

INDUSTRIAL BUYER-SELLER EXCHANGES: THE IMPACT OF A DISRUPTIVE EVENT

Brian N. Rutherford, Kennesaw State University

Ryan Matthews, Tennessee Tech University

Diane Edmondson, Middle Tennessee State University

Lucy Matthews, Middle Tennessee State University

ABSTRACT

When a disruptive event occurs, organizations face a number of challenges which involve a series of drastic changes in interactions within and between organizations. In the middle of these challenges are organizational buyers and sellers, both playing a critical role in negotiating the purchase and sale of products and services. This study uniquely looks at business-to-business purchasing and sales executives going through one of the most uncertain business environments in history to gain insights into the buyer-seller exchange process. Qualitative analysis is conducted based on fourteen semi-structured interviews with seven purchasing executives and seven sales executives. These fourteen executives had visibility to over \$200 billion annual revenue. Findings from this study help to develop a deeper conceptualization and understanding of how interactions between purchasing and sales executives were aligned and disjointed during this disruptive event.

Keywords: Industrial Markets, Buyer-Seller Relationship, Disruptive Events

INTRODUCTION

Long-lasting relationships between salespeople and their customers (buyers) are imperative for companies to survive, grow, and succeed (Mangus and Ruvio, 2019). However, the most recent pandemic, which infected more than 772 million people worldwide and led to over 6.98 million deaths as of December 2023 (World Health Organization, 2024), created a number of complexities in transacting business. As a result, drastic changes in interactions within and outside of the organization occurred. These changes involved employees within the same organization not communicating face-to-face with each other for an extended period of time, along with limited to non-existent face-to-face communications between organizations for over eighteen months.

In the middle of these organizational challenges are salespeople who call on buying centers. Salespeople interact with the purchasing agents within the buying centers to provide help and problem-solving; in turn, the buying center rewards salespeople with purchases (Bonoma and Johnston, 1978). During these interactions, friendship, trust, and cooperation are formed (Bonoma and Johnston, 1978), leading to long-term relationships. Since the disruption significantly reduced, or even stopped, traditional face-to-face meetings, understanding how this disruption has altered interactions between salespeople and buyers is a worthy topic of investigation. Specifically, developing our understanding will aid firms in understanding and developing processes to maximize or enhance relational value and reduce unneeded investments in processes or tools that fail to enhance value.

The purpose of this study is to examine how business-to-business buyer-seller interactions and processes changed during a disruptive event. To achieve the purpose of the study, first, the manuscript will examine recent business-to-business buyer-seller disruption literature, in addition to providing an overview of emergent theory. Second, the methodology, with a discussion of the use of a phenomenological approach, is provided. Third, results of the in-depth interviews are stated, along with relevant passages from the informants to develop six propositions. Fourth, based on the results of the study, we provide a discussion and implications. Lastly, a theoretical model is offered, along with directions for future research.

LITERATURE REVIEW AND THEORETICAL DEVELOPMENT

Recognizing the importance of disruptive events on buyer-seller relationships, the literature has begun to provide guidance focused on interactions during the recent pandemic. A number of these studies were qualitative in scope (e.g., Matthews, et al., 2022). However, quantitative (Alavia, et al., 2022, Kemp, et al., 2022, and Sihi, 2022) and literature reviews (Good et al., 2022) have also been conducted. Table 1 provides a summary of these studies, including journal, year, article type, study focus, and summary of each article.

