

“Drivers for the adoption of relationship selling behaviors among B2B sales staff in the GCC”

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Drivers for the adoption of relationship selling behaviors among B2B sales staff in the GCC

Abstract

With a few exceptions, research on relationship selling has concentrated on the outcomes of this phenomenon rather than its origins. Understanding the drivers and influencers for salespeople to adopt behaviors associated with relationship selling reveals important considerations for sales and marketing management. The objective of this study is to understand how a highly multicultural environment, like that of the Gulf Co-operative Council (GCC) in the Arab countries, affects the tendency of salespeople to adopt relationship selling behaviors. The research was based on a random sample of 92 salespeople working in business-to-business sales organizations in the Gulf States, measuring their tendency to express relationship selling behaviors (contact intensity, mutual disclosure and cooperative intentions) during customer encounters. This was then linked to four dimensions of salesperson characteristics (demographics, background, use of value adding techniques, and psychological traits), taking into account the moderating effects of salesperson/customer similarities and the value a customer seeks from the salesperson's offering. Before conducting the research, in-depth interviews with sales professionals, operating in the GCC, were conducted in order to validate the research model.

The main finding is that the use of value-adding techniques (problem solving, adaptive selling behaviors, and customer oriented selling) has a strong positive effect on building relationship selling behaviors. Similarities between salespeople and customers, and the value a customer might seek from the offering, have a moderating effect on the association between relationship selling and salesperson characteristics. The results suggest that training salespeople in order to direct them towards relationship selling behaviors will yield better results than attempting to structure the sales force purely according to demographic or background characteristics and matching these with customers. Furthermore, the cultural domain of the region should be taken into account when designing sales strategies and/or marketing tactics.

Keywords: models of relationships behavior, salesperson behavior, long-term relationships, personal characteristics of salespeople.

Introduction

Background to the study. In business-to-business (B2B) sales, organizations strive to create long-term relationships with their customers, as this approach is assumed to yield high and long-term profitability. Since personal selling is still the dominant method of interaction with customers, salespeople play a key role in developing and nurturing relationships. Relationship selling may be defined as the personal approach of the sales function, which aims to create and maintain long-term relationships with customers, as opposed to traditional transactional selling. Relationship selling requires extensive customer orientation by the salesperson, and often a transformation in the way he or she regards the nature and importance of customer encounters and selling situations. The literature on the subject has linked relationship selling behaviors to performance (Boles et al., 2000), and to higher levels of customer satisfaction (Crosby et al., 1990). Several characteristics of salespersons have been studied in association with their ability to engage in relationship selling: demographic characteristics, such as age and educational level (Boles et al., 2000), together with communication abilities and conflict handling skills (Biong & Selnes, 1995). The distinct cultural diversity of the business

environment in the GCC¹, with over 100 nationalities living and working together, raises the question of how the attitude of salespeople can change as a result of this diverse cultural difference among the parties involved, such as customers, fellow salespeople, and sales managers. Answers to this question highlight issues like performance predictors, criteria for hiring, training programs, and compensation schemes. The objective of this research is to identify the personal characteristics that affect the salesperson's ability to adopt relationship selling behavioral approach within B2B sectors in the GCC States, and to propose a guide to design a best-fit salesperson profile conducive to adopting relational selling behaviors in customer encounters.

The case of the GCC. Trading activities were the backbone of the GCC economy for several centuries, until the discovery of oil reduced this to a marginal source of income compared with massive oil revenues. Before the 1970s, the small population and the lack of indigenous expertise to operate sectors such as government offices, oil production, healthcare and education encouraged the inflow of foreign labor at all levels. The skilled work force then arriving at the Gulf consisted mainly of Egyptians, Yemenis, Jordanians/Palestinians,

¹ The Gulf Co-operative Council (GCC) was established in 1981, between Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and UAE.

Lebanese and Syrians, and a relatively small number of Europeans and Americans. The local Arab work force was dominant in governmental and educational sectors because of linguistic, cultural and religious compatibility, while the small number of Westerners was concentrated in oil production. The South Asian population (Indians and Pakistanis) and Iranians from the north of the Gulf had been present since earlier times. The foreign population developed an almost complete penetration of the skilled workforce. Following the oil price upsurge of the 1970s, countries of the Gulf started to invest heavily in infrastructure projects and a matching influx in emigration followed these developments. The Arab, South Asian and Western workforce then accounted for 71%, 20% and 2% of the total foreign workforce, respectively (Shamsi, 2006). Due to political interference, the locals' penetration of government positions increased, and the Arab workforce was reduced dramatically to 56% by 1985. This vacuum created an opportunity for mainly South Asians to fill the vacant places, one reason being the relatively low cost of professionals from this area. The falling trend has continued till date, and the Arab population is estimated to be around 33% of the foreign workforce (Kapiszewski, 2006). The number of Asians in the workforce continues to rise with increasing numbers of Filipinos and Koreans, and also Turks. The surge in oil prices again from 1999 till 2008 fuelled the Gulf countries' plans for development and increased the investments in infrastructure (GCC Economic Outlook, June 2008), and a new inflow of labor has taken place. Although the global economic downturn in 2008 has led to an extensive reduction in job opportunities and the departure of a number of expatriates, still the ethnic diversity of the region remains. This unique mix of people from different cultural and national backgrounds in the Gulf, therefore, justifies the question of whether and how it affects business relationships.

Structure of the article. This article is structured as follows into five sections. Following the introduction, section one reviews the origins and evolution of the relationship selling concept and its current status as a new paradigm, before discussing models relevant to the research framework elaborated in the second section. The latter section will discuss the methodology of the study: the definition of constructs and variables; the development of the questionnaire; and the sampling plan. Section three covers the data collection and analysis of the data. Finally, there are conclusions and a set of recommendations for sales organizations on how to improve their sales force effectiveness in line with their objective to

build long-term customer relationships. Areas for future research are identified.

1. Literature review

1.1. Introduction: a historical perspective to relationship selling/marketing. In 1954 Borden introduced what is considered to be an early version of the marketing management mix: a 12 variable list that marketers have to consider in market encounters. By 1960 McCarthy reconstructed Borden's variables into the 4Ps framework (price, product, place, promotion). Although this model has been criticized for its oversimplification, its intuitive logic has ensured its popularity. As a result of its consolidation under the P of promotion, sales followed the transactional paradigm of marketing. Transactional marketing as a theory and approach developed out of a situation of prolonged market growth. As markets evolved and competition intensified, the setting changed from growth to maturity. The challenge to firms was to stabilize the number of customers within saturated markets. In order to adapt marketing theories to the changing scene, scholars added elements to the 4Ps legacy: public relations and politics (Kotler, 1986); people, physical evidence and process (Booms & Bitner, 1982); people (Judd, 1987); preservation (LeDoux, 1991), and some went out of the P-way by adding the 4Cs (Kotler, 1991) and S&2Cs (Berry, 1990).

Under the transactional approach, the sales force was required to understand the company's competences (4Ps) and communicate them to their customers in a convincing way, requiring good presentation and sound technical and product knowledge. The transactional paradigm resulted in a product-oriented rather than customer-oriented practice (Gummesson, 1997). By the 1970s the specifics of buyer-seller exchange in B2B markets gave rise to a focus on customer retention and long-term relationships. Customers in B2B are limited in number; have sophisticated requirements; require tailor-made solutions; often actively take part in the exchange by expressing their opinions and needs rather than accepting standardized offerings. Relationship marketing emerged as an alternative paradigm in which marketing efforts focus on attracting, maintaining and improving customer relationships rather than just attracting customers and making the exchange. The focus of the sales force under this new paradigm is to initiate, develop and enhance customers' relationships rather than simply delivering the company offerings. Academics have developed models that placed transactional marketing on one side of the continuum and relationship marketing on the other side, as opposites. The new paradigm was to replace the old one, as they are unlikely to co-exist. Over time this view has changed. Now scholars

distinguish situations in which the transactional paradigm is more effective, though relationship marketing may facilitate the development of bonds and, thus, the creation of competitive advantages.

One-on-one encounters in B2B are the dominating – and in many cases the only – mechanism for exchange between buyer and seller. The new rationale highlights new requirements for salespersons. Working in teams that include other salespeople and staff members from production, R&D and marketing, encourages full engagement in the situation of the customer. To that effect salespeople must be orchestrators of their companies' resources, directing the necessary information and expertise to solve customer problems and fully develop joint opportunities (Ingram, 1996). Different behaviors and personal qualities are required, focusing on sustainable long-term profitability rather than the previous short-term revenue orientation. Under the relationship marketing paradigm, salespeople are transformed into consultants who help their customers achieve their strategic goals.

