

# Characteristics of Successful Sales Interaction in B2B Sales Meetings

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## II. THEORETICAL BACKGROUND

**Abstract**—The value co-creation has gained much attention in sales research, but less is known about how salespeople and customers interact in the authentic business to business (B2B) sales meetings. The study presented in this paper empirically contributes to existing research by presenting authentic B2B sales meetings that were video recorded and analyzed using observation and qualitative content analysis methods. This paper aims to study key elements of successful sales interactions between salespeople and customers/buyers. This study points out that salespeople are selling value rather than the products or services themselves, which are only enablers in realizing business benefits. Therefore, our findings suggest that promoting and easing open discourse is an essential part of a successful sales encounter. A better understanding of how salespeople and customers successfully interact would help salespeople to develop their interpersonal sales skills.

**Keywords**—Personal selling, Relationship, Sales Management, Value Co-Creation

## I. INTRODUCTION

**S**ALES research has focused much attention on sales management and salespeople's skills and profiles. Less is known about the nature of value creation in sales interactions between salespeople and customers. B2B actual sales and authentic sales interactions are crucial contexts to study because they are the first instance of where value expectations and propositions are created and communicated through social interactions. Understanding how salespeople and customers create value when trying to advance a sale helps sales representatives to develop their interpersonal sales skills. In addition, understanding how value is created in a sales dialogue will help sales teams to concentrate on improving communication skills and question the essential techniques used in co-creative, value-oriented sales discourse.

This study focuses on sales interactions in authentic sales meetings. This is where salespeople and customers engage in discourse about a firm's benefits, products, services, references, purchasing issues, and delivery issues as well as customers' needs, interests, challenges, and possibilities. Additionally, many other issues related to typical sales conversations and interactions are considered.

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For decades, literature on sales research has focused on sales strategies, techniques, and processes. Recently, there has been increased discussion about the interactive nature of the sales process [1], [2]. In the extant literature it remains unclear how customers and salespeople proceed and behave in real-life sales encounters when they are co-creating value [2], [3]. In addition, sales and marketing research has not thoroughly addressed what kinds of cognitive thinking processes occur during sales interactions or how these cognitive discourses are related to the emotional signals produced by both parties. The scholars [3] claim that in a sales context, value-creation is a human, socio-cognitive process, and new value is produced as a social output of these communications.

Understanding customer value and the capability to create customer value is fundamental for a firm's long-term survival. The prevailing view is that the sales function has a key role in contributing to customer value. Creating value requires acquiring in-depth knowledge about a customer's world and their specific situations [1], [4]. Due to a tendency toward interactive value creation in sales, studies have recently suggested that salespeople's role in co-creating value is becoming broader and multifaceted. Salespeople have a more diverse and demanding role, which requires them to contribute to customer value.

In business to consumer sales and B2B sales, salespeople traditionally try to influence customers' decisions by providing arguments about how products or services differ from each other, why one product fulfills consumers' needs better than another product, or why a consumer should select a particular company as a service provider. In this scenario, salespeople have a dominant role and customers are merely receivers of information. The sale is supposed to proceed along a linear and controlled process [2], [3]. One of the key challenges is that customers are limited in their own views and understandings. Customers and salespeople must have a relationship of trust. If they do not, customers may carry negative preconceptions about salespeople, hide information that is essential to salespeople, or protect their current concepts and modus operandi from salespeople. In the traditional way of perceiving the market, consumers become involved at the point of exchange. This assumption presupposes that firms can act autonomously and aggregate consumers into meaningful segments [5].

In today's B2B sales context, sales are not a linear and controlled process. Customers' business needs are multidimensional and often unknown by the customers themselves. Given this fact, salespeople have the chance to

guide and steer customers toward new opportunities that may offer better business value than previously expected. However, customers are experts in their own everyday activities within their organization and in their business practices. In this kind of scenario, new value can be created through balanced, open-minded inter-play and the interactions between salespeople and customers. Both parties need to provide and exchange knowledge and experience. During this discourse, emergent situations may lead both parties to novel ideas and inventions.

