#### HOW DO SALESPEOPLE HELP MAKE BUYER'S RESOURCES AVAILABLE?

# **Work-in-Progress Paper**

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#### **ABSTRACT**

# Purpose of the paper and literature addressed

There is great emphasis by researchers on the issue of co-creation of value across business-to-business buyer-seller relationships because co-creation is the source of much development of improved products, processes, and relationship value outcomes. There fore an important issue for managers in a selling organization is how they can ensure good access to the resources of their buyers, as it is the interaction between buyer and seller and the resultant integration of resources that is the basis for co-creation. This paper deals with a closely related concern: how do salespeople facilitate availability of a buyer's important and useful resources to effect positive outcomes for the firm? The study utilizes the Industrial Marketing and Purchasing integration and network concepts and the sales literature to identify a set of dimensions of the activities into which a salesperson should put his or her efforts in order to facilitate the availability of customers' resources to the sellers' firm and thereby aid value creation. The study then tests the validity of these dimensions through several steps.

#### Research method

The study first reviews the literature to identify six activities to test as dimensions of a "salesperson's level of effort" in facilitating availability of the buyer's resources to the seller. The researchers next interview senior company executives to further develop the dimensions and help identify measures. A survey then collects quantitative data and analyzes it using correlations and confirmatory factor analysis.

# **Research findings**

After purification of some items out of the scales, the study's measurement model has good fit statistics and the dimensions of the "salesperson's level of effort" construct show good reliability and validity. The six dimensions are effort by the salesperson in: learning about the buyer; learning about the seller (their own firm); customer contact; providing service; selling; co-ordination.

# **Main contribution**

The study develops a set of measures for level of salesperson's effort in relationship development and the ability of the seller to access its buyer's resources. By doing so, the study provides the basis for further research into relations between salesperson's effort, availability of buyer's resources, and relationship outcomes which research can assess in terms of value and performance.

# Keywords

Business to-business; buyer-seller relationships; resources; salesperson's level of effort

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#### INTRODUCTION

There is great emphasis by researches on the issue of co-creation of value across buyer-seller relationships because co-creation is the source of much development of improved products, processes, and improved relationship value outcomes. Therefore an important issue for managers in a selling organization is how they can interact with customers to ensure good access to the resources of their buyers. This paper deals with a closely related concern: how do salespeople facilitate availability of a buyer's important and useful resources to effect positive outcomes for the firm? Answering this question requires exploration of the following questions: why is availability of buyers' resources important for a seller; why are salespeople important in this process; and what activities of salespeople contribute to this process? This paper discusses the first two of these questions and then describes a study to help answer the third.

The Industrial Marketing and Purchasing (IMP) literature (Håkansson, 1982) deals with this issue of resource transfer and integration in depth, utilizing its "actors, activities and resources" model to describe what happens in relationships to create valuable outcomes for both parties. The recent development of the service-dominant logic of marketing (Vargo & Lusch, 2004, 2008) likewise stresses the importance of the integration of resources across buyer-seller relationships to create valuable outcomes.

The types of resources, beyond the revenue, that can pass from customers to suppliers can be the following: information, technology, finance, assurance of continuity, investment and adaptations in procedures, products services, and access to other relationships (Ford, et al., 2002). Resources gained from marketing relationships can be strong contributors to the seller's sustainable competitive advantage (Morgan & Hunt, 1999) and the generation of relational rents (Fynes, Voss, & de Búrca, 2005) so their study is therefore important.

In a relationship, the actors make the transfer and integration of resources possible through inter-firm activities, as the IMP integration model makes clear. A mong these actors are salespeople, who work closely with customers to obtain better outcomes from their customer relationships. The sales literature has largely focused on how salespeople orchestrate *internal* resources to create value *for the customer* (e.g. Bejou, Wray, & Ingram, 1996). The reason for this concentration is that it is important to understand why customers buy from a particular seller so that salespeople can approach their customers efficiently and effectively and make the sale (e.g. Walter, Müller, Helfert, & Ritter, 2003). However, it is also important to explore what they do to gain access to and make use of buyer's resources so that the potential value of the relationship for the seller are better realized with respect to its co-creation potential.