1.2. Introduction to models of relationship behavior. Although salesmen will not deny the obvious effect of relationships on their achievements, the general feeling is that price and product attributes carry more weight. Research indicates that the effectiveness of relationship approaches is moderated by the dependency of the buyer on the product and the logistical-technological complexity of sourcing alternatives (Biong et al., 1995). This means that the higher the dependency on the product the less the outcome depends on personal relationships with customers, a perspective which partially supports the sales professionals' views. However, the rapid pace of technological advancement, and the notion that someone will soon do it better and cheaper, emphasize that producers across the board need to build long-term relationships with their customers to create stronger bonds as entry barriers to competition.

While translating marketing theories into selling approaches the personal dimension arises as a factor contributing to the overall supplier-buyer relationship (Humphreys & Williams, 1996). The importance of the personal interaction is recognized in creating satisfied customers (Humphreys & Williams, 1996; Crosby & Stephens, 1987; Solomon et al., 1985) and consequently contributing to the long-term relationship-building process with customers and relationship continuity (Biong et al., 1995). The personal dimension of the customer encounter not only affects the long-term buyer-seller relationship potential but also has a direct impact on sales force performance (Boles et al., 2000),

relationship quality and sales effectiveness (Crosby et al., 1990).

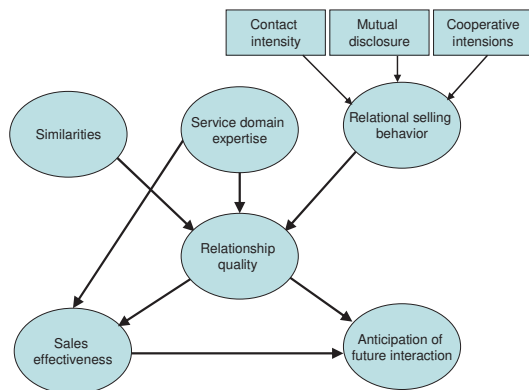
1.2.1. Salespeople behaviors. Behaviors of salespeople are regarded as a decisive element in building long-term relationships. The way a salesperson reacts to different elements within the sales encounters with a specific customer can shape the future possibilities of the relationship. Customer satisfaction (Anselmi & Zemanek, 1997; Humphreys & Williams, 1996), and the relationship quality and anticipation of future interaction (Crosby et al., 1990) are directly affected by the way salespersons interact with the customer. These behaviors, when employed in the right context, boost sales performance (Crosby et al., 1990; Boles et al., 2000). Relationship selling behaviors, adaptive selling behaviors, customer-oriented selling and problem-solving approaches have received considerable attention as routes to establish and nurture long-term relations with customers as well as ways to yield higher sales performance and effectiveness as an outcome of these relations.

1.2.2. Relationship selling behaviors. In examining behaviors that affect long-term relationship building with customers, relationship selling behaviors emerged as a construct of three elements that refer to the tendency exhibited by sales representatives to cultivate the buyer-seller relationship (Crosby et al., 1990). The three-element construct was introduced by the researchers as part of their relationship quality model (see Figure 1). The model identifies structural characteristics of long-term sales relationships in service selling:

- ◆ Contact intensity: the frequency with which the salesperson communicates (face-to-face or indirectly) with the customer either for personal or business purposes. It reflects an effort on the part of the salesperson to keep the communication channels open with the customer and exhibit a commitment to the relationship (Williamson, 1983).
- ◆ Mutual disclosure: the mutual exchange of information, the depth and width of which distinguish it from other relationships (Hinde, 1978). It refers to the willingness of the parties involved to mutually reveal critical personal or business information within a collaborative relationship (Derlega et al., 1987).
- ◆ Cooperative intentions: the positive attitude towards sharing information or problem solving within a collaborative relationship. These intentions, or goals, provide an active behavioral outcome rather than mere willingness.

The model presents the exogenous variables, namely salesperson attributes (similarities and

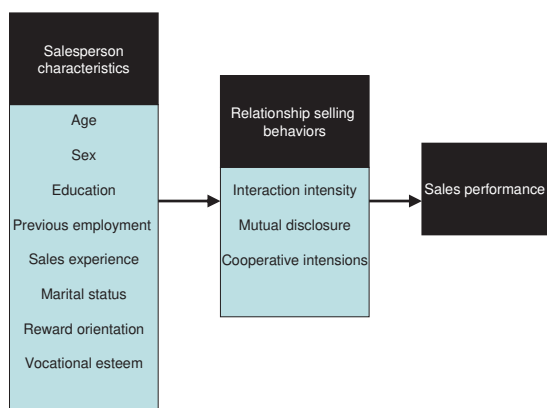
domain expertise) and relational selling behavior (contact intensity, mutual disclosure and cooperative intentions), while the endogenous variable of relationship quality is conceived as a two-element construct dimension consisting of customer satisfaction and trust in the salesperson. Finally, sales effectiveness and anticipation of future interaction are represented as outcomes.



Source: Crosby et al. (1990).

Fig. 1. Relational selling and relationship quality model

The same relationship behaviors construct was discussed by Boles et al. (2000) in a model that examines the effects of relationship selling behaviors on the performance. The research proposed a model (Figure 2) that included the impact of salesperson characteristics (age, sex or gender, education, previous employment, sales experience, marital status, reward orientation and vocational esteem) on relationship selling behaviors (interaction intensity, mutual disclosure and cooperative intentions), and salesperson performance. Findings showed that interaction intensity and mutual disclosure were significantly related to sales performance while cooperative intention was not.



Source: Boles et al. (2000).

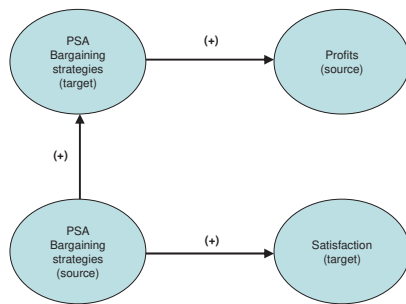
Fig. 2. Relational selling and performance model

1.2.3. Customer oriented selling (COS). According to Saxe & Weitz (1982), COS involves employing

the marketing concept at the individual salesperson and buyer level, by identifying and satisfying the needs of customers. To adopt that approach salespeople must engage in behaviors that increase long-term customer satisfaction. COS is defined by a number of elements that require the salesperson to assess both the customer situation and the emotional information exhibited even in subtle manners (Kidwell, McFarland and Avila, 2007). The main elements are the salesperson's ability to assess customer needs; avoid deception; avoid high-pressure selling; describe products and services adequately; and help customers make satisfactory purchase decisions (Thomas et al., 2001). Kidwell et al. (2007) indicated that salespeople who practice COS believe they are successful in influencing customer decisions. This indicates that when practicing this approach, salespeople employ relational elements like trust and compassion that positively influence relationships.

1.2.4. Adaptive selling behaviors (ASB). First defined by Weitz et al. (1986) 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', adaptive selling behaviors are related to higher sales performance (Park and Holloway, 2003), and integration with traditional selling methods may enhance sales performance (Giacobbe et al., 2006). Little research is available on the relation between ASB and its effectiveness in long-term relationship building. Brennan & Turnbull (1999) find that adaptations within a buyer-supplier relationship tend to increase levels of trust and enhance commitment to the relationship.

1.2.5. Problem solving approach (PSA). Graham (1986) studied the effect of the PSA on negotiations in industrial markets. PSA was defined as an approach that focuses on the behaviors of the other party, using win-win solutions as well as mutually beneficial outcomes to resolve conflicts. The study showed that PSA positively influences customer satisfaction. Graham examines the effect of the PSA of the source (salesperson) and the PSA of the target (customer) on customer satisfaction and sales profit. The outcomes suggest that the increased source profits and target satisfaction can be simultaneously influenced in a positive direction by the use of a PSA. Such bargaining outcomes are not only desirable in the short run, but also provide a foundation for profitable and long-term relationships between industrial buyers and sellers. The study indicated the mediating influence of target's PSA as critical to the success of the overall sales encounter (Figure 3).



Source: Graham (1986).