Extant literature is starting to acknowledge B2B selling as a relational, multifaceted phenomenon [2], [3]. Interactions are not dominated by a salesperson or a customer. Instead, interactions are balanced and demonstrate the equal roles of salespeople and customers. In this kind of sales encounter, buyers are also problem solvers and co-creators of value in the sales process. A potential buyer does not represent themselves but represents and is responsible for their organization's various and conflicting needs, motives, and expectations. The concept of value co-creation identifies interactions as a unit of analysis, instead of a firm's activities [2], [3].

In this study, selling is defined according to Dixon and Tanner's definition: selling is a human driven interaction between and within individuals and organizations intended to effect economic exchange. In this context, value creation is mainly about the interaction of value through encounters. It allows for multiple parties and processes to contribute. The objective is to create value through exchanges and interactions, and it also signals that context matters. Instead of a stepwise process, selling is a nonlinear, multi-person, and multipoint interaction [2].

According to the latest extant literature, personal selling today is highly sensitive and adaptive to any emergent situation. Once new information or ideas occur, salespeople need to take action to adapt their behavior. This way, they can guide customers' minds toward new possibilities rather than directly impacting customers' thinking or sticking to pre-defined plans or scripts. Sales encounters and processes may sometimes have a chaotic nature. Salespeople need to improvise and master sudden emergent situations to create value through the course of real, unplanned sales processes [3], [6]-[8].

To summarize, value creation in B2B selling largely happens during interactions between salespeople and customers in a relatively unplanned manner. Interactions are not the sole activities of business organizations. Rather, interactions are the major means through which companies systematically relate to each other and combine their activities, knowledge, and resources with one another. Overall, value creation happens through a series of encounters and interactions in which emergent situations may produce novel ideas, thus creating value [1], [7].

### III. RESEARCH APPROACH

This paper aims to empirically study key elements of sales interactions between salespeople and customers in authentic B2B sales meetings. The research goal is to analyze the sales

interaction of value co-creation in authentic B2B sales meetings.

The research approach is a qualitative content analysis method. Video recording is used as a research technique for collecting material from authentic sales meetings. Video recording was selected as a research technique because it provides authentic audio- and video-based research materials from the interactions of salespeople and customers.

### IV. METHOD

The methodology of this study was to analyze sales interactions in authentic sales between salespeople and customers. We video recorded 14 B2B sales meetings, and we selected 6 video recorded sales meetings for analyze in this study. Those selected video recorded meetings were more successful in terms of interaction than the others, and they continued to the next phase of sales process. In addition, the meetings were new sales leads for the sales firms. The video recorded data consists of 3 sales organizations and 6 customer organizations, ranging from small firms to large international enterprises. Only one sales organization is small firm, whereas others are large organizations. The smallest firm is a sales firm with less than ten employees. Five of the organizations, which are either sales firms or customer organizations, are large enterprises or part of a large group.

All sales organizations are in service business although their service portfolios or concepts might include or be supported by software products. On average, one to two salespeople and one to four customers were involved in a single sales meeting. The researcher installed one or two video cameras in the meeting room at the beginning of the meeting. The participants signed a short agreement allowing the video material to be used for research purposes. On average, the video recorded meetings lasted 1 hour and 27 minutes.

The researchers analyzed the data through observation and content analysis by receiving the overall view of interaction in the meetings. The sales interaction analysis and quotes were captured via video recordings of the sales meetings. The focus was on episodes where salespeople and customers clearly interacted related to their contributions to the sale case.

### V. KEY FINDINGS

#### *A. Successful Sales Interactions Employed an Interactive Mode throughout the Meeting*

In the successful sales encounters, customers were more active. They were not just listeners or passive receivers of information: they were equal actors in the sales process. Customers with an interest in proceeding with the case, who saw a benefit or solution for improving or changing something through a new service or partnership, were more motivated and pro-active in the discourse. They listened carefully and asked questions from products, services, prices, references and the company. They also were equal parties in information sharing; they told about their own organization, business needs or visions, earlier experiences or persons who might be in the

key role in the decision phase. Briefly, they seemed to work like partners or team members.