Avlonitis and Panagopoulos (2010) argue that there is a need for research to explore how the sales force can co-create value with customers. They do this by engaging the customer in the co-creation, identifying the resources of the customer that are useful for relationship value co-creation, and identifying how resources can be combined and used for co-creation. Therefore, researchers should investigate the salesperson's influence on availability of buyer's resources and thus on inter-firm resource integration and co-creation. Development of a scale that effectively identifies and measures what salespeople do in this specific respect will facilitate future research into how salespeople's input and buyer's resource availability interact to improve the performance of the relationship for the seller through value co-creation. Development of a such scale in the business-to-business context is the subject of this paper.

#### RATIONALE FOR SCALEDEVELOPMENT

The rationale for this study and its dimensions lies primarily in the interaction and network views of relationships (e.g. Håkansson, 1982; Håkansson & Snehota, 1995) and in the sales literature. The interaction view of relationships (Håkansson, 1982) describes the interplay between actors, activities and resources in relationships. Of particular interest to this study is the importance of the actors, and in particular the salespeople who work in the inter-firm boundary, in integrating the resources of the buyer and seller to create new resources and hence to create value.

The network theory suggests that firms need to use the resources of other network actors to solve problems. The basic assumption of network theory is that a firm's technological, social and economic features are the result of its interaction with other firms (Håkansson, Henjesand, & Waluszewski, 2004). A firm and its relationships are part of a complex and dynamic network of interconnected relationships (Ritter & Ford, 2004) and relationships are means for a firm to overcome limitations in its own resources (Snehota, 2004). The interdependencies in the network provide firms access to remotely located activities and resources (Ford, Gadde, Håkansson, & Snehota, 2006).

Network theory also suggests that the buyer's resources need effective use to be able to create value for the seller and effort is required to identify the effective ways of using those resources. The theory argues that the value of a resource is dependent on how it is combined with other resources within organisations, within relationships between organisations or even through indirect relationships (Waluszewski & Håkansson, 2007). Håkansson and Snehota (1995) further explicitly note that resources are double-faced in nature, which includes a provision side and a use side. The provision side of a resource "determines the features of resource elements that can, but need not to be, of use" (Hakansson & Snehota, 1995, p. 132). On the other hand, the use side of a resource determines the value of the resource. This view is consistent with Penrose's (2009) notes on the difference between resource and service, which suggest that services yielded by resources are a function of the way in which the resources are used, and "resources cons ist of a bundle of potential services and can, for the most part, be defined independently of their use" (Penrose, 2009, p. 22). The salesperson, who works closely with the buyer, has the chance to know what resources the buyer has and thus can help with identifying how the seller's and the buyer's resources can be used effectively for co-creation.

Further, the network theory provides a framework for examining the effect of the availability of buyer's resources and salesperson's effort on the performance of the relationship. According to network researchers, the substance of business relationships has three layers: actor, activity and resource (AAR) (Håkansson & Snehota, 1995). Actors carry out exchange activities to combine the resources so that the potential services inherent in the resources accessed are released and realised, and value is thus created (Håkansson & Prenkert, 2004; Håkan Håkansson & I Snehota, 1995). Resource availability sets the limit of the range of activities actors can pursue (Håkansson & Snehota, 1995). Buyer's resources, as part of the overall resources available to the relationship for value co-creation, are therefore important for relationship value realisation for the seller. The current study aligns with the AAR framework and examines how salesperson's activities, measured in terms of effort devoted to the activities relevant to co-creation or the integration of two firms' resources, influence the availability of buyer's resources

(i.e., the level of buyer's resources accessed and used for co-creation), and both the salesperson's effort and the availability of buyer's resources impact the relationship performance for the seller.