Fig. 3. Problem solving approach model

1.3. Personal characteristics of salespeople.

Personal characteristics of salespeople have inspired a considerable amount of research. The ability to identify promising salespeople early in the selection process is an issue of great interest. Churchill et al. (1997) list physical traits, individual behaviors, psychological traits and aptitude as the general categories. Demographic, background, physical and psychological characteristics and similarities have been examined regarding their effect on long-term relationships with customers.

1.3.1. Demographics and background characteristics. Boles et al. (2000) studied the relationship between age, sex or gender, education, previous employment, sales experience, and marital status, and salespersons' tendency to adopt the three-element construct dimension of relationship selling behaviors defined by Crosby et al. (1990) of contact intensity, mutual disclosure, and cooperative intentions. The main findings showed a significant relation between previous sales experience, education, gender and marital status to mutual disclosure and cooperative intentions, but not to interaction intensity. Previous employment had no effect on the dependent variables, while age was negatively related to mutual disclosure and positively related to cooperative intentions. Crosby et al. (1990) suggest that the experience of a salesperson influences the long-term sales relationship indirectly through improving the overall quality of the relationship.

1.3.2. Psychological traits. Boles et al. (2000) hold that vocational esteem and the need for intrinsic and extrinsic rewards stand out as determinants of the tendency of salespeople to adopt relationship selling behaviors. The model presented in Figure 2 tested these variables according to the salesperson tendency to adopt the three-element construct dimension of relationship selling behaviors defined by Crosby et al. (1990) of contact intensity, mutual disclosure, and cooperative intentions. The main findings indicate that a high level of esteem for fact-finding, servicing customers and personal

development increase the level of cooperative intentions while selling was the only factor influencing mutual disclosure. Cooperative intentions are positively influenced by intrinsic orientation but negatively by extrinsic orientation. Interaction intensity and mutual disclosure were not significantly influenced by either intrinsic or extrinsic orientation.

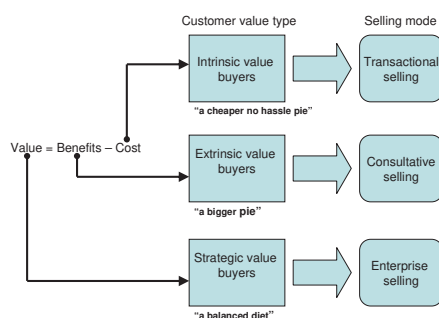
1.3.3. Similarities. Personal similarities of salespeople to customers have received a considerable amount of attention as a determinant factor of the buyer-seller relationship quality and status. Crosby et al. (1990) have studied the effect of similarities on the relationship quality and sales effectiveness (see Figure 1). Similarities were operationalized in terms of appearance, lifestyle, and status. Findings indicate that customers' perception of salesperson similarities has influenced sales success and increased the level of relationship quality. Biong & Selnes (1995) noted that personal similarities contribute to the creation of trust, reduce communication barriers and have a moderating effect in solving disagreements. The effectiveness of relational selling behaviors and skills is positively related to the salesperson similarity to the customer's values and norms. Personal similarity is most effective in low dependence relationships.

1.4. Customer dependence on supplier. The degree of dependency on a specific supplier stands upon the availability and existence of alternative offerings and the investment ties that link a customer to a specific relationship (Biong & Selnes, 1995). Biong & Selnes (1995) have discussed the moderating influence of the customer dependence on the supplier on relationship selling behaviors and skills. The findings demonstrate that the dependency moderates the effect of personal similarities and aggressiveness within a specific relationship. The study also suggests that relational behaviors must continue even in high dependency situations as it portrays that the supplier is genuine in his attempt to add value to the customer and not taking the relationship for granted. One interesting view of defining the levels of customer dependency is the approach, presented by Rackham & DeVincentis, (1999) who segment the customers according to the value they seek from the purchase and the purchase encounter.

1.4.1. Customer Value Grouping Theory. Rackham & DeVincentis (1999) propose to catalogize customers into intrinsic, extrinsic and strategic, based on the different values sought. They argue that the sales force must create value for the customer rather than merely communicate it. Competition is getting tougher by the day due to globalization, technology and the internet. New

channels and new avenues of information open up, leading to “new” customers who are increasingly price sensitive, smarter and better informed, and willing and able to use new channels. These authors grouped customers based on their concept of value as in Figure 4:

- ◆ Intrinsic value buyers who seek the cheapest and easiest route for securing products. They treat suppliers as a commodity and are mainly interested in the price and acquisition convenience.
- ◆ Extrinsic value buyers who are concerned with the product itself, as well as the advice, problem-solving capabilities, and customization that comes with the product. They demand and are willing to pay for a sales effort that creates new value and provides benefits beyond their products.
- ◆ Strategic value buyers who seek extensive value from a deep strategic relationship with a few chosen suppliers. To them the sales force and the product are secondary. The primary goal is to leverage all corporate assets and resources of the supplier to contribute to the customer's strategic success.



Source: Rackham & DeVincentis (1999).

Fig. 4. Customer value types and corresponding modes of selling

In their proposition, relationship selling is essential but it is guided by the ‘zone of indifference’ rule. As the products show few differentials, the relationship becomes the decisive factor in closing the sale. This appears to put more emphasis on transactional selling, as by definition it is directed towards buyers who tend to commoditize the products. Relationship selling in the consultative selling mode is just as vital, since part of the offering and added value are the attributes of professionalism and problem-solving ability of the company, presented through the sales person and his performance. In enterprise selling, things are even more complex, where relationships are important but here they refer not only to salespeople but to all functions and all

people involved. According to the authors, the bases of relationships are (1) personality, (2) social interaction, (3) helpfulness, (4) “making things happen”.

2. Research design

2.1. Research model. In studying relationship selling behaviors and the factors affecting their adoption, two dimensions are of importance: the organizational dimension with marketing orientation, corporate culture, management leadership style (Martin & Bush, 2003), and compensation (Weitz & Bradford, 1999) as the main elements; and the personal dimension consisting of demographics, reward orientation, experience and background (Boles et al., 2000), market knowledge, communication abilities, enthusiasm (Anselmi & Zemanek, 1997) and conflict management (Weitz & Bradford, 1999). Acknowledging the complexities of the relationships, this research focuses on the latter, personal dimension. With a fundamental difference in the demographic and cultural construct to countries where previous research has been conducted (Western countries, especially the United States), the drivers for adoption of relationship selling behavior in the Middle East – and especially in GCC states – are yet to be addressed. The challenge, picked up in this research, is in understanding which salesperson attributes affect the adoption of relationship selling behavior among salespeople within B2B sectors in the GCC states. Figure 5 presents the research model. The model, based on the literature review, has been validated through expert interviews.

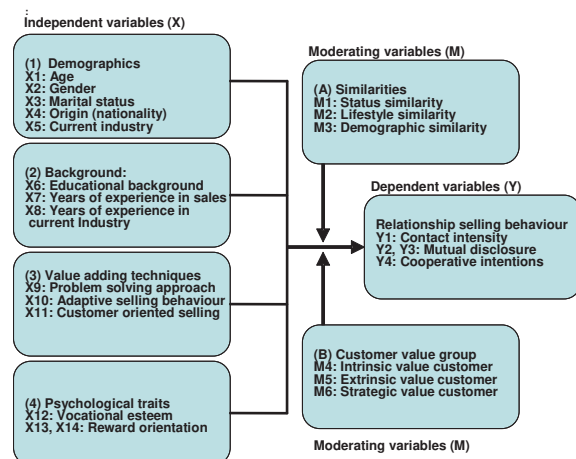


Fig. 5. Research model

The model employs relationship selling behaviors of B2B salespeople as the dependent variable. The independent variables have been consolidated in four dimensions: demographics, background, value adding techniques and psychological traits. The relationship is moderated by two groups of

variables: personal similarities between the salesperson and the customer, and the value the customer is seeking from the offered product/service. The variables are derived from the works of Boles et al. (2000) and Crosby et al. (1990). The concept and definition of relationship selling behaviors (cooperative intentions, mutual disclosure and contact intensity) have been adopted from Crosby et al. (1990). The measures used by Crosby et al. (1990) were employed in this research, but modified to self-reporting by salespeople. While Boles et al. (2000) included demographic variables like age, sex or gender, marital status in their conceptual framework, this study added nationality and languages used in communications, as variables specific to the GCC. The other variables, used in Boles' model, were adopted within the dimensions of background (education and experience) and the psychological traits (reward orientation and vocational esteem). Value adding techniques were introduced as a new dimension comprising problem-solving approaches, adaptive selling behavior and customer-oriented selling, all of which have been reported to increase sales performance and customer satisfaction across various researches. The problem-solving approach is used as defined by Graham (1986). Measures, used by Graham, were modified to reflect sales peoples' self-reporting on the general use of this approach in their previous sales encounters. Adaptive selling behaviors and customer-oriented selling definition and measures were adapted from Kidwell et al. (2007). Similarity and customer value group were added as moderating variables. The effect of similarity on relational selling behaviors has been reported to positively influence sales success (Crosby et al., 1990) and the effectiveness of relationship selling behaviors of low level dependency customers (Biong & Selnes, 1995). The similarity elements, discussed in Crosby et al. (1990), are appearance, lifestyle and status. The study has adopted the last two elements but interpreted appearance similarity as demographic similarity.