Table 1: Sample Research Examining the Buyer-Seller Relationship

<u>Authors</u>	<u>Year/ Journal</u>	<u>Article Type</u>	<u>Study Focus</u>	<u>Summary</u>
Alavia, Ehlig, & Habel	<i>JPSSM</i> 2022	Quantitative Longitudinal	Transactional leadership (TAL) was more effective than transformational leadership (TFL) at mitigating the drop of sales performance.	Tested a longitudinal growth model explaining how transactional leadership (TAL) and transformational leadership (TFL) affect sales performance during the emerging pandemic.
Kemp, Min, & Garretson	<i>MMJ</i> 2022	Quantitative – two studies in the U.S. (n=105 & n=35 participants)	Investigated how efforts to manage anxiety influenced social marketing initiatives at the outset of the pandemic outbreak.	Results confirmed that as individuals attempt to relieve anxiety by experiencing feelings of thankfulness, messages promoting an “other-orientation” were successful in garnering compliance with government policies.
Matthews, Nicewicz, Wells, Baidoo, & Smith	<i>MMJ</i> 2022	Qualitative – Five entrepreneurs & five supply chain executives	Pandemic and financial crisis impacts on global supply chains.	Both shocks were analyzed from each group’s experience, as well as comparing the effect on the supply chain.
Sihi	<i>MMJ</i> 2022	Quantitative – Two surveys (n=145 & n=110)	In a health crisis, peer-to-peer services which facilitate sharing of goods and services are impacted by concerns about sanitization, health, and safety.	The majority of the survey participants indicated hesitation to participate in peer-to-peer sharing.
Good, Pullins, & Rouziou	<i>JPSSM</i> 2022	Literature Review	Questions regarding how has personal selling and sales management been transformed? What have we learned? Where do we go from here?	Six broader themes were identified – sales strategy, sales force design, technology, leadership, salesperson wellness, and customer engagement.
Matthews, Rutherford, Edmondson, & Matthews	<i>IMM</i> 2022	Qualitative – Twelve Industrial firms	Studied the impacts on industrial firms in the early phases of the - pandemic.	Creates a framework for examining the impact of disruptive events, like the recent pandemic, along with the development of eight propositions for future inquiry.
Rutherford, Matthews, Matthews, & Edmonson	<i>JPSSM</i> 2023	Qualitative – Longitudinal – 23 B2B International Sales Executives	Developed insights both during and post disruption.	This study offers five propositions to advance the understanding of international sales interactions after the occurrence of a global disruption.
Matthews, Rutherford, Matthews, & Edmonson	<i>JBIM</i> 2023	Qualitative – Longitudinal – Thirteen executives interviewed at two points in time.	Investigated B2B sales executives’ navigation of challenges and changes in planning during two separate periods (pre-vaccine and post-vaccine).	This study suggests the biggest changes could occur after an inflection point from the disruption.

Within the examined studies, emergent theory was identified as a valid theoretical framework. Specifically, emergent theory assists in explaining how interactions can lead to new emergent states (McKelvey, 2004). By nature, emergent properties are non-linear (unpredictable), contain adaptive systems, and are disequilibrium in state (far-from-equilibrium) (Morris & Webb, 2014). Non-linear can be feedback loops, where small changes can create large effects (Morris & Webb, 2014). Adaptive systems refer to a motivational instigator that serves as the initiation for change (Lichtenstein, Carter, Dooley, & Gartner, 2007). When adaptive systems are in a disequilibrium state, small fluctuations can bring unanticipated changes to other parts of the structure (Dooley, 1997). In essence, emergent theory through its specific tenets (non-linear, adaptive systems, and disequilibrium) can assist in explaining the global pandemic and its implications on sales and purchasing executives.

METHODOLOGY

Interview Guide

To ensure relevant topic coverage, an interview guide was developed to examine the impact of the disruption on purchasing and sales executives in industrial markets (see Table 2). The formation of the interview guide involved examining the existing industrial, disruption, and pandemic literatures, in addition to using the authors' industry and academic experiences. Demographic, pandemic, and relational questions were developed using an open-ended format. These initial open-ended questions were broad in scope and tailored to buyers and sellers. Subsequently, questions that allowed the researchers to delve deeper were asked.

Table 2. The Interview Guide.

Demographic Questions
Respondent Name
Title in Firm
Firm Name
Executive Direct Revenue Responsibility
Industrial Firm - Annual Revenue in 2020
Years in Business
Geographic Scope of Company
Industries Served
Supply Base
Customer Base
Open-Ended Questions
<u>BUYER QUESTIONS:</u>
1. Describe to me your typical buying center.
- Explain the decision-making process in the buying center.
- Where are your buying centers?
- How do geographically dispersed buying centers function?
- What is the buying center structure?
- Prior to COVID-19, what value did a salesperson add to the buying process?
2. How has your buying center changed because of COVID-19?
- Since the onset of COVID-19, how have digital technologies been incorporated into the buying process?
- Specifically, how has social media usage changed for decision making since COVID-19?
- Specifically, how has digital technology usage changed for decision making since COVID-19?
3. How has the negotiation process changed?
- During COVID-19, what value does a salesperson add to the buying process?
- How do digital technologies for demonstrating value impact CRM?
- How did the number of suppliers change during COVID-19?

SELLER QUESTIONS:

1. Prior to COVID-19, what was the typical selling cycle for your industry?
 2. Describe the typical buying center to which you sell?
 - Based on your observations, what types of research did buyers conduct prior to your interactions pre-COVID-19 and during COVID-19?
 - As a salesperson, how did you handle geographically disbursed buying centers prior to COVID-19 and during COVID-19?
 - Prior to COVID 19, what value do you believe that you brought to the buying process for your buyer? During COVID-19? After COVID-19?
 3. How has your selling cycle changed because of COVID-19?
 4. How has your sales process changed because of COVID-19?
 - How has the negotiation process changed?
 - How have your buyers changed geographically due to COVID-19?
 - During COVID-19, what value do you believe that you bring to the buying process?
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Data Collection

The highest quality interview candidates with access to a global breadth of knowledge, as well as visibility across internal functions, customers, competitors, and suppliers were desired. In turn, the two segments of business-to-business informants selected were sales executives and purchasing/supply chain executives. Phone calls were made to individuals that met the criteria above, with interviews occurring in April and May of 2021 (five-six months after multiple vaccines were approved in the U.S.). With the informants' consent, the interviews were recorded for accuracy. Interviews averaged forty-six minutes in length. Interviews were downloaded and transcribed, totaling 201 transcribed pages.

