US and European markets. Although developing economies in South Asia, such as India, represent potential opportunity for US firms, no research has been conducted to explore whether selling behaviors help develop customer-salesperson relationships, and whether these relationships improve sales performance. The currently study shed light on the measurement of selling behaviors, and the inter-relationships among these behaviors, customer-salesperson relationships, and sales performance.

The results indicated that scales such as SOCO and ADAPTS, that have been developed in US to measure COSB and ASB of salespeople respectively, can be transported to developing economies such as India. Thus, sales managers of US firms selling in India can measure the

degree to which salespeople implement the marketing concept by engaging in COSB. They can also measure the extent to which salespeople adjust their selling behaviors based on differences in selling situations by practicing ASB.

COSB had a significantly positive relationship with RQ and explained 31 percent of the variance in RQ. Consequently, market oriented US firms should train and encourage salespeople in India to engage in COSB. By implementing the marketing concept, salespeople in this study developed strong RQs that enabled them to adapt to selling situations better, and in turn yielded higher performance. ASB fully mediated the effects of RQ on sales performance, meaning that salespeople in India can leverage the RQs they have developed by adapting to their customers. RQ facilitated market research on each customer and allowed salespeople to “implement a sales presentation that is maximally effective for that customer” (Weitz, Sujan and Sujan 1986, p. 174). The higher levels of ASB explained 14 percent of the variance in sales performance. Consequently, the ASB – sales performance relationship that has been supported in US (e.g., Jaramillo et al. 2009; Giacobbe et al. 2006; Franke and Park 2006; Spiro and Weitz 1990) also holds in India.

The study underscores the importance of high levels of COSB. Although salespeople with both high and low levels of COSB can adapt their sales presentation to the situational uniqueness (Saxe and Weitz 1982), high levels of COSB is recommended when the benefits outweigh the costs. High levels of COSB will yield better RQs which will strengthen ASB.

TABLE 2
Results of Mediation Analysis (Hypothesis 2)

Predictor (X)	Mediator (M)	Outcome (Y)	$M = aX + e$	$Y = bX + e$	$Y = b'X + cM + e$
Buyer-Seller Relationship Quality	Adaptive Selling Behaviors	Sales Performance	$a = 0.50$ $t = 5.10^*$	$b = 0.09$ $t = 0.81$	$b' = -0.12, t = -1.05$ $c = 0.42, t = 4.63^*$

* $p < 0.01$

Higher levels of ASB will increase sales performance. Support for the causal chain COSB-RQ-ASB-sales performance in a developing economy such as India adds significantly to the growing body of sales literature in international markets.

The results also indicate that US firms can recruit locally in India since salespeople are capable of implementing the marketing concept at the customer-salesperson level. India maintains a large pool of highly educated English speaking professionals (DeCarlo, Agarwal and Vyas 2007) who can be trained to practice COSB and ASB, and assess RQ.

Finally, the conceptualization of RQ paralleled those that have been developed in US. This means, for salespeople willing to develop RQ, managing conflict is just as important in India as in US (Bradford and Weitz 2009). Further, salespeople should be able to trust their customers to successfully leverage RQ. Taken together, managing conflict with trustworthy customers will facilitate the development of RQ resulting in mutual satisfaction and continuity of the buyer-seller relationships. If salespeople have the ability to manage these relationships by practicing ASB, sales performance will improve.

Limitations and Future Research

The data was obtained from salespeople of a single firm of a specific industry using self-report mail questionnaires. Although the homogeneity of the respondents may limit the generalizability of the effects, the primary goal of this study was to examine whether the theories of selling that have been proposed and tested in developed markets such as US, are generalizable in developing economies, such as India. With regard to respondents, Calder, Phillips and Tybout (1981, p. 199) recommended that “the ideal theory falsification procedure, however, is to employ maximally homogeneous respondents.” Consequently, field research on salespeople from a single firm of a specific industry may actually strengthen the falsification procedure

since unmeasured variables that may affect COSB, ASB, RQ and sales performance, such as, market orientation (e.g., Siguaw, Brown, and Widing 1994), leadership (e.g., Jarmaillo et al. 2009), etc. have been held constant. However, due to the cross-sectional study design, caution should be exercised in inferring causality.