Supplier dependence level has been investigated in the context of relationship selling as it is a defining characteristic of any business relationship (Biong & Selnes, 1995). Rackham & DeVincentis (1999) suggested that personal relationships are more important among intrinsic value customers (i.e. customers with low supplier dependency) and fade out as customers move to extrinsic value customers or strategic value customers.

2.2. Research questions and hypotheses. In order to answer the major research question of

what personal attributes affect the relationship selling behavior adoption by B2B salespeople in GCC states, the following hypotheses have been formulated and tested.

H1: Age of the salesperson impacts his ability to adopt relational selling behaviors.

H2: Gender of the salesperson impacts his ability to adopt relational selling behaviors.

H3: Marital status of the salesperson impacts his ability to adopt relational selling behaviors.

H4: The nationality of the salesperson impacts his ability to adopt relational selling behaviors.

H5: The industry of occupation of the salesperson impacts his ability to adopt relational selling behaviors.

H6: Educational level of the salesperson impacts his ability to adopt relational selling behaviors.

H7: Total years of sales experience of the salesperson impacts his ability to adopt relational selling behaviors.

H8: The current industry related-sales experience of the salesperson impacts his ability to adopt relational selling behaviors.

H9: Value adding techniques employed affect the ability of salespersons to adopt relational selling behaviors.

H10: Psychological traits affect the ability of salespersons to adopt relational selling behaviors.

H11: Similarities between the customer and the salesperson moderate the relationship between relationship selling behaviors and the independent variables.

H12: The perceived value, the customer seeks from the salesperson, moderates the relationship between relationship selling behaviors and the independent variables.

2.3. Research methodology. This research is analytical, as it analyzes the adoption of relational selling behaviors among salespeople within B2B sectors. The research is deductive and quantitative, relying on quantitative data and testing hypotheses on the theoretical relations between variables in the data set. The outcome of this research is applied as the findings entail recommendations to sales organizations on organizing their sales teams to serve the long-term relationship building with customers.

2.3.1. Sampling methods. This research uses two different samples. The first sample was used in the qualitative stage (interviews with industry experts). The size of the sample was six (in-depth interviews). The interviewed experts were selected to represent IT and building material manufacturing industries from the geographical markets within the scope of the research due to access availability for

the researcher. The second sample, used in the quantitative part, represents B2B salespeople in various sectors. As for the qualitative section of the research, a non-probability sampling approach is used. Probability, proportionate stratified sampling was used for the quantitative study. The exact population size is not known since official statistics on the number of people working in B2B sales are not available. A safe estimate is that some 150 thousand sales professionals are working in B2B sales¹.

2.3.2. Measuring instruments. The main instrument for data collection in the quantitative part is a close-ended questionnaire used to test the model variables that were derived from the literature and validated by the interviews. A proportionate stratified random sample (of 490 salespersons working in B2B) was asked to participate, resulting in 105 completed and finally 92 usable questionnaires. The questionnaire (see annex A) was divided into three sections. The first section of the questionnaire determines the salesperson demographic and background profile, and his tendency to use value adding techniques besides determining his reward orientation and vocational esteem level towards the sales profession. The second section identifies the tendency to exercise relationship selling behaviors based on self reporting measures. The third section measures the moderating variables: similarities, and salesperson perception of customer value group on

the relation between the independent and the dependent variables. The study used single item categorical measures in the first section for demographic and background profiling; five point Likert scales (strongly agree to strongly disagree) for value adding techniques; and psychological traits along with the other two sections. Questionnaires were available in English only.

2.3.3. Reliability tests. Inter-item consistency reliability tests are performed using Cronbach's α . Referring to Figure 5, several of the variables (X9 to X14; Y1 to Y4; M1 to M6) are actually multi-item constructs. As the time available for conducting the research was limited, the sample expected to be relatively small, and the purpose of the research partly explorative, it was decided to test all scales post-hoc.

Table 1 summarizes the results for the independent variables X9 to X14, and the dependent variables Y1 to Y4. Items were deleted from the initial set of items if doing so led to an improvement in Cronbach's α , and inter-item correlations turned out to be low. The final constructs were computed as the sum-scores of the retained items. The final scales are all acceptable, as the values of Cronbach's α exceed 0.70 (except for Y4). In 6 out of 10 cases the scales are good to very good, as Cronbach's α is in the 0.80 to 0.90 range (cf. Nunnally, 1978).

Table 1. Reliability test of independent and dependent variables

| Construct | Description | # of items | | | Cronbach's α | |
|-----------|--------------------------------|------------|----------------|-------|---------------------|-------------|
| | | Initial | Items dropped* | Final | Initial scale | Final scale |
| X9 | Problem solving approach | 4 | 4 | 3 | 0.74 | 0.75 |
| X10 | Adaptive selling behavior | 9 | 4 | 8 | 0.77 | 0.85 |
| X11 | Customer oriented selling | 4 | - | 4 | 0.88 | 0.88 |
| X12 | Vocational esteem | 5 | 4, 3 | 3 | 0.60 | 0.71 |
| X13 | Reward orientation (extrinsic) | 4 | - | 4 | 0.86 | 0.86 |
| X14 | Reward orientation (intrinsic) | 4 | 1 | 3 | 0.65 | 0.71 |
| Y1 | Contact intensity | 8 | 7, 6, 5 | 5 | 0.80 | 0.88 |
| Y2 | Customer disclosure | 9 | - | 9 | 0.86 | 0.86 |
| Y3 | Salesperson disclosure | 6 | - | 6 | 0.84 | 0.84 |
| Y4 | Cooperative intentions | 4 | 3 | 3 | 0.68 | 0.69 |

Note: * Refer to Annex A.

The reliability tests of the moderating effects are less straightforward, as the self-reporting questions ask for a direct judgement of the effects themselves¹. For instance, rather than measuring similarities between the salesperson and the customer, the

former was asked to assess the impact of similarities on the independent variables Y1 to Y4. The similarity effects (M1 to M3, see Figure 5), as determined with regard to each of the four dependent variables, are measured using multiple items. Status similarities are measured using two variables, which are highly correlated. Demographic similarities are measured using three items with high values for Cronbach's α . Lifestyle similarities are measured by four items, of which the second

¹ See Ahmed Hassan El Bayaa (2008), Relationship Selling Behaviors: An Examination of Drivers for the Selling Behaviors Adoption among B2B Salespeople in the GCC, thesis submitted for the Maastricht School of Management MBA degree.

item performs unsatisfactorily in the case of contact intensity and customer disclosure. For reasons of consistency, and as the Cronbach's α is very high for

salesperson disclosure and cooperative intentions, it was decided to drop the second item for all four dimensions of relationship selling behavior.

Table 2. Reliability test of moderating variables: similarities

| With regard to: | Status similarities | Lifestyle similarities | | Demographic similarities |
|------------------------|-------------------------|------------------------|-----------------------------|--------------------------|
| | 2 items | 4 items | 3 items (item 2 is dropped) | 3 items |
| | Correlation coefficient | Cronbach's α | | |
| Contact intensity | 0.80 | 0.80 | 0.88 | 0.86 |
| Customer disclosure | 0.86 | 0.67 | 0.69 | 0.94 |
| Salesperson disclosure | 0.91 | 0.91 | 0.89 | 0.96 |
| Cooperative intentions | 0.79 | 0.94 | 0.93 | 0.98 |

Inspection of all five items, relating to the buying situation (M4 to M6), reveals that the one item used to identify strategic value buying is highly correlated to the second item used to measure extrinsic value buying. The first item used to measure extrinsic value buying is the odd one out, not highly correlated to any of the other items. As a consequence, it was decided to combine M5 and M6 into one moderating effect (extrinsic/strategic buying). The two items used to

measure intrinsic value buying are correlated in an inconsistent manner (highly positive with regard to salesperson disclosure and cooperative intentions; negative for contact intensity and customer disclosure). For reasons of simplicity and consistency it was decided to use the second item only since it is clearly about price sensitivity, while the first item mixes the terms understanding and requirements. Table 3 gives a summary.