Sample

A single unit of analysis for each of the given firms was used. In total, fourteen interviews were obtained, consistent with qualitative samples using sales informants (Rutherford, et al., 2023). Eleven of the fourteen firms were multi-national corporations, with the remaining three firms being U.S. centric. Table 3 provides a summary chart of the informants and their firms.

Table 3. Firm and Informant Profiles.

Industrial Firm	Geographic Scope of Company	Industries	Supply Base	Customer Base	Firm Revenue	Title	Responsibility	Years in Industry	Interview Duration
Purchasing Executive 1	Global	Automotive & Commercial Vehicle	> 10,000	> 10,000	\$20B+	Commodity Purchasing Manager	\$30M	26	40 min 05 sec
Purchasing Executive 2	North America	Medical	> 10,000	> 25,000	\$40B+	Purchasing Director	\$100M	32	52 min 11 sec
Purchasing Executive 3	North America	Restaurant	< 1000	< 1000	< 1B	General Manager	\$10M	18	39 min 36 sec

Purchasing Executive 4	Global	Automotive	> 10,000	> 10,000	\$50B+	Commodity Purchasing Manager	\$40M+	24	52 min 03 sec
Purchasing Executive 5	Global	Medical Equipment	> 5,000	> 5,000	\$<1B	Senior Purchasing Manager	\$6M	6	23 min 28 sec
Purchasing Executive 6	Global	Home Improvement	> 10,000	> 10,000	\$50B+	Senior Supply Chain Manager	\$50M+	33	49 min 44 sec
Purchasing Executive 7	North America	Industrial Aftermarket	> 5,000	> 5,000	\$10B+	Purchasing Director	\$20M	13	48 min 19 sec
Sales Executive 1	Global	Industrial, Automotive, & Commercial Vehicle	> 10,000	> 10,000	\$20B+	Systems Integration Manager	\$10M +	29	49 min 05 sec
Sales Executive 2	North America	Industrial	> 5,000	> 5,000	\$6B+	National Account Manager	\$10M +	28	55 min 21 sec
Sales Executive 3	Global	Automotive OEM & Specialty Aftermarket	1,000 - 5,000	1,000 - 5,000	\$1B+	Product Director	\$40M	27	65 min 22 sec
Sales Executive 4	North America	Commercial Vehicle	> 10,000	> 10,000	\$20B+	Call Center Manager	\$20M	27	41 min 08 sec
Sales Executive 5	Global	Industrial Aftermarket	> 5,000	> 5,000	\$1B+	Sales Director - National Distributors	\$40M	34	44 min 34 sec
Sales Executive 6	North America	Automotive Specialty Aftermarket	1,000 - 5,000	1,000 - 5,000	\$<1B	Owner - Rep Agency	\$10M	38	79 min 07 sec
Sales Executive 7	Global	Industrial Tools	> 5,000	> 5,000	\$6B+	Vice President	\$70M+	31	41 min 43 sec

Analysis

A phenomenological approach was an ideal technique, given the speed at which the disruption occurred. When using a phenomenological approach, informants' descriptions of their personal experiences are gathered, which allows for interpretation by developing a description of "what happened" and how the "phenomenon was experienced" (Creswell, 2009).

