
This is an electronic reprint of the original article.
This reprint may differ from the original in pagination and typographic detail.

Salonen, Anna; Terho, Harri; Böhm, Eva; Rajala, Risto; Virtanen, Ari
Engaging a product-oriented salesforce in solution sales

Published: 08/08/2018

Please cite the original version:

Salonen, A., Terho, H., Böhm, E., Rajala, R., & Virtanen, A. (2018). *Engaging a product-oriented salesforce in solution sales*. 1-2. Paper presented at ISBM Academic Conference, Cambridge, Massachusetts, United States.

This material is protected by copyright and other intellectual property rights, and duplication or sale of all or part of any of the repository collections is not permitted, except that material may be duplicated by you for your research use or educational purposes in electronic or print form. You must obtain permission for any other use. Electronic or print copies may not be offered, whether for sale or otherwise to anyone who is not an authorised user.

Engaging a product-oriented salesforce in solution sales

Anna Salonen, Harri Terho*, Eva Böhm, Risto Rajala, Ari Virtanen

*Corresponding and presenting author

Keywords: Solution business, sales-force transformation, fsQCA

Industrial manufacturers increasingly transition from product-business to solution-business as a means of enhancing competitiveness (Tuli, Kohli, & Bharadwaj, 2007; Macdonald, Kleinaltenkamp, and Wilson, 2016). Yet, empirical evidence suggests that transitioning to solution business is difficult and manufacturers often fail to capture the expected financial and competitive benefits related to solution sales (Neely, 2008; Worm, Bharadwaj, Ulaga, and Reinartz, 2017). One key challenge in this transformation relates to the salesforce questions, since studies have indicated that the qualities that characterize successful salespersons are not necessarily the same in product and solution sales (Reinartz & Ulaga, 2008; Ulaga & Loveland, 2014).

Against this background, the purpose of this study is to understand the ways a manufacturing firm can transition to solution business with its existing product-focused salesforce. We draw upon the motivation-opportunity-abilities (MOA) framework and solution specific research for identifying key factors for salesforce transformation at individual salesperson and organizational levels. We then collect a multi-level and multi-source survey administered to the global sales organization of a building solutions provider which is currently moving into solution business. The collected dataset includes respondents from three levels of the organization: salespersons (N=184) and their respective solution champions (N=21), and managers responsible for sales in the studied organizations (N=25). We analyze the data with fsQCA. fsQCA is a suitable tool to study complex causal realities (Böhm, Eggert, and Thiesbrummel, et al., 2017), such as, salespeople's decision making in complex situations.

This study contributes to an understanding of a solution business transformation as an individual salesperson-level phenomenon nested in an organizational context (Panagopoulos et al., 2017). In doing so, we explain how organizations undergoing a solution transformation can facilitate the engagement of a product-oriented salesforce in solution sales. The findings indicate that a salesperson's value-based selling capability is a necessary condition for

salesperson-level engagement in solution selling. Beyond this, salespeople can vary in their level of previous experience in solution sales and risk perceptions, as long as adequate support is provided at the management or operational levels of the sales organization. Results highlight that managers should not merely focus on identifying the right salespeople, but they should also place emphasis on adequate organizational-level support matching individual salesperson's needs for a successful salesforce-wide transformation to solution selling.

References

- Böhm, E., Eggert, A., & Thiesbrummel, C. (2017). Service transition: A viable option for manufacturing companies with deteriorating financial performance? *Industrial Marketing Management*, 60(1), 101-111.
- Macdonald, E. , Kleinaltenkamp, M., & Wilson, H. N. (2016). How business customers judge solutions: Solution quality and value in use. *Journal of Marketing*, 80(3), 96-120.
- Neely, A. (2008). Exploring the financial consequences of the servitization of manufacturing. *Operations Management Research*, 1(2), 103-118.
- Panagopoulos, N. G., Rapp, A. A., & Ogilvie, J. L. (2017). Salesperson solution involvement and sales performance: The contingent role of supplier firm and customer-supplier relationship characteristics. *Journal of Marketing*, 81(4), 144-164.
- Reinartz, W., & Ulaga, W. (2008). How to sell services more profitably, *Harvard Business Review*, 86(5), 90-96.
- Tuli, K. R., Kohli, A. K., & Bharadwaj, S. G. (2007). Rethinking customer solutions: From product bundles to relational processes. *Journal of Marketing*, 71(3), 1-17.
- Ulaga, W., & Loveland, J. M. (2014). Transitioning from product to service-led growth in manufacturing firms: Emergent challenges in selecting and managing the industrial sales force. *Industrial Marketing Management*, 43(1), 113-125.
- Worm, S., Bharadwaj, S. G., Ulaga, W., & Reinartz, W. J. (2017). When and why do customer solutions pay off in business markets? *Journal of the Academy of Marketing Science*, 45(4), 490-512.