Table 3. Reliability test of moderating variables: customer value groups

| | Intrinsic value* | Extrinsic value/strategic value buying** | |
|------------------------|-------------------------|------------------------------------------|---------|
| | 2 items | 3 items | 2 items |
| | Correlation coefficient | Cronbach's α | |
| Contact intensity | 0.17 | 0.81 | 0.90 |
| Customer disclosure | -0.28 | 0.83 | 0.91 |
| Salesperson disclosure | -0.06 | 0.91 | 0.90 |
| Cooperative intentions | 0.51 | 0.97 | 0.95 |

Notes: * The moderating effect of intrinsic value buying will be measured by one item (price sensitiveness). ** Originally strategic value buying was measured separately by one item; this item is highly correlated with one of the items of the extrinsic value buying items.

The moderating effect variables M1 to M3, and M5 (where M5 is combined with the original M5; see Figure 5) are computed as sum-scores of all items retained in the scales. M4 is measured by a single item.

3. Data analysis

Hypothesis 1

It is assumed that the age of the salesperson has an impact on his ability to adopt relationship selling behaviors. The hypothesis is non-directional, that is, with rising age behavior might move in either direction. From the results in Figure 6 it is clear that relationship selling behaviors decrease with age, as younger salespersons show higher scores. The drop in scores is especially high after the age of 40; the

number of respondents in that category, however, is small. Analysis of variance reveals that the differences are statistically significant for Y2 and Y3 (customer disclosure and salesperson disclosure; Table 4).

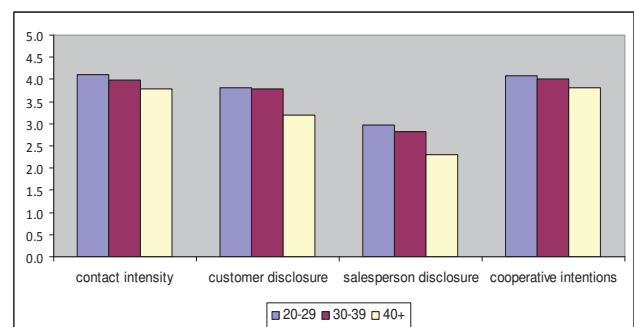


Fig. 6. Relationship selling behaviors by age

Table 4. Test of hypothesis 1: impact of age on relationship selling behaviors

| Age group | | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
|--------------|----------------|-------------------|---------------------|------------------------|------------------------|
| 20-29 (N=43) | Mean | 4.12 | 3.82 | 2.97 | 4.09 |
| | Std. deviation | .58 | .53 | .56 | .71 |
| 30-39 (N=37) | Mean | 3.97 | 3.78 | 2.81 | 4.00 |
| | Std. deviation | .51 | .46 | .74 | .64 |
| 40+ (N=12) | Mean | 3.78 | 3.18 | 2.29 | 3.80 |
| | Std. deviation | .59 | .38 | .54 | .54 |
| Total (N=92) | Mean | 4.01 | 3.72 | 2.82 | 4.01 |
| | Std. deviation | .56 | .52 | .66 | .66 |
| Significance | | 0.15 | 0.01** | 0.00** | 0.41 |

Note: ** Significant at 99% confidence level.

Hypothesis 2

The results indicate only slight, statistically non-

significant differences by gender (Table 5). The hypothesis of differences in relationship selling behaviors by gender is, therefore, rejected.

Table 5. Test of hypothesis 2: impact of gender on relationship selling behaviors

| Gender | | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
|---------------|----------------|-------------------|---------------------|------------------------|------------------------|
| Male (N=75) | Mean | 4.01 | 3.75 | 2.82 | 4.05 |
| | Std. deviation | .59 | .52 | .68 | .602 |
| Female (N=17) | Mean | 4.03 | 3.57 | 2.80 | 3.86 |
| | Std. deviation | .38 | .53 | .60 | .905 |
| Total (N=92) | Mean | 4.01 | 3.72 | 2.82 | 4.01 |
| | Std. deviation | .56 | .52 | .66 | .66 |
| Significance | | 0.89 | 0.21 | 0.89 | 0.29 |

Hypothesis 3

There are no statistically non-significant differences by marital status (Table 6), even though “spurious” differences might be expected as marital status is related to age (relative to many

singles in the younger age categories). However, both with and without controlling for age differences, no effect of marital status has been detected. Hypothesis 3 is, therefore, rejected.

Table 6. Test of hypothesis 3: impact of marital status on relationship selling behaviors

| Marital status | | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
|------------------------------|----------------|-------------------|---------------------|------------------------|------------------------|
| Single/engaged (N=34) | Mean | 3.97 | 3.82 | 2.86 | 4.00 |
| | Std. deviation | .64 | .49 | .65 | .75 |
| Married (N=58) | Mean | 4.04 | 3.66 | 2.79 | 4.02 |
| | Std. deviation | .51 | .54 | .68 | .61 |
| Total (N=92) | Mean | 4.01 | 3.72 | 2.82 | 4.01 |
| | Std. deviation | .56 | .52 | .66 | .66 |
| Significance (one-way ANOVA) | | 0.60 | 0.18 | 0.64 | 0.93 |
| Significance* | | 0.12 | 0.80 | 0.31 | 0.21 |

Note: * Corrected for the impact of age.

Hypothesis 4

As can be seen in Table 7, the Arab salespersons in the sample show higher scores on mutual disclosure (especially customer disclosure), suggesting that customers more easily open up to salespersons of Arab origin, as opposed to salespersons of either Asian or Western origin (only five respondents belong to the latter category). The impact of nationality seems to be significant, when no

correction is made for age. The Arab salespersons in our sample are, however, younger on average: 35 out of 60 are between 20 and 29 years of age while only 2 are over 40, while only 8 out of 32 non-Arab salespersons in the sample are between 20 and 29, and 10 are over 40 years of age. Correcting the tests for the impact of age renders the differences by nationality insignificant, and, therefore, hypothesis 4 is also rejected.

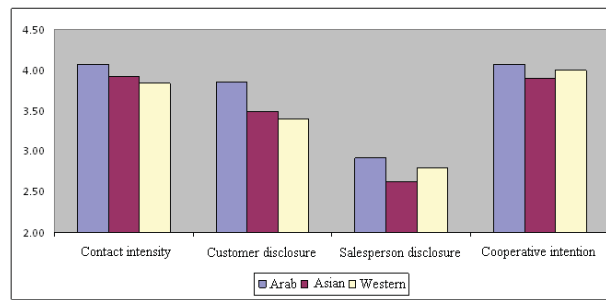


Fig. 6. Relationship selling behaviors by nationality

Table 7. Test of hypothesis 4: impact of nationality on relationship selling behaviors

| Nationality | | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
|------------------------------|----------------|-------------------|---------------------|------------------------|------------------------|
| Arab (N=60) | Mean | 4.07 | 3.85 | 2.91 | 4.07 |
| | Std. deviation | .59 | .48 | .64 | .64 |
| Asian (N=27) | Mean | 3.91 | 3.49 | 2.62 | 3.90 |
| | Std. deviation | .506 | .54 | .72 | .65 |
| Western (N=5) | Mean | 3.84 | 3.40 | 2.80 | 4.00 |
| | Std. deviation | .35 | .45 | .36 | 1.00 |
| Total | Mean | 4.01 | 3.72 | 2.82 | 4.01 |
| | Std. deviation | .56 | .52 | .66 | .66 |
| Significance (one-way ANOVA) | | 0.37 | 0.00 | 0.16 | 0.54 |
| Significance* | | 0.69 | 0.22 | 0.31 | 0.94 |

Note: * Corrected for the impact of age.

Hypothesis 5

As hypothesized, there are differences by type of industry. Salespersons across industries do not behave differently in terms of contact intensity, but mutual disclosure and cooperative intentions vary significantly. Within IT especially, and to a lesser extent within manufacturing industries, high scores on customer and salesperson disclosure are found, while in advertising and other industries, scores tend to be lower. The reasons behind these findings are

probably related to the nature of the goods and services, and the normal duration of the relationship. While in IT the perceived quality of the intangible service is linked to the personality of the salesperson, the quality of manufactured goods can be judged through more objective criteria. In the advertising industries, selling tends to be more challenging and short-term oriented, shifting the focus away from long-term relationships toward, for example, price issues.