The AAR framework suggests not only that a buyer's resources can be made available to the seller, but also that salespeople can influence the buyer's willingness to orient resources towards the relationship by strengthening the actor bonds in the relationship. They can also affect the way in which, and the level at which, the buyer's resources are used for the seller's relationship value realisation by identifying how the two firms' resources can be combined and used and by motivating the two firms to participate in the co-creation activities. The AAR framework suggests that as a relationship develops, a firm's technical, administrative, commercial and other activities will be connected in different ways from those of another firm, and various resource elements of two firms will become connected, including technological, material, knowledge resources and other intangible resources (Håkansson & Snehota, 1995). These resource ties provide to firms a resource collection with an increased variety and variability, which potentially can lead to innovations (Håkansson & Snehota, 1995), and lead to high relationship performance. The actor bonds help to orient a firm's resources and activities to its counterpart, and this orientation on an ongoing basis can provide the stability needed for developing the interfaces between different resources. Salespeople's major task is to establish customers' trust and commitment, which strengthens the actor bonds and in turn helps to maintain the level of availability of the resources for the relationship.

Further, salespeople have the chance to identify opportunities in terms of how two firms' resources can combine and act effectively for co-creation. Håkansson and Snehota (1995) argue that there is potential both to change and develop the resource and to change the way the partners use the resource to realise its value. The buyer and seller should exploit the interdependence of activity links and heterogeneous resources brought by the relationship. As the buyer and the seller become more long-term oriented, they may jointly develop new products or new production processes (Håkansson & Johanson, 2001), thus realising more value out of the relationship.

The existing studies of resource availability in the business to-business context suggest that the amount of the useful resources accessible to the relationship is closely associated with the activities for making use of the resources for value creation for the two relationship partners, and thus has important implications for the outcome of the relationship for the seller firm. Bonney and Williams (2009) argue that a wide range of resources allocated to solving customer problems increases the number of different resource combinations that can be mentally constructed during the salesperson's opportunity recognition process. Further, they argue that if the customer is willing to adapt, that is to move resources around within their firm or to change structures, processes, and routines for solution creation, the salesperson gains even greater latitude in the types and number of resource combinations possible in solving the customer's problem. As salespeople's key tasks in relationships are to develop customers' trust and commitment and to identify co-creation opportunities (Weitz & Bradford, 1999), they will be able to influence customers' willingness to orient their resources towards the seller and in turn help to make use of the resources and transform the resources into relationship performance for the seller.

Helfert et al. (2002) find that the sales team's performance on relationship management tasks is a significant predictor of the effectiveness of the customer relationship. Relationship management tasks include exchange, coordination, conflict resolution and adaptation activities. In addition, the availability of the resources and the sales team's performance on relationship

management tasks show highly significant correlation. Helfert et al. (2002) argue that internal resource availability builds the context in which the relationship can prosper and be effective. While Helfert et al. (2002) fail to find a direct relationship between internal resource accessibility and relationship effectiveness for the seller, Workman et al. (2003) find that the extent to which a key account manager can gain access to the needed marketing and sales resources, as well as organisational key account management (KAM) activity intensity and proactiveness and top management involvement, are positively related to KAM effectiveness. The KAM activities examined are product- or service-related activities, price-related activities, distribution and logistics activities, information sharing, and promotion activities to final customers. However, neither of these two empirical studies examines whether the level of customer's resources accessed for co-creation is influenced by individual salesperson's effort. In summary, the network theory suggests that through a relationship, a buyer's and a seller's resources become accessible to each other, but the theory leaves a gap in the picture it provides.

There are therefore several implications of the network theory for the current study that provide the rationale for establishing a set of measures of salespersons' level of effort in key activities that affect availability of buyers' resources. The theory suggests that buyer's resources need to be included in the investigation of relationship value realisation. The salesperson, as one of the individual actors, through devoting effort to relevant activities, can influence both the accessibility of buyer's resources and the way the resources are used for co-creation and thus impact on the outcome of the relationship for the seller. Secondly, it suggests that salespeople can influence buyer's willingness to orient resources towards the relationship by streng thening the actor bonds in the relationship. Salespeople can also affect the level at which the buyer's resources are used for the seller for relationship value realisation by identifying the effective ways the two firms' resources can be combined and used and motivating the two firms to participate in the co-creation activities. Salespeople have the opportunity to identify how two firms' resources can be combined and used effectively for co-creation, and thus change the performance of the relationship for the seller.