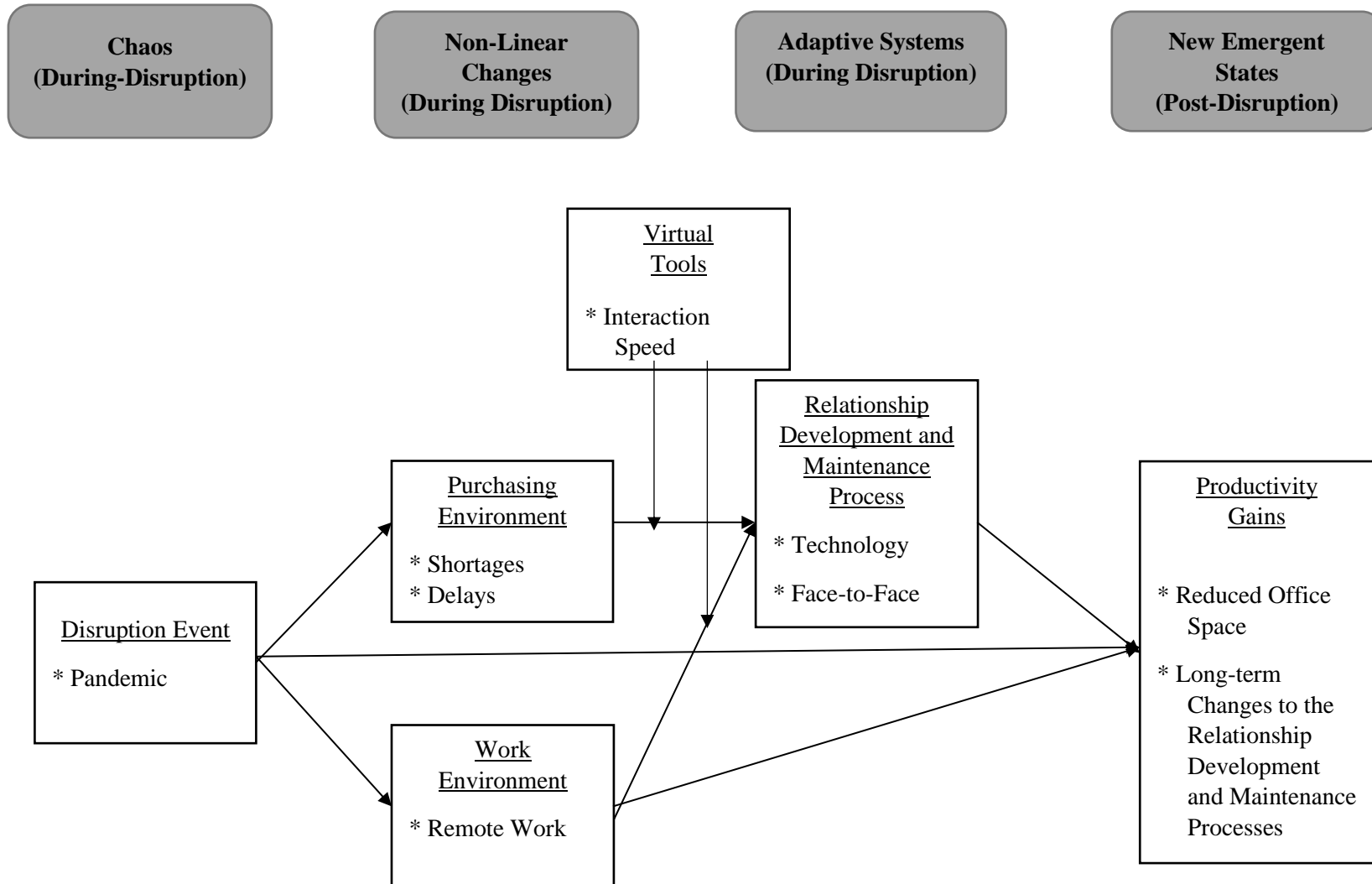
A multi-step approach was used to analyze the interviews. First, two skilled researchers listened to the interview recordings and reviewed the transcripts to identify overarching themes and sub-themes. The themes and sub-themes were compared and reviewed until an agreement was reached, with any differences being resolved through discussion.

Then, passages for inclusion within the results section were identified. Next, two additional skilled researchers with access to the recordings and transcripts verified the overarching themes, sub-themes, and selected passages. Again, any differences were resolved through discussion. Minor grammatical corrections were made to passages, where needed.

FINDINGS

Figure 1 provides a framework to show how this disruption impacted the buyer-seller relationship development and maintenance process. Specifically, the disruption event, purchasing and work environments, virtual tools, and the relationship development and maintenance process are explored. In turn, due to these events, new emergent states have begun to arise, leading to productivity gains.

Figure 1: The Future of International Selling



The Environment

Within the environment, a number of issues, including uncertainty of supply, purchasing of safety stock, and delays in shipments of products were faced. The work environment underwent changes to the office environment, including the extended use of the home office, creating a change in where buyer-seller interactions were occurring. Table 4 provides a summary of buying center environment challenges during the pandemic and discusses the impact on industry.

Table 4. Environment Challenges and Industry Impact.