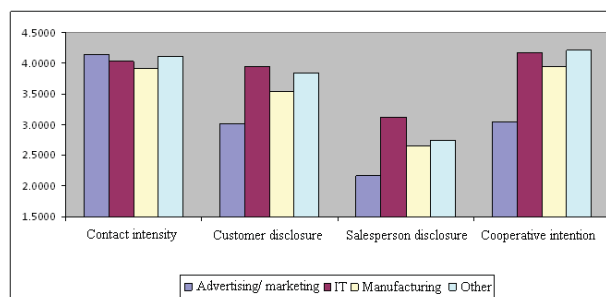


Fig. 7. Relationship selling behaviors by industry

Table 8. Test of hypothesis 5: impact of industry on relationship selling behaviors

| Industry | | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
|-----------------------------|----------------|-------------------|---------------------|------------------------|------------------------|
| Advertising/marketing (N=7) | Mean | 4.14 | 3.01 | 2.16 | 3.04 |
| | Std. deviation | .29 | .35 | .58 | .44 |
| IT (N=37) | Mean | 4.02 | 3.95 | 3.12 | 4.17 |
| | Std. deviation | .71 | .47 | .58 | .63 |
| Manufacturing (N=31) | Mean | 3.9 | 3.54 | 2.65 | 3.94 |
| | Std. deviation | .44 | .43 | .67 | .50 |

Table 8 (cont.). Test of hypothesis 5: impact of industry on relationship selling behaviors

| Industry | | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
|--------------|----------------|-------------------|---------------------|------------------------|------------------------|
| Other (N=17) | Mean | 4.11 | 3.83 | 2.75 | 4.21 |
| | Std. deviation | .45 | .51 | .56 | .73 |
| Total (N=92) | Mean | 4.01 | 3.72 | 2.82 | 4.01 |
| | Std. deviation | .56 | .52 | .66 | .66 |
| Significance | | 0.63 | 0.00** | 0.00** | 0.00** |

Note: ** Significant at 99% confidence level.

Hypothesis 6

Almost all respondents in the sample turned out to be highly educated. Three respondents have (high) diplomas, and the rest hold university (68) or even postgraduate (21) degrees. The differences between the latter two groups are negligible; their scores are higher than the scores for the three diploma holders but the sample of that group is too small to deduce statistical significance. Therefore, the hypothesis cannot be accepted.

Hypotheses 7 and 8

Since the total experience of the respondents in sales is highly correlated to their sales experience in the current industry, hypotheses 7 and 8 are discussed simultaneously. From the results there seem to be no effects of sales experience on relationship selling behavior. Since sales experience is related to age (younger salespersons presumably being less experienced), effects may be detected when controlling for age. However, the statistical tests do not reveal any effects. The hypotheses 7 and 8 are, therefore, rejected.

Hypotheses 9

Value adding techniques are significantly and

positively correlated to relationship selling behaviors, though the pattern (see Table 9) of correlations is scattered. While problem solving approaches are correlated to Y2, Y3 and Y4, adaptive selling behavior is highly correlated to Y1, averagely correlated to Y2 and Y4, and uncorrelated to Y3. Customer-oriented selling is correlated to Y1 and Y4 only. Cooperative intentions (Y4) of the salesperson evidently can be enhanced by a mix of all value-adding techniques. Customers open up more easily when problem-solving approaches or adaptive selling behaviors are applied, while customer-oriented selling has less effect. Salesperson disclosure is related to problem-solving approaches (which provides better opportunities for mutual disclosure), and not to the other value adding techniques where the initiative lies with the salesperson. In sum, hypothesis 9 is accepted, although it is advisable to break down the hypothesis into its component parts. As the various value-adding techniques are indicators of exactly *how* salespersons interact with their clients, it is of interest to check how the various moderators affect these relationships (hypotheses 11 and 12).

Table 9. Test of hypothesis 9: impact of value-adding techniques on relationship selling behaviors (N = 92)

| | | Y1 Contact intensity | Y2 Customer disclosure | Y3 Salesperson disclosure | Y4 Cooperative intentions |
|--------------------------------|---------------------|-------------------------|---------------------------|------------------------------|------------------------------|
| PSA: problem solving approach | Pearson correlation | .086 | .260* | .303** | .255* |
| | Sig. (2-tailed) | .415 | .012 | .003 | .014 |
| ASB: adaptive selling behavior | Pearson correlation | .641** | .268** | -.082 | .319** |
| | Sig. (2-tailed) | .000 | .010 | .436 | .002 |
| COS: customer oriented selling | Pearson correlation | .497** | .084 | -.036 | .306** |
| | Sig. (2-tailed) | .000 | .427 | .731 | .003 |

Note: *, ** Significant at the 95% and 99% level of confidence, respectively.

Hypotheses 10

Psychological traits have an impact on all relationship selling behaviors except for salesperson disclosure. Intrinsic rewards have a significant positive impact on contact intensity,

customer disclosure and cooperative intentions; extrinsic rewards have an impact on customer disclosure only. Vocational esteem has a significant positive impact on contact intensity and cooperative intentions.

Table 10. Test of hypothesis 10: impact of psychological traits on relationship selling behaviors (N = 92)

| | | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
|-------------------|---------------------|-------------------|---------------------|------------------------|------------------------|
| Vocational esteem | Pearson correlation | .278** | .174 | .133 | .252* |
| | Sig. (2-tailed) | .007 | .097 | .207 | .015 |
| Extrinsic rewards | Pearson correlation | .220* | .297** | .002 | .057 |
| | Sig. (2-tailed) | .035 | .004 | .984 | .591 |
| Intrinsic rewards | Pearson correlation | .367** | .283** | .096 | .275** |
| | Sig. (2-tailed) | .000 | .006 | .361 | .008 |

Note: *, ** Significant at the 95% and 99% level of confidence, respectively.

Hypotheses 11

An overview of moderating effects of status, lifestyle and demographic similarities between salespersons and their clients is provided in Table 11. As the effects of similarities on relationship selling behaviors are self-reported by the respondents, the moderating effects of the similarities on the relationships between explanatory variables (demographics and background; value-adding techniques; and psychological traits) are determined by verifying

whether the self-reported effects (of, for example, status similarities on contact intensity) vary with the values of the explanatory variables (e.g., age). The analyses have been applied only to the explanatory variables that have shown significant main effects in the test of hypotheses 1 to 10: age, nationality, value adding techniques, and psychological traits. Chi-square tests have applied to 2*2 tables, by dichotomizing independent and dependent variables into the lower and upper halves of their distribution.

Table 11. Test of hypothesis 11: moderating effects of similarities

| | Effect of status similarities on | | | | Effect of lifestyle similarities on | | | | Effect of demographic similarities on | | | |
|---------------------------------|----------------------------------|---------------------|------------------------|------------------------|-------------------------------------|---------------------|------------------------|------------------------|---------------------------------------|---------------------|------------------------|------------------------|
| | Contact intensity | Customer disclosure | Salesperson Disclosure | Cooperative intentions | Contact intensity | Customer disclosure | Salesperson Disclosure | Cooperative intentions | Contact intensity | Customer disclosure | Salesperson Disclosure | Cooperative intentions |
| <i>Demographics/background:</i> | | | | | | | | | | | | |
| Age | | * | | ** | | | | ** | ** | | | |
| Nationality | ** | | ** | | | ** | | | | | | |
| <i>Value adding techniques:</i> | | | | | | | | | | | | |
| PSA | | | | | | **(-) | *(-) | *(-) | | **(+) | | |
| ASB | | | | | | *(-) | **(-) | **(-) | | | | |
| COS | | **(-) | *(-) | *(-) | **(-) | **(-) | **(-) | *(-) | | **(+) | **(+) | |
| <i>Psychological traits:</i> | | | | | | | | | | | | |
| VE | | | | | | | | | **(+) | **(+) | | **(+) |
| ER | | | **(+) | | | | | **(-) | **(+) | *(+) | | **(+) |
| IR | | *(+) | | | | | | | **(+) | **(+) | | |

Notes: PSA = Problem solving approach; ASB = Adaptive selling behaviour; COS = Customer oriented selling; VE = Vocational esteem; ER = Extrinsic rewards; IR = Intrinsic rewards. *, ** Significant at the 5% and 10% level of confidence, respectively; (-)/(+) signifies the direction of the relationship.