#### CONCEPTUAL BASIS FOR SCALES

Understanding the activities, relevant to resource-integration, into which the salesperson should put his or her effort is a key step in assessing how salespeople can be effective in facilitating the availability of a customer's resources to their own firm and in facilitating the integration of the two firms' resources. A review of the literature, especially the sales literature, and a set of interviews with managers described in the section below on testing this study's scales provide a sound basis for this study's understanding, as the following sections outline under relevant headings. Figure 1 shows a conceptual model of the dimensions of the salesperson's efforts in activities that facilitate availability of the buyer's resources to the seller. The salesperson's effort construct in Figure 1 is conceptualised as being at a higher level of abstraction than its six dimensions and the model is a latent model (Law, Wong, & Mobley, 1998). The six dimensions are therefore conceptualised as reflections of the "salesperson's level of effort" construct: they are indicators of an attitude of the salesperson to their work and hence of their propensity to apply a high level of effort in relevant activities.

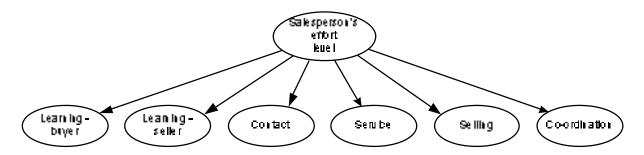


Figure 1: Dimensions of salesperson's effort

# **Learning Effort – Buyer and Seller**

Communicative interaction between a customer and a supplier helps the learning about the customer and new relationship knowledge generation, which can lead to new ways of value co-creation (Ballantyne and Varey 2006). Researchers note that salespeople need to know well about the products or services they are selling (Behrman & Perreault, 1982; Boles & Barksdale, 1996) as well as the seller's (their firm's) capabilities. Plouffe, Sridharan and Barclay (2010) find that a salesperson's exploratory navigation has a positive effect on their job performance in a stable mature industry (banking services). Exploratory navigation is "the extent to which salespeople generally seek out new and unfamiliar personnel, departments, or other resources within their own organization" (Plouffe, et al., 2010, p. 540). Through this navigation, salespeople gain knowledge about the seller firm and will know what resources are available for co-creation.

Salespeople also need to know well about the buyer's business to be able to identify cocreation opportunities. Weitz and Bradford (1999) suggest that salespeople should have strategic knowledge of what the seller can do and what the buyer will want to do in the future, and they should have a sophisticated knowledge of the buying firm, including its strengths and weaknesses, opportunities and threats, and strategies for developing competitive advantage. Sengupta, Krapfel, & Pusateri (2000) find that salespeople's strategic ability in analysing a customer's organisational and business problems and their long-term interests has positive impact on the communication quality between the customer and the salesperson and on the customer's trust in the salesperson. The communication quality and trust, in turn, positively impacts on the effectiveness of the salesperson in establishing a productive, worthwhile and enduring relationship with the customer.

The interviews with managers in this study clearly echo the evidence in the literature of the importance of the salesperson's learning about each of the buyer and seller. These two aspects of learning, seen on the left of figure 1, are therefore included as two separate dimensions of the salesperson's integration efforts towards facilitating accessibility of buyers' resources for the seller.