Challenge	Context	Industry Impact
<u>Buying Environment</u>		
Uncertainty of Supply	Even when contracts were in place, it was not certain that demand could be fulfilled. Despite contracts or strong relationships, supply issues occurred throughout the supply chain, limiting the ability to use back-up suppliers.	Additional communications back in the chain. Shifting to non-ideal or sub-optimal products. Realization that price increases would occur. Questions about product quality for what is available in the market.
Safety Stock	Due to hoarding of supplies by some firms, more firms are considering higher safety stock. Firms which historically have ran on leaner supplies, have increased safety stock. This is counter to many organizations' supply management, given costs associated with the increased inventory.	Fewer just-in-time processes. Potential for closer geographic proximity to become a larger consideration factor.
Delays	Firms have traditionally not worried about getting office supplies that support their day-to-day operations. However, COVID-19 has forced this to become more of an issue. A semiconductor shortage has created effects across a number of manufacturing industries, including a global shortage of automobiles. Logistics issues due to ports working at a lower capacity, reduced work force, fewer flights, and items being shipped that further reduce capacity for other items. Traditionally, logistics had a balance between low cost and shipping time. However, items that were shipped through low cost methods are now requiring higher cost methods.	Traditional office supplies could see reduced long-term demand, as companies shift more toward electronic records. This has created a drastic increase in prices. Vehicles are being manufactured without the needed semiconductors installed at the time of assembly. Thus, products are incomplete for shipment, as well as likely increased future failure rates due to products being manufactured in an inconsistent process. The cost to move products has increased, with air freight being an alternative to shipping over water.
<u>Work Environment</u>		
Home Office	Prior to COVID-19, a number of firms were hesitant to allow remote work. However, COVID-19 forced the majority of business-to-business buyers to work remotely.	Changing mindset of the potential of remote work for business-to-business buyers. Changes to the types of interruptions buyers face during the workday. However, certain buyers feel they are working more within a remote environment setting. Potential changes to workplace assessments and performance.
Office Location	The value of the office location is now being questioned. Prior to COVID-19, an office location for buyers was seen as an essential part of the work environment.	Office spaces either being closed or office spaces becoming more flexible. If office space is utilized by firms, this space could be used by more people, but for a lower duration of time. Reducing or eliminating designated individual office space.

The Purchasing Environment

At the start of the pandemic, organizations focused heavily on the procurement of personal protective equipment (PPE), a product that was in limited demand before the disruption. Organizations saw a routine purchase become a highly sought-after product overnight, with rapid decreases in availability and increased pricing (Richards, 2020). Further, the supply chain saw decreased ability to manufacture products (Sharma, Leung, Kingshott, Dancik, and Cardinali, 2020). Even when products could be manufactured, shipping and delivery of products became more difficult (Notteboom, Pallis, and Rodrigue, 2021).

Purchasing Executive Two works within a large healthcare system and describes some of the demand struggles that he experienced. Beyond primary suppliers, he had to work with manufacturers to help ensure the allocation of products that his firm had already committed to purchasing. Further, he sought to obtain additional quantities. However, prices rose to what is described as “ridiculous levels.” Moreover, substitution items increased in demand when typical items were not available. For example, when disposable isolation gowns were not available, purchasing shifted to reusable isolation gowns. This, however, created issues with the potential for the transmission of the virus. Frustration was expressed as the informant felt that others were stockpiling items, “because they felt like they had to buy, just in case.” In turn, this created a situation where initiatives had to be put on hold by his firm.

The following statement by Purchasing Executive Three reflects on a pre-disruption buying process compared to purchasing within the disruptive environment:

Pre-COVID was more based on options and preferences, we can be presented with four or five different varieties of a certain product with different price points, quality points, and features and we choose the one that we like the best... Post-COVID there is no sampling, it is what there is, and we might not have it, we might get it at this time, we do not know how much we are going to get, we do not know how much it is going to cost.

While demand increased for many items, firms also began purchasing safety stock of items. In part, this was due to firms over-procuring products. Purchasing Executive Seven felt there was no rhyme or reason for this behavior as “everyone was freaking out and basically hoarding.” Purchasing Executive One felt there was an increase in safety stock within his firm, even though his firm was still operating under a min/max strategy. However, he felt that future use of just-in-time supply would likely be reduced, and locations of suppliers would become more important.

Given shifts in demand and safety stock being purchased, firms began seeing delays in receiving products. These delays were not just for PPE or safety stock, but also included issues with national contracts from office supply companies, where basic items needed for day-to-day operations, like paper, were hard to obtain. Further, even more critical components used in manufacturing, such as semi-conductors, or rental of products became harder to obtain. For example, Purchasing Executive Four expressed a purchasing issue that has crippled the automobile manufacturing industry:

This semiconductor issue has crippled us, and I think it has really exposed some of our weaknesses... I do not think that we had enough visibility of it, or control over it. We are pulling all the levers possible, all the power or perceived power that we may have, utilizing government agencies and whatever we can to try and unleash some of that supply in all these corners of the world.