From Table 11 it can be deduced that the relationship between age and relationship selling behaviors is modified by various similarities, although the effect does not occur for each and every indicator of relationship selling behaviors. The moderating effect is that the similarities especially affect young salespeople (aged 20-29), while to the somewhat older salespersons, it does not seem to matter. With regard to nationality, moderating effects are found in status and lifestyle similarities, but here the direction varies. Where status similarities make it easier for Arab salespersons to open up, and contact clients more

intensively, lifestyle similarities make it easier for customers of Asian salespeople to open up. For value adding techniques, most of the moderating effects occur in lifestyle similarities. The direction is negative in the sense that it is especially among those salespersons with low scores on value adding techniques, implying that differences in lifestyle act as a constraint to applying these techniques. For demographic similarities the moderating effect shows a different pattern, as here it is especially those who do apply the techniques that think that the similarities have a positive impact on relationship selling behaviors. Evidently,

demographic similarities encourage salespersons to employ relationship selling behaviors.

Hypothesis 12

Table 12 gives an overview of the moderating effects of customer value groups. Extrinsic and strategic value buying have significantly positive moderating effects on all relationships that include contact intensity, except the relationship between vocational esteem and contact intensity, and nationality and contact intensity. That is, the

relationships are especially strong for salespersons who tend to employ value adding techniques, and who are motivated by intrinsic and extrinsic rewards. However, the moderating effects of this type of buying on other relationship selling behaviors is limited. Intrinsic value buying has the opposite effect, as expected. The more customers are guided by price, the less strong the relationship between value adding techniques and psychological traits on the one hand, and relationship selling behaviors on the other.

Table 12. Test of hypothesis 12: moderating effects of customer value groups

| | Effect of intrinsic value buying | | | | Effect of extrinsic/strategic value buying | | | |
|---------------------------------|----------------------------------|---------------------|------------------------|------------------------|--------------------------------------------|---------------------|------------------------|------------------------|
| | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions | Contact intensity | Customer disclosure | Salesperson disclosure | Cooperative intentions |
| <i>Demographics/background:</i> | | | | | | | | |
| Age | ** (+) | | ** (+) | | ** (-) | | | |
| Nationality | ** | ** | | | | * | | |
| <i>Value adding techniques:</i> | | | | | | | | |
| PSA | ** (-) | ** (-) | ** (-) | ** (-) | ** (+) | | ** (-) | ** (-) |
| ASB | | | | | ** (+) | | | |
| COS | ** (-) | | | | ** (+) | | | |
| <i>Psychological traits:</i> | | | | | | | | |
| VE | | ** (-) | | | | ** (-) | | |
| ER | | ** (-) | | * (+) | ** (+) | | | |
| IR | ** (-) | | * (-) | | ** (+) | | | |

Notes: PSA = Problem solving approach; ASB = Adaptive selling behavior; COS = Customer oriented selling; VE = Vocational esteem; ER = Extrinsic rewards; IR = Intrinsic rewards.

Conclusions & recommendations

Conclusions. The multicultural business environment and the rapid economic growth of the Gulf region require sales organizations to adapt their sales force to the needs of the customers. This study aims to understand the factors that affect the adoption of relationship selling behaviors in the GCC countries across B2B sales professionals. The conceptual framework, based on Boles et al. (2000), was used as a foundation for understanding the effect of personal properties of a salesperson on his ability to practice relationship selling behaviors.

Of all the demographic and background variables, only age turns out to have a clear significant direct effect on relationship selling behaviors. The direct effect of nationality is positive and significant in the case of salesperson and customer disclosure, but when controlled for the impact of the salesperson's age, the effect is insignificant. The results suggest that salespeople of Arab origins show more tendency to disclose information to customers and they report higher perceived customer disclosure. This can be explained in the context of the effect of the native culture. As the local culture is highly related to other Arab countries, salespeople of Arab origins can feel well received by customers and,

thus, open up more. The direct effects of nationality, however, may be obscured by moderating variables.

Relationship selling behaviors are strongly related to the use of value adding techniques. Especially contact intensity is strongly impacted by adaptive selling behavior and by customer-oriented selling. Adaptive selling behavior has a positive and significant impact on all indicators of relationship selling behavior except salesperson disclosure. That is, the main result of the value adding technique, used by salespersons, is the willingness of the customer to engage in a relationship. It could be argued that this is a positive first step in a customer relationship.

Even though the direct effects of demographic variables may be limited, their relevance is found in the moderating effects of status, lifestyle and demographic similarities. The patterns in the data suggest that while lifestyle similarities act as constraints in applying value adding techniques, the reverse is true for demographic similarities that seem to encourage their use. The same holds true for psychological traits. Those respondents with high scores on vocational esteem, and on intrinsic and extrinsic rewards, report that demographic similarities have a positive effect on their

relationship selling behaviors (especially contact intensity and customer disclosure).

The value, a buyer is seeking from the seller offering, has a moderating effect on the relationships between value adding techniques and psychological traits on the one hand, and relationship selling behaviors on the other. As expected, intrinsic (low price-oriented) buying has a negative moderating effect, perceived by salespeople. That is, for example, respondents with high scores on value adding techniques (mainly problem solving approaches) report low effects of intrinsic buying on their tendency to express relationship selling behaviors. In contrast, the same respondents report high effects of extrinsic/strategic buying. Evidently, the tendency to practise relationship selling behaviors depends on the buying situation of the customer. This is, perhaps, not a surprising outcome.

These findings emphasize the importance of including such techniques in training programs directed to the sales force and designing compensation schemes that reward both tangible (sales figures) and intangible (behaviors and attitude) performance. Especially in multi-cultural contexts managers have to understand that the effectiveness of value adding techniques is affected by similarities between salespersons and their clients in terms of lifestyles, demographics and – to a lesser extent – status. Lifestyle similarities act as constraints to the effective use of value adding techniques, while demographic similarities enhance their effectiveness. Why do lifestyle similarities have less impact? And demographic similarities more so, in encouraging value-adding behaviors and, therefore, improved relationship based selling approaches? In isolation both can make sense. From personal experience of the authors the initiation of relationships in such situations is clearly facilitated by the demographic similarities between buyer and seller, however, it is questioned if the same applies to relationship maintenance and enhancement. It can be that people with same language or origin find it easier to communicate, thus, apply these techniques. On the other hand, in cases with lifestyle similarities salespeople may see it unnecessary since the buyer and seller already have common grounds for discussion, thus, implementing these techniques with the customer is not a necessity in their view.

Research results align to a great extent with the authors' personal experiences in the region with few exceptions, of course. For example, one of the most dominant nationalities among high-level expatriates across the Gulf is British, especially due to historical reasons. British salespeople in general are viewed as effective with other Europeans, Americans, Arabs and Asians but this may not be

reflected in the research due to the relatively small sample. As well, intrinsic motivation was important in looking for a win-win outcome, and vocational esteem – if the salesperson was enthusiastic and really believed in the product or service, this went a long way. However, the buying situation of the customer was seen as most important. Attempts at value-adding relationship selling approaches were ineffective if the customer perceived the sellers as many and indistinctive, if the customer was highly price-sensitive, and if the customer was unconvinced of the importance of the service being provided. Strong customer dependency in the Gulf is hard to create, given the highly competitive nature of the local market. The wealth of the region from oil revenues has attracted an almost saturated market with offerings of all goods and services required. Thus, this study in this context is all the more important. Relationship selling can be a useful tool in such a competitive situation.

Recommendations. *Sales force expansion and development.* When expanding the sales force, sales organizations should use criteria of attitude and psychological traits as base for their hiring – commitment and enthusiasm are very important. Using demographics when hiring as predictors for performance can oversimplify the true predictors of salespersons' effectiveness. Age and nationality turn out to be related to relationship selling behaviors and need to be considered but never in isolation from other characteristics of the candidate. Value adding techniques and psychological traits constitute an even better indicator of their performance. The effectiveness of the explanatory variables is significantly moderated by similarities between the salesperson and his or her clients.

When hiring experienced salespeople, organizations should determine and rate the sales activities that a salesperson takes pleasure in doing. People with high levels of vocational esteem, regarding the different aspects of sales, will be more likely to engage in relationship selling, and, thus, show better performance. If the salesperson has a strong sense of values and beliefs in his or her work, this comes over to the customer. Determining the level of reward orientation for a salesperson during hiring should also be a standard process in sales organizations. High levels of reward orientation can relay tendency to engage in relationship selling, and, thus, show better performance.