### **Customer Contact Effort**

Regular customer contact both within and outside of the business environment is important for developing customer's trust and hence facilitating information flow. Regular customer contact provides chances for communicative interaction that leads to co-creation opportunity identification. Beverland (2001) finds that regular contact is a must to strengthen an

existing customer relationship. Doney and Cannon (1997) find that the frequency of business contact, with an attempt to understand customer's business and the people in the customer's company, positively influences customer's trust in the salesperson. Davies, Ryals, and Holt (2010) find that strategically oriented salespeople build deep networks in the customer's organisation. In addition, Geiger and Turley (2005) find that socialising with a customer can enhance the business aspects of the customer relationship or progress the relationship. They find that socialising with the customer promotes intimate mutual understanding and trust between the buyer and the salesperson, and helps to detect nascent dissatisfaction of the customer and to solve conflict. Relationship performance associates with customer's allocation of resources to the relationship, e.g., continued purchases from the seller, and customer's engagement in co-creation activities. Cunningham and Turnbull (1982) suggest that the intensity of personal contacts has significant implications for relationship outcomes, as it indicates a firm's commitment to the relationship. A seller firm's social relationship activities (such as providing the customer with meals, entertainment or gifts) have a positive effect on customer-salesperson relationship quality (Palmatier, Scheer, Houston, Evans, & Gopalakrishna, 2007). This study's interviews reinforce the importance of good contact, as one respondent notes: "...the more time you can spend inside a customer organisation, getting to know them, the more you may recognise things or issues that they have, where you have capability that could solve and deliver value there".

#### **Service Effort**

Provision of service to the customer helps to develop the relationship between the customer and the salesperson. Manning and Reece (2007) note that in business to-business sales, the relationship should intensify as the supplier delivers extensive post-sale support. Researchers find that providing high level of service or post-sales support helps the salesperson to develop the relationship with the customer (Beverland, 2001; Boles, Barksdale, & Johnson, 1996). Guenzi's (2002) research results suggest that pre-sales service and after-sales service are means to develop the customer relationship.

Servicing customers is an important co-creation activity. Servicing the product, servicing the account, and providing product support are important activities salespeople perform (Moncrief, 1986; Moncrief, Marshall, & Lassk, 2006). Piercy and Lane (2003) contend that personal selling cannot be easily replaced because major corporate customers increasingly require superior service. Sheth and Sharma (2008) argue that post-contract servicing is becoming more important as firms seek service and solutions rather than products. Service offers chances to obtain useful information about how the seller can provide further support for the customer's value creating process. Researchers argue that business opportunities for the seller may exist in customer's process of using the seller's offering and that sellers are able to capture these cocreation opportunities (e.g., Grönroos, 2006; Vargo & Lusch, 2008) and gain competitive advantage by modifying or developing products or processes to fit with the customer's processes. One of the most important aspects of salesperson service behaviour after the initial sale is communicating information, which they define as "regularly relaying product information to the customer in a clear and concise manner" (Ahearne, Jelinek, & Jones, 2007, p. 605). They find that this information communication has a positive effect on customers' satisfaction, which in turn leads to customers' trust.

Respondents in this study's interviews noted that sometimes they need to obtain useful information from a third party or work with a third party to solve a customer's problem. Building

relationships with individuals in other functional departments within the seller firm also helps the salesperson obtain necessary help and get things done quickly and thereby provide better service to the customer. According to Walter and Gemünden (2000), a salesperson's relationships with these relevant individuals are the salesperson's "power sources" and may lead to access to information, physical resources and people from other parties.

# **Selling Effort**

Selling activities are clearly central to the work of a salesperson, but the focus of these activities has changed over the years. The change is of interest to this study because it is towards more integrative activities, which researchers describe as consultative selling and adaptive selling.

Researchers note that firms have shifted their focus from products to solutions and from products to service (Sheth & Sharma, 2008), and salespeople have started practicing consultative selling and solution selling (Marshall, Moncrief, & Lassk, 1999; Moncrief, et al., 2006; Sheth & Sharma, 2008). Through engaging the customer in knowledge sharing, the salespeison will be able to help with the co-creation of the solution for the customer. In consultative selling, sales people work with the customers and help them to identify problems, determine needs, and propose and implement effective solutions (Moncrief & Marshall, 2005). Researchers note that value propositions are often co-produced, rather than being pre-packaged by the seller, through a knowledge sharing process (Flint & Mentzer, 2006). Over time salespeople develop co-specialised language with customers (Dyer, 1996; Dyer & Singh, 1998) and hence are able to understand what customers want to communicate. Through consulting with customers, salespeople are able to obtain a better understanding of customers' needs and to help with improving the fit between the seller's offering and customers' needs (Georges & Eggert, 2003).