Beyond production-based issues, delays in product delivery are occurring due to logistics issues. Items being bought in increased quantities have traditionally had predictable demand, but now are taking additional space and time on the water (cargo ships) to transport. Further, a trucking issue is occurring even when the product is domestic-based. Due to issues on the water and land, the problem is compounded when shipping through air carriers. When an air carrier is moving freight, costs have increased significantly. Purchasing Executive Seven provides an overall summary of the issues being faced:

All these items that everybody was buying in bulk also swallowed up a lot of space and time on the water because a lot of this is imported. And a lot of it that was domestic is still taking up a lot of local transit and trucks... We have moved a lot back to the U.S. suppliers. Even if the pricing is more or whatever, it does not really matter because our customers need our product... Air freighting everything being absolutely ridiculous right now and there is no end in sight because we are nowhere near caught up.

Proposition One: Disruptive events alter the industrial procurement demand/supply balances; in turn, creating both shortages and delays in the procurement environment.

The Work Environment

The work environment shifted rapidly and employees went from face-to-face interactions to limited or no face-to-face interactions. Further, the majority of buyers transitioned from working in an office environment to working remotely. Purchasing Executive Six discusses her company's hesitation for using a remote work environment prior to the disruption:

(Company name) took a long time to go to a virtual work structure, because we have a store mindset. In the stores, if I cannot see you, you are not working...

While some firms were hesitant to allow remote work before the pandemic, advantages to remote work are now being explored by firms. Purchasing Executive Four discusses the advantages of remote work:

If anything, I think they are getting more out of us being at home – you do not have the office chatter, you do not have people interrupting you at your desk. You have other, sometimes, interruptions at home, but I feel like we are working a lot more.

Proposition Two: Disruptive events create an increased need for alternative and remote work structures, which will continue to increase in B2B industrial markets.

Consistent with business-to-business buyers, the business-to-business sales force has also shifted to remote work. All salespeople discussed increased working from home arrangements. Sales Executive Five provides an overall summary of the remote environment, "I think the industrial distribution industry, like a lot of other industries, has embraced the simple statement – 'Work is no longer where you do it, work is what you do.'" With remote benefits being explored, firms will likely question the need for large office space in the future. Sales Executive Four provides his thoughts:

Do we really need this big building in (location named)? Do we really need all of these support people? I think there is a mixture of corporate leaders looking at a completely different resource model. Facilities models, based on everybody working remote.

Proposition Three: Industrial firms will seek productivity gains through the reduction of physical office space; however, certain relational roles will be more adaptive to non-traditional work environments than others.

Relationship Development and Maintenance Process

Next, the disruption has altered the formation and development of norms. For example, the traditional face-to-face sales process (Dubinsky, 1981) was not able to be used as a tool to develop initial norms or processes. Specifically, Sales Executive Four stresses the negative impact of not being able to further develop relationships during the pandemic:

We cannot go in-person as often. If we do, it takes longer for us to do it because of the lockdown, the travel restrictions, and travel approvals that we have to get in order to go see a customer. I think once we are there, we provide a very similar experience. We are doing it less, and it takes longer. I do not think it is as personal because we cannot take them out to lunch, you cannot ride in the same car, you have to have a mask on. I think overall, everybody understands, we are trying to deliver that level of support, but we have got to do it differently and it takes longer.

Technology is not seen as a tool that can maintain all relationships from a remote perspective. Specifically, buying centers and their firms still recognized the need for face-to-face interaction. However, these interactions were not between buyers and salespeople discussing purchasing of products, but instead were technological or manufacturing-based. Sales Executive Two states:

Just because of COVID, office-type visits are going away, that is more virtual. Where we are seeing a big opportunity is onsite visits and manufacturing or engineering sites. So, if you are talking to somebody in procurement, or in pricing, or somewhere like that, they just say do not come in. But if you are talking to people like on the floor of maintenance, manufacturing, engineering, they are please come in.

Established relationships were able to continue to prosper and new relationships appeared to face certain struggles, while the number of suppliers that buyers used was not significantly impacted by the disruption (with the exception of one purchasing executive with about a 10% increase in supplier base). The established supply base remained consistent with the level prior to the disruption, regardless of whether companies used a small number of suppliers or thousands of suppliers for the majority of their purchases. Purchasing Executive Four indicated that if she needed to introduce a new supplier, there had to be a significant reason to do so, with the pandemic not being the primary reason. Two of the informants discussed concerns with bringing on new suppliers during the pandemic. Purchasing Executive Seven further explains the importance of quality and background checks of new suppliers:

We really had to go out there with our business model and find product. So especially in COVID supplies, we were scrounging everywhere we could. The problem is we have a really tight compliance and quality team. When we find new suppliers, we had to do quality checks and backgrounds on them and do all the onboarding processes as usual. We needed it done yesterday. So that kind of set us back sometimes. But it also saved our butts many times because there were several shady manufacturers coming to the market with really inexpensive and high-volume hand sanitizers that came back and got in trouble, a lot of trouble. Anybody that bought it basically had to return it and all that stuff. That would have been a travesty for all of our customers. And that would have made us look bad.