In some of the video recorded sales interactions, customers began to speak spontaneously about the reasons why they accepted the meeting request with the salespeople or what benefit or solution they were expecting from the service. For instance, four minutes into a first sales meeting a customer stated that they "...I came from the Google co-operation. I found this discourse interesting...It could be an interesting thing here if we proceed..." This type of starting to the sales meeting is fruitful for the salespeople as they immediately are aware of the motives of the customers why they accepted the sales meeting request. It also lights the potential business needs which are in the key role in the value co-creation process.

#### *B. In Successful Sales Interaction, both Salespeople and Customers are Equal Parties*

In the video recordings of meetings, the sales interaction began often from short company presentation and continued to the presentation of the new product or service. This introduction created the basics for the discourse where both salespeople and customers began to co-create value. The value co-creation is a kind of information and knowledge exchange situation where both parties are acquiring new knowledge and building the understanding of each other. Naturally, salespeople needed to clarify in many situations how their products and services could produce benefits to the customer's business processes or operational activities, but it is essential in value co-creation process that the customer is able to apply this new knowledge to his or her own practices and processes. In several situations, customer gave clear signals or statements which indicated that he or she was accepting the arguments of the salespeople. In one instance, a customer agrees with salespeople by saying "...and there are also companies who ... offer to analyze.... I like this way of working..."

Salespeople and customers are working like team members in successful sales meetings. The customer can inform how he will continue the sales process, what he will do in the next phases, what issues need to be found out or solved and how he will try to find out finance for the sales deal. For example, one customer informed salespeople concerning the next steps by stating: "...so, please, send us something [i.e. an offer] and I can find that out here [response]. We can quickly respond, and if there are funds available, then I can market this as a significant pilot. Let's keep in touch and put it to the package [to close this deal], but if we have the strategic decision that..."

In addition, the customers gave valuable information to the salespeople. They explained to them how competitors and similar service providers provided services and which types of models they offered: "...It is the only company that offers the possibility of bypassing the age limit for.... We have made the agreement with them....". This type of new knowledge is valuable for salespeople as it helps them to position their own products and services in the competitive environment, and it also provides valuable information concerning to latent needs

or wants of the customers for the salespeople. Based on this new knowledge about competitor positioning and customer's priorities, salespeople can steer the discourse and formulate deepening questions in the sales meeting.

#### *C. Salespeople Formulate Questions that Help both Parties to Find New Value*

The data suggest that to be successful, such as continuing with agreed upon activities, sales meetings require active interactions between salespeople and buyers. However, presentations of product features, pricing models, or service concepts are still an essential part of sales meetings, especially in the early phase of a sales process. The following short quotes show examples of typical questions how salespeople can lead the interaction by making questions: "have you seen...?" or "...how long have you been...?" or "I think that...?" or "...do you remember...?" Another example question stated by the salespeople: "...how do [xxxx] make decisions, how independently can they make purchasing decisions...?"

Successful sales interactions differ from other sales meetings because of how salespeople are able to move discussions from concepts, products, or service features to the customers' needs, wants, and hopes. If the customer is quiet in the beginning of the meeting, the salespeople should have questions that help both parties to start the interactive mode of sales meeting. In addition, the proper question techniques, which are essential skills for every professional salespeople, promote and make visible common understanding concerning to the business benefits important to prospective customers.

#### *D. Salespeople and Customers Develop a Common Understanding about Business Benefits*

In the video recordings, the sales interactions feature dialogues between parties. The customers can indicate what issues they value in the offering or proposals of salespeople. For example, one customer stated: "...comparing the other equal solutions, this has nice idea that I like..." This dialogue results in building a common understanding of the potential benefits and costs of adopting a new solution that adds value. On the introduction level, the discourse focuses on the features of a product, service, or company references. The following quote shows how salespeople can start the orientation discussion about the new innovative service which seems to be potential solution to the customer's needs:

"...[xxx] has been a big thing...", "...when you do it with this tag, every device becomes personal and...", and "...160 companies have already bought this service..."

In addition, sharing best practices or similar experiences from reference cases aims to help customers use benefits to meet their organizations' needs. In those cases, the nature of the sales discourse is open where salespeople are discussing their reference cases and experiences from the previous customer cases. The customers also share information concerning to their organization, experts and current infrastructure, for example.