An adaptive selling approach is also important for engaging customers in co-creation activities and can lead to good relationship performance for the seller. The salesperson needs to be "adaptive" in their presentation (Weitz, Sujan, & Sujan, 1986). The practice of adaptive selling is defined as "the altering of sales behaviours during a customer interaction or across customer interactions based on perceived information about the nature of the selling situation" (Weitz, et al., 1986, p. 175). Franke and Park (2006) conduct a meta-analysis on adaptive selling behaviour and find that adaptive selling behaviour increases self-rated, manager-rated, and objective measures of salesperson's performance. When a customised solution is required, adaptive selling is appropriate and can produce positive results for the seller. Porter, Wiener and Frankwick (2003) find that adaptive selling strategy generally enhances performance outcomes, particularly in a modified rebuy and new buy situation.

These knowledge-sharing selling activities clearly show up in this study's interviews. One respondent says of salespeople in relationships: "I think the ones that get more value out of it are the ones that actually listen and ask". These two aspects of knowledge-sharing selling activities are therefore included in the selling dimension of the scale.

### **Coordination Effort**

In addition to coordinating within their own organisation, salespeople need to coordinate the activities between the seller and the buyer, and the activities with other relevant third parties (Marshall, et al., 1999; Moncrief, et al., 2006; Walter & Gemünden, 2000). Network researchers

note that, as a relationship develops, the two firms' activities become linked. This "[a]ctivity linking is a form of coordination and is achieved by mutual adaptations" (Håkansson & Snehota, 1995, p. 54). Håkasson and Snehota further note that adaptations typically emerge over time in an "organic", incremental, unplanned way, and are often invisible and known only to those directly involved in carrying out the adaptations. Salespeople are key boundary spanners involved in the coordination of the adaptations.

Inter-firm coordination influences the way the resources of the relevant firms are combined and used for co-creation, and thus impacts on the performance of the relationship for the parties involved. Håkansson and Snehota (1995) suggest that coordination will affect how and when the various activities in the relevant firms are carried out, and as a consequence, the cost and effectiveness of the activities will change. Georges & Eggert (2003) argue that a high level of coordination facilitates the interaction process between the customer and the supplier and reduces the costs of handling the relationship. They find that key account managers can enhance the fit of the seller's offering for the buyer through promoting lateral interaction between the suppliers' and the customers' functional departments. Coordination occurs through efficient and effective communication with the relevant actors involved in co-creation. Gulati, Lawrence, & Puranam (2005) argue that coordination problems occur due to lack of shared and accurate knowledge about the decision rules of others and how one's own actions are interdependent with those of others. Gittell (2000) suggests that frequent, timely, problem solving communication is needed to achieve higher level of coordination. The study's interviews strongly support the conclusions of this section that coordination is an important activity for salespeople and hence a useful dimension on which to assess a salesperson's attitude to their work.

#### **TESTING THE SCALES**

## Method

The study first reviewed the literature to find a possible set of dimensions of a "salesperson's level of effort" construct. The researchers then interviewed 14 senior company executives in sales-related positions to further develop the dimensions and the items to measure these dimensions. Interview data transcribed from audio recordings were analysed using NVivo software.

In the second phase of empirical data collection, the survey, managers in responsible sales positions answered questions on 1 to 7 scales with anchor points "Very little amount" to "Very large amount". The sample frame comprised sales -involved managers and salespeople, in a wide range of manufacturing and service industries, registered with a commercial multinational database. Their firms had more than 10 employees. Respondents chose their fourth-largest customer to avoid a bias towards "good" customers and a consequent lack of variance (Anderson & Narus, 1990; Baxter & Matear, 2004). The data were analysed using correlations and exploratory factor analysis in SPSS and confirmatory factor analysis in Amos structural equation modelling software, after assessing suitability in terms of normality and outliers. The number of responses to the survey was 171 after excluding incomplete questionnaires, for a 10.2% response rate. Responses came from both a mail-out and an online collection on SurveyMonkey. Differences between the mail-out and online responses were not significant in *t*-tests. Differences

between the early one-third and the late one-third of responses did not suggest response bias (Armstrong & Overton, 1977) in *t*-tests.