The development of an existing sales force through training programs should focus on techniques that are designed to increase customer satisfaction, as well as increase the salesperson's interaction with the buyer and his/her involvement in the buyer situation. Training newly hired salespersons should

be aimed at developing confidence across the salespeople in their ability to perform sales related tasks, and as well increase their respect and appreciation towards these tasks.

Other managerial implications. As the cultural domain of the region co-determines human behavior, organizations must take that aspect into account when designing sales strategies and tactics and training salespeople in how to deal with their customers. Organizations that have more of 'product oriented' offerings like manufacturing and construction must exert more effort to direct their salespeople towards relationship selling than organizations with service oriented offerings like IT, marketing and PR. In the latter industries, relationship selling is a more obvious choice.

Future research. A comparative analysis in another Middle East country with a more homogenous demographic scene and a comparable cultural domain (like Egypt, for example) would highlight the effect of the expatriate situation on relationship selling in B2B environments.

The current research aimed to test its propositions through salespeople in B2B environments across industries. An opportunity would be specifying an industry and conducting the same research to test if findings will be different and reflect the specifics of this industry.

Another opportunity is to expand on the personal variables that affect relationship selling behaviors and add communication abilities, levels of technical or market knowledge, and self-management abilities.

The organizational aspect has not been discussed in this research. Adding organizational dimensions like sales management, leadership style of managers, customer relationship management strategies and systems, or training and development would indicate the extent of how much the internal culture of an organization affects the salesperson ability to adopt relationship selling behaviors.

This research was based on self reported measures by salespeople. Options are to complement the research by collecting data from customers, and through direct observations. With regard to the latter, a more appropriate 'unit of analysis' may be specific customer encounters. These might produce more insights than the reports of salespersons. Well trained salespersons evidently have the capability to adapt their behavior in accordance with the situation at hand (e.g., customer motivations, and customer characteristics) – but the true test might be the opinion of the customers.

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Appendix A. Questionnaire

Age group: 20-29; 30-39; 40+

Gender: M/F

Marital status: single/married

Nationality; country of residence

Industry

Highest educational level: Secondary; Post secondary; (High) diploma; University; Postgraduate

Experience as sales professional; experience in current industry: 0-2 years; 6-10 years; more than 10 years

Scale used throughout questionnaire:

Strongly disagree 1 2 3 4 5 Strongly agree

Problem solving approach

During recent negotiation encounters with my customers, my bargaining strategies can be described as.

- ◆ more interested towards solving a mutual problem than being self-interested and focused on closing my sale;
- ◆ more accommodating to my customer situation and needs than exploiting them to my own advantage;
- ◆ more honest than deceptive;
- ◆ unbiased towards my product/service and giving my customer genuine advice regarding his/her needs even if his/her solution does not include my product/service.

Adaptive selling behavior

- ◆ When I feel that my sales approach is not working, I can easily change to another.
- ◆ I like to experiment with different sales approaches.
- ◆ I can easily use a wide variety of selling approaches.
- ◆ I find it difficult to adapt my presentation style to certain buyers.
- ◆ I vary my sales styles from situation to situation.
- ◆ I feel confident that I can effectively change my planned presentation when necessary.
- ◆ Basically, I use different approaches with most customers.
- ◆ I am very flexible in the sales approach I use.
- ◆ I try to understand how one customer differs from another.

Customer oriented selling

This method is important to selling successfully in my industry.

- ◆ State the benefits of the offering and see if the prospect is interested in it.
- ◆ Ask the prospect questions during the sales presentation to establish the prospect's understanding.
- ◆ Provide a specific response to the exact question raised by the prospect.
- ◆ Admit the prospect's objection, but point out advantages that compensate for the objection.

Vocational esteem

I prefer doing the following sales-related activity and by doing so it gives me a great sense of enjoyment.

- ◆ Prospecting.
- ◆ Fact-finding and customer need analysis.
- ◆ Selling and closing deals.
- ◆ Administration work around the sales process.
- ◆ Planning and goal setting for future or anticipated sales opportunities.

Reward orientation

For me, the desirable outcome of my sales effort is

- ◆ recognition by superiors and peers;
- ◆ power and authority;
- ◆ monetary rewards (bigger bonus – higher increment ...etc.);
- ◆ career advancements;
- ◆ job security;
- ◆ personal experience growth;
- ◆ personal sense of achievement and higher self-esteem;
- ◆ mastery of selling skills and associated tasks.

Contact intensity

- ◆ I always contact my customers to stay "in touch" and make sure they are satisfied with my product/service.
- ◆ I always contact my customers to be updated of changes in their products/services needs.
- ◆ I always contact my customers to make changes to their products/services to better serve their needs.
- ◆ I always contact my customers to redesign their product/service attributes to better serve their needs.
- ◆ I always explain to my customers the benefits of specific product/service that would add value to them and/or their operation even if they are not considering it.
- ◆ I always send to my customers something of a personal nature (e.g., birthday card, holiday gift, etc.).
- ◆ I regularly contact my customers to sell more products/services.
- ◆ I always contact my customers to inform them about new products/services and explain their benefits to them and/or their operation.

Perceived customer disclosure

- ◆ Most of my customers confide in me a lot of information about their own financial situation and dealings.
- ◆ Most of my customers confide in me a lot of information about their own financial goals and objectives, even hopes and dreams for the future.
- ◆ Most of my customers confide in me a lot of information about their background, personal life, and family situation.
- ◆ Most of my customers told me about financial/professional mistakes they made in the past.
- ◆ Most of my customers expressed their liking and respect for me as a person.
- ◆ Most of my customers told me a lot about their job (e.g., responsibilities, failures and accomplishments, likes and dislikes for occupation).
- ◆ Most of my customers confided in me a lot of information about their values, religious beliefs, and political beliefs.
- ◆ Most of my customers confided in me a lot of sensitive market information related to their business.
- ◆ My customers expressed to me their dissatisfaction with other suppliers (not necessarily competitors).

Salesperson disclosure

- ◆ I confided in my customers a lot of information about my current financial situation (e.g., income, assets, investments, and obligations).
- ◆ I confide in my customers a lot of information about my financial goals and objectives, even my hopes and dreams for the future.
- ◆ I confide in my customers a lot of information about my background, personal life, and family situation.
- ◆ I have told my customers about financial/professional mistakes I've made in the past.
- ◆ I have told my customers a lot about my job (e.g., responsibilities, failures and accomplishments, likes and dislikes of occupation).
- ◆ I have confided in my customers a lot of information about my values, religious beliefs, and political beliefs.

Cooperative intentions

- ◆ I always express willingness to help my customers make operational/financial decisions even if there's nothing in it for me.

- ◆ I always take the time to prepare formal proposals for my customers to evaluate.
- ◆ I always treat my customers the same whether they generate big or small value sales.
- ◆ I always express the desire to develop a long-term relationship with my customers.

Moderating effects on contact intensity:

I tend to communicate more frequently with customers who

BLOCK A

Status similarities

- ◆ Have a similar educational level to mine.
- ◆ Are from a comparable social class to mine.

Lifestyle similarities

- ◆ Have the same family situation as I do.
- ◆ Have passion towards the same interests/hobbies as I do.
- ◆ Have close political views to mine.
- ◆ Have similar values/ethics to mine.

Demographic similarities

- ◆ Speak my native language.
- ◆ Are within the same age group as I am.
- ◆ Hold the same nationality as I do.

Intrinsic value customers

- ◆ Tend to understand my products/services offering and don't have special requirements for product/service customization.
- ◆ More price sensitive than others.

Extrinsic value customers

- ◆ Tend to ask for extra advice related to my products/services offering and/or more product/service customization.
- ◆ Are willing to pay more for my company sales effort that add benefit beyond the physical product/service.

Strategic value customers

- ◆ Seek, and are willing to pay for, an enterprise level relation with my company and require extra effort from me, my sales organization and all other support functions within my company.

Moderating effects on mutual disclosure:

Customers who confide in me on critical personal and/or business related information normally

Block A

Moderating effects on salesperson disclosure:

I normally confide in customer on critical personal and/or business related information when they

Block A

Moderating effects on cooperative intentions:

I normally react positively towards sharing information and/or problem solving with customers who

Block A