To check for common method bias, confirmatory factor analyses were used to test the hypothesis that a single factor can account for all the variances in the data by testing the fit of one and two factor models. As Podsakoff et al. (2003) argued, a poorer fit of these models compared to the hypothesized model will indicate that common method bias is unlikely to affect the findings. The fit statistics indicated that the data fit the hypothesized three factor (COSB, ASB, and sales performance) measurement model much better than any other specifications. Thus, common method variance was unlikely to bias the results.

Future research should extend the results of this study by incorporating constructs that might affect the COSB-RQ-ASB-sales performance causal chain. For example, firm market orientation has been found to positively affect COSB (e.g., Siguaw, Brown and Widing II; Mengüç 1996; Langerak 2001). Since COSB directly affects RQ, the mediating effects of ASB on the relationship between RQ and sales performance might be stronger for highly market oriented selling organizations. Further, based on an empirical test of the consequences of behavior-based and outcome-based sales control systems, Oliver and Anderson (1994, p. 60) concluded that “contrary to expectations, perceived control systems do not appear, for the most part, to affect the salesperson’s behavioral strategy.” In their study, the behavioral strategies used by salespeople did not include COSB and ASB, and RQ was not controlled for. In fact, Oliver and Anderson (1994, p. 64) called for additional research on the “effect of control on the *customer’s* perception of the salesperson’s performance.” Thus, scholarly research on the effects of behavior-based versus outcome-based sales control systems on the

COSB-RQ-ASB-sales performance chain will shed more light on the organizational determinants of the effectiveness of salespeople.

Finally, future research should study these research questions on salespeople across industries dealing with a variety of products and services. The results will strengthen the generalizability of the effects (Calder, Phillips and Tybout 1981), and shed more light on the selling situations where the benefits of developing RQ outweigh its costs. For example, a transactional selling model is appropriate “when the product or service is not of strategic significance to the buyers” (Cron and DeCarlo 2009, p. 7). In those situations, buyers may not value RQ as much and attempts to increase sales by engaging in COSB may not yield the desired returns. Studying the COSB-RQ-ASB-sales performance relationship from the buyers’ point of view is needed to ensure that perceptual differences in customer-salesperson dyads do not undermine the relationship marketing strategies of selling organizations.

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APPENDIX

Customer Oriented Selling Behaviors (True for NONE of your customers 1.....True for ALL of your customers 9)

- I try to help customers achieve their goals.
- I try to achieve my goals by satisfying customers.
- A good salesperson has to have the customer's best interest in mind.
- I try to get customers to discuss their needs with me.
- I try to influence a customer by information rather than by pressure.
- I answer a customer's questions about products as correctly as I can.
- I try to give customers an accurate expectation of what the product will do for them.
- I try to figure out what a customer's needs are.
- If I am not sure a product is right for a customer, I will still apply pressure to get him to buy.*
- I decide what products to offer on the basis of what I can convince customers to buy, not on the basis of what will satisfy them in the long run.*
- I begin the sales talk for a product before exploring a customer's needs with him.*
- I treat a customer as a rival.*

Adaptive Selling Behaviors (Very Strongly Disagree 1.....Very Strongly Agree 9)

- When I feel that my sales approach is not working, I can easily change to another approach.
- I don't change my approach with customers.*
- I am very sensitive to the needs of my customers.
- I vary my sales style from situation to situation.
- I try to understand how one customer differs from another.

Buyer-Seller Relationship Quality (True for NONE of your customers 1.....True for ALL of your customers 9)

- I would expect my customers to play fair.

- I expect my customers to tell me the truth.
- I have an intense disagreement with my customers regarding the prices of my products.*
- I have an intense disagreement with my customers regarding the quality of my products.*
- It is important that my customer continues to buy from me.
- I expect my customers to support our relationship in the future.
- My customers will continue using my products for a long time.
- My customer is very pleased with me.
- I am very satisfied with my customers.

Sales Performance (Your performance is very low compared to an average salesperson 1.....Your performance is very high compared to an average salesperson 9)

- Making sales of those products with the highest profit margins.
- Generating a high level of dollar sales.
- Quickly generating sales of new company products.
- Identifying and selling major accounts in your territory.

* Reverse coded items.