# **Measure Development**

Items for the survey came initially from the literature survey and from the interviews with managers. Items were pre-tested twice, with experts, for face validity and for wording. The researchers altered questions after each pre-test, based on the feedback from the experts, and deleted questions that insufficient experts favoured. The study specifies all indicators as reflective because they are representative actions of a salesperson who displays the propensity for high levels of activity on that dimension.

# **Analysis**

After purification (Churchill, 1979) of some items out of the scales using exploratory factor analysis in SPSS, the data were analysed in Amos structural equation modelling software. The resulting first-order measurement model, with 22 items retained, has good fit statistics: normed chi-square 1.872; CFI .921; RMSEA .071; GFI .845; NFI .846; and TLI .905. The second order measurement model as in Figure 1 also has good fit statistics: normed chi-square 1.852; CFI .919; RMSEA .070; GFI .838; NFI .841; and TLI .908.

The dimensions of the "salesperson's level of effort" construct show good psychometric properties. As in the appendix, all reliabilities are well above the minimum .7 (Nunnally & Bernstein, 1994) and most are above .8. For each dimension, average variance extracted (AVE) is above .50; factor loadings are all well above .7 and have p < .001, supporting convergence of measures on the constructs they intend to measure.

Table 1 and the appendix show discriminant and convergent validity of the six dimensions. Each AVE in the Table 1 diagonal is greater than the squares in its row and column above the diagonal. The dimensions regress strongly on the second-order salesperson's effort construct in the second order measurement model: coefficients as shown in the appendix have standardised values ranging from .68 to .93, with all six paths highly significant at p < .001. The strongest path, with regression coefficient .93, is to selling activities.

	LearningS	LearningB	Contact	Service	Selling	Coordination
LearningS	.59	0.30	0.30	0.42	0.41	0.22
LearningB	.55	.66	0.34	0.34	0.49	0.20
Contact	.55	.58	.53	0.36	0.48	0.30
Service	.65	.58	.60	.61	0.53	0.19
Selling	.64	.70	.69	.73	.58	0.46
Coordination	47	15	5.5	4.4	68	50

Table 1: Convergent and discriminant validity of salesperson's effort dimensions

**Note:** LearningS – learning about the seller, LearningB – learning about the buyer, Contact – customer contact. Values below the diagonal are bivariate correlations between dimensions, diagonal elements show the AVE of the relevant construct, and values above the diagonal are squared bivariate correlations.

## **DISCUSSION**

This study argues, based on the network literature, for the importance of salespeople's efforts in facilitating the availability of buyers' resources to sellers. This availability of resources

aids the integration of buyers' and sellers' resources for co-creation of value for both parties to the relationship and specifically for the seller. The study identifies six activities in the sales literature which should be salespeople's focus for their efforts. The activities are the following: learning about the buyer; learning about the seller; contact with the buyer; service to the buyer; selling to the buyer; co-ordination between actors that are relevant to value co-creation.

The study then seeks and finds support in both qualitative and quantitative data for the proposed activities as dimensions of a scale for assessing salespeople's efforts in aiding availability of buyers' resources. Interviews with senior salespeople provide qualitative data that support the concepts of the study and aid item generation for the quantitative data collection. The analysis of the quantitative survey data supports the dimensions and their measures, as psychometric properties are good and the dimensions all regress strongly onto a higher-order construct.

The strongest indicator of salesperson's effort is the selling activity, with regression coefficient .93. The indicators for this dimension are about clarifying issues and developing solutions, all of which require an understanding of the buyer's resources. Service co mes next, which makes sense, as the delivery of good service makes a relationship successful and viable and a good conduit for integration of resources. Learning about buyer and seller, contact, and coordination are also important indicator dimensions of the salesperson's level of success in making buyer's resources available, with the lowest regression coefficient onto the "level of selling effort" construct at .68 in the second-order model.