Proposition Four: Changes in the business environment (purchasing and work) create alterations and segmentation to the relationship development and maintenance process.

Virtual Tools

The time required for negotiations was frequently discussed. A number of informants felt that negotiations were sped up due to the disruption. For example, Purchasing Executive One states:

If there is enough energy put into an agreement, you can get it done quicker either way... Maybe a week or two (quicker than pre-COVID). It is significant because you are going ten different ways with various different suppliers on different programs, projects, there are issues and challenges, price increases, contracts you are trying to negotiate, and new business awards.

Sales Executive Five provides a detailed explanation as to why negotiations were sped up:

It was quicker during COVID. I think with (Company X) we were over and done in three weeks and (Company Y) we set a new record. Not only did we have our annual agreement, but we had an enhanced agreement done in six weeks. COVID was three to six weeks. Non-COVID was probably five to seven months. Every meeting you traveled there or they traveled to you. You arm-wrestled over this, that, and the other thing and you wrote notes. Nobody had time for that. It was really easy to negotiate... You were not having to fly back and forth; you were just jumping on a Zoom call.

While many informants felt negotiations were sped up, several informants expressed concerns about negotiations taking longer. For example, Purchasing Executive Two states:

Some of these things actually take a year or better to negotiate, with COVID it has been even longer. Right now, we are working on national dialysis agreements... For the first two or three months, it became really difficult to get anything done because people were out of the office, and sometimes they just disappeared. Companies were furloughing people. The first couple of months things were delayed... Probably in July or so, you started seeing people realizing that life is going on and our contracts are going to be, we are just going to have to continue on.

Likewise, Sales Executive Six expressed frustration regarding the amount of time it takes to complete negotiations:

I would say that is probably became a longer process... It became a longer process for, number one, you are not physically there. Number two, the customer, the manufacturer, sometimes are not physically even in their offices or working remotely without all the tools that they need. Or the people surrounding them that they had before, to be able to finalize items.

Proposition Five: The use of virtual tools enhances the relationship between both the buying and work environment in relation to buyer-seller interactions; however, the speed of the interactions could increase or decrease depending on the desire of the participants to execute quickly.

Productivity Gains

The disruption has created the need for firms to develop a better understanding of how disruptions can alter the value creation process and how interactions will continue to evolve in the future. Sales Executive Six provides an overall assessment of the change, “I think what COVID did in a lot of ways has made the change faster. There has been a change going on for a long period of time. I think COVID just kind of accelerated that change.” While the disruption has sped up the process, buying firms are economically rewarding firms that are successful in making changes to the value creation process. Sales Executive Five discusses how buying firms recognize and reward value creation:

There is more knowledge that needs to be involved in the cycle, which generally would tell you that the cycle will become protracted, well it is not. The expectation is that it is accelerating... I am seeing design engineers and buyers willing to pay more for a better faster solution if it takes manufacturing cost out, if it delivers more reliability, if this solution reduces inventory carrying costs. I see buyers and designers willing to examine total cost options.

Further, Purchasing Executive Three reinforces the number of opportunities created due to the disruption:

There is a huge amount of opportunity out there, right now, for those that have been able to navigate it... We adopted a lot of new technology that allowed us to be more agile and streamlined that we probably would not have adopted as aggressively.

While purchasing executives strongly stressed the importance of established relationships, several salespeople felt that interactions became more transactional in nature. Sales Executive Three discusses how dealing with the disruption has made interactions more transactional as buyers have already completed a detailed internet search on a customer's company, competitors, and product lines. Information that would have traditionally been completed in the first sales call now needs to be put online as potential customers have already researched your company before contacting a salesperson:

More upfront planning and available content helps clients make decisions a lot earlier in the process... They want to be armed enough, so that they can make the buying process much more transactional.

Proposition Six: Leveraging virtual tools when segmenting customers during the relationship development and maintenance processes will result in productivity gains (losses).

DISCUSSION AND IMPLICATIONS (ACADEMIC AND PRACTITIONER)

During the pandemic many elements of business shifted into a disequilibrium state, with examples that include the procurement and work environment, buyer-salesperson interaction, negotiation process, and tools/technology. This shift became non-linear, creating a new emergent state. One of the strengths of this article is the balanced approach to getting in-depth interviews with both sales executives and purchasing executives. When combined together, these fourteen executives had visibility to over \$200B in transactions in both domestic and international markets. Academics, as well as practitioners, can benefit from this research study.

Academic Implications

The uncertainty created an environment to leverage technology to obtain emergent and new outcomes. Technology such as digital tools and customer portals are just a few examples. Digital tools are an extremely wide category, including video technology, bots, and image software packages. The use of digital customer portals for faceless interaction with customers for sales interaction was strategically implemented and scaled. Many technologies were applied in B2B as well as in B2C markets. Hence, continued drive to expand knowledge, along with new combinations of technologies, would further advance the literature.

Developing a deeper understanding of the importance of scale purchasing was clear and could improve insights into sales research. An interviewee explained how a hospital chain of one to five hospitals was trying to get vendor resources as they competed against competitors that were buying for over one hundred hospitals. The smaller buying power organizations struggled to get adequate attention from large sales organizations during this period of disruption. Developing deeper insights into purchasing power and leverage during times of uncertainty and non-linear events should be expanded to gain a better understanding.

This research indicates supply chain footprints are starting a multi-year rethink. Examples from the interviews include a revisit on movement of sea transit to a higher percentage of land supply chains. From a U.S. perspective, this could include bringing more suppliers from Asia to Mexico. Other purchasing executives were even deciding what components needed to be within a one-day drive of the manufacturing location. This shift in supply chains is a multi-year shift that emerged from the shock of the pandemic.

The speed of conducting business was impacted positively and negatively during the pandemic. A common thread was that the speed of conducting business occurred faster when both buyer and seller organizations were mutually aligned and bought into a specific timeline. Understanding cultures, relationships, and circumstances better would help sales and purchasing departments to operate more efficiently and receive quicker results.

Practitioner Implications

Practitioner implications from sales executives' segmentation, seller creativity, buyer hoarding, and distant management are a few of the implications from this research. Practitioners should gain insights from these fourteen executive interviews during times of extreme uncertainty. Customer segmentation and not treating all customers equal came through multiple times in the interviews. When face-to-face relationship management and business as usual stopped for over a year, sales executives were forced to think differently and quickly. Larger sales organizations quickly started categorizing customers by importance. Smaller non-strategic customers would only receive portal or automated support, whereas many other customers may receive call center support, while strategically important customers could receive full sales access.

Purchasing departments were also completing a similar exercise on their supply base and customers. Supply chain classifications included what components to alternatively source, source locally, and or source along with lower tier suppliers. While all this was happening, buyer hoarding was occurring. Buyer hoarding occurs when specific companies overbuy to make sure they have adequate supply. During buyer hoarding, suppliers keep a larger inventory than during normal times, and sales departments are stressed to work higher orders through the manufacturing system. Ultimately, this hoarding was pulling future demand forward and creating slack in future manufacturing capacity. Many times, both the seller and buyer were stressed to meet expectations.

Sales executive creativity also increased significantly as the emergent state was morphing into a future state. Sales executives had to get creative when their companies could not meet order and supply demands. Examples included reducing offering and features to increase output, and finding alternative solutions to meet demand, like reusable versus disposable gowns for the medical industry.

Lastly, the importance of transitioning beyond face-to-face business models was highlighted. Both sales and purchasing executives were forced to let go of the traditional business model of "if I can't see you – you are not working." Work shifted to where the person is located at that moment. Results of this are reduced office footprints and truly measuring worker productivity. This approach worked better for some companies than others. Developing a deeper understanding of relationships, cultures, and business processes to drive higher remote productivity would continue to benefit practitioners as business continues to emerge.

LIMITATIONS AND FUTURE RESEARCH AVENUES

This study presents several limitations that should be noted. First, the study used a single unit of analysis. Additional insights could be obtained by having multiple employees of a firm share their thoughts and experiences. Second, the study examined either a buyer's or seller's viewpoint, but dyadic relationships were not examined.

Future research should consider dyadic studies to assess the buyer-seller responses as they relate to this topic. Since a single study is incapable of unlocking every mechanism underlying a buyer center, as well as purchasing and sales executive's interactions in a business-to-business setting, future research is encouraged to further this study. Developing the six propositions into testable hypotheses would be beneficial. Using these propositions, along with existing literature, would allow for the use of quantitative analysis. For example, longitudinally surveying purchasing and sales executives would be beneficial in understanding the long-term impact. In addition, an extension of the current study may entail examining different sizes of businesses or the inclusion of service-based businesses, as opposed to industrial manufacturing and component purchases. However, this study provides a strong foundation for quantitative

tools to be used to examine the key findings of this study. This will allow for the finding to be confirmed or refuted, extending the line of research on this emerging topic.

CONCLUSION

This article contributes to the business-to-business literature by examining how purchasing and sales executives' interactions have been affected by a recent major global disruption. This study finds that both the purchasing and work environments were impacted by the disruption event. In turn, the relationship development and maintenance process were altered with virtual tools, providing aid between the environments and the relationship processes. In turn, productivity gains were achieved based on this disruption event that firms should be able to use moving forward. In total, six propositions and implications are provided to expand future comprehensive and empirical testing of business-to-business buyer-seller interactions.

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