Some specific examples will help ground the study's findings in practice. Although selling activities are traditionally aimed at obtaining orders in the short-term, in fact many of the more consultative selling activities such as the indicator "clarifying the buyer's requirement" lead to deep discussion and hence to knowledge of the buyer's resources such as its internal processes and its skills relevant to using the seller's product or service. This activity contributes to the seller's knowledge of the buyer's resources. This knowledge in turn provides knowledge that can be used by the seller in the longer term in development of better products and processes for the buyer and consequent value creation. As another example, in "understanding the seller's resources", an indicator of the "learning about the seller" dimension, the salesperson can much better facilitate information flow between the two companies by understanding his or her own company's resources and hence discussing how each other's resources can work together.

By finding support for the proposed dimensions, the study provides the basis for further research into interactions between salesperson's effort, availability of buyer's resources and important outcomes such as relationship value and performance. The links between these outcomes are of considerable interest, as are the links with facilitating constructs such as commitment, trust, satisfaction, and bonding. The study therefore makes a useful contribution to the relationship research literature, particularly the network literature's actors, activities and resources framework. Further, managers can make good use of these contributions. The dimensions provide information about what is important in managing and training a salesforce and the weight to apportion to each of these.

Limitations of the study are in the assessment of only one side of the dyad, and in the cross-sectional nature of the quantitative phase of the study. The contribution that salespeople can make to co-creation of value from the buyer's perspective rather than the seller's perspective taken in this study will be a good avenue for future research. Longitudinal studies, though difficult in some respects, will add richness to the concepts.

# **Appendix: Scale Items and Psychometric Properties**

Construct	Items	Standardised factor loadings (a)	Composite Reliability	AVE	Standardised regression weights (b)
Learning about seller	Improving your understanding of your company's products/services for serving this customer	.86	.81	.59	.72
	Improving your understanding of your company's capabilities/resources for serving this customer	.82			
	Keeping abreast of the developments in the industry in which your company operates for serving this customer	.59			
Learning about buyer	Understanding this customer's business, such as their goals and objectives	.82	.85	.66	.75
	Understanding this customer's long-term needs	.87			
	Understanding how value is created for this customer through the use of your company's offering	.74			
Contact	Building strong relationships with multiple individuals within this customer's company	.86	.76	.53	.76
	Keeping in regular business contact with multiple individuals within this customer's company	.78			
	Socialising with your main contacts within this customer's organisation	.49			
Service	Providing prompt service in response to this customer's requests	.86	.82	.61	.79
	Supplying information to this customer in a timely manner	.81			
	Building strong working relationships with other people in your company for serving this customer	.66			
Selling	Identifying new business opportunities through thinking about how things can be improved in the relationship	.81	.89	.58	.93
	Clarifying this customer's real requirements through correct questioning	.78			
	Trying to find out which kinds of products/services would be most helpful to this customer	.77			
	Generating creative solutions for this customer	.73			
	Planning on how to approach the selling situation when new business opportunities are identified	.73			
	Clarifying the benefit of your offering for this customer	.74			

Coordination	Discussing selling strategies for this customer with people fom various departments in your	.66	.84	.58	.68
	company				
	Planning the objectives to be reached with	.83			
	this customer	.05			
	Making sure that the objectives are shared	.86			
	among the relevant individuals within your	.00			
	company, this customer's company, and the				
	relevant third party companies				
	Making sure that the arrangements as per the	.67			
	objectives between the relevant parties are	.07			
	carried out				

- Notes:

  1. All questions have the stem "How much effort have you devoted to the following activities for your chosen customer compared to other customers?" with anchor points "Very little amount" to "Very large amount".
  - 2. All factor loadings and regression weights are significant at p < 0.001
    3. AVE is average variance extracted
    4. Headings:

  - - (a) Factor loadings in the first order measurement model
    - (b) Regression weights in the second order measurement model

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