In sales interactions where customers identify their business needs for new knowledge, focusing on customers' activities actually creates a bridge between customers' thoughts, proposed solutions, and selling points. The parties co-creatively produce a new common understanding, such as a value proposal to satisfy customers' needs and wants. Therefore, in those interactions where salespeople and customers are developing common understanding, the customers are not questioning the value proposal or business benefits stated by the salespeople. The customers also are not disagreeing the suitability of new products and services to their business processes and practices. Thus, the customers seems to be ready to continue the sales process to the next phases, which is critical for the sales organizations in terms of closing of the sales deals.

## VI. DISCUSSION

In the early phase of sales processes, the discourse between salespeople and customers focus on the benefits, features, advantages, and improvements of products and services. These are naturally issues that prospective customers need to become knowledgeable about so that they may proceed in the sales process. The important part of sales discourse is to build common understanding of the business benefits and value. When entering such a discourse, both parties seem to have common interests in proceeding in the sales case but not necessarily in closing the final deal. Rather, the interest may be to continue the sales case by arranging a new meeting or arranging a presentation for the board members. Additionally, they may be interested in further negotiations to determine and concretize benefits as well as implement requirements of the solution or service.

Hence, the salespeople are not necessarily trying to directly influence the customers so that they will take action in the next phase of the sales process. Instead, the salespeople help the customers to co-invent the best possible ways to proceed. They seem to have common goal and interests: to find proper ways to manage internal sales process in their organizations. This is required for implementing a proposal, ensuring stakeholders' commitment to a proposal, and realizing the value of a proposal by showing reference cases, for example. Already in the early phases, successful B2B sales interactions focuses on the understanding of the needs and wants of the prospective customers. The benefits of new solutions or services are often clear and relatively easily accepted in principle. Realizing the benefits of a proposal in practice requires actions in the customers' organization and everyday tasks. That is why the sales team should develop their interaction and listening skills: interaction skills are an essential part of the co-creation of value. Participants should have a common interest in finding arguments for decision making and developing proper ways to continue in the sales case.

The successful sales interactions can be characterized as value co-creation process where both parties are adding new knowledge and understanding to each other. In a first sales meeting, which is often called 'cold contact' in informal sales

discussions among sales teams, the salespeople and customers cannot notice or define all the supportive or resistive factors that might occur that are related to the new services in customers' organizations. Additionally, several persons may impact final purchasing decisions. The sales team is often the interface between service providers and customers. The ability to create and produce something new through value co-creation should be more clearly reflected via sales management. This substance or industry specific knowledge is a requirement for organizations to generate relevant ideas and well-defined proposals in response to business challenges and business possibilities. Although sales solutions or other equally consultative roles of sales teams have been emphasized in several research studies [9]-[14], this study emphasizes salespeople as the manager of interactive sales discourse.

Sales teams should pay attention to what is going on in customers' minds while they try to reflect on the needs or possibilities for new customer knowledge. While customers are evaluating on the possibilities offered by new services, they are actually producing new knowledge that can potentially create value in a real business context. It is important for customers to be able to connect new business or process-oriented knowledge to their current everyday experiences and understandings. Therefore, salespeople usually show examples, reference cases, and conceptual slides that help customers to connect the proposed solutions to their own situations. The understanding of new knowledge can be ensured by asking relevant questions so that customers fully understand what something means in their own business environment. The sales meetings are often short encounters, taking one to two hours, and therefore the salespeople should be able to make sure that customers get an idea from their services, the key benefits and their potential fit to their own business processes. The demonstrations and reference cases help customers to position new knowledge to their existing concepts, thoughts as well as current services and processes. Through discourse, salespeople and customers may deepen their understanding of common sales cases and any resultant factors. Salespeople and customers can gain a new understanding while they are co-creating proposals to be applied in common sales cases.

In the sales interaction, where salespeople and customers are co-creating new value by sharing information to each other, they are actually acquiring relevant knowledge all time. In the sales interaction where salespeople are asking questions and customers are just answering, equal discourse does not occur. In the open discourse, their understanding is cumulating faster than in the traditional survey-typed sales techniques, which supports more the interest of salespeople than the understanding of customers. For example, the scholars [15] have found that the participation of users in the actual innovation processes is more effective way to acquire user knowledge than traditional data collection methods. The successful sales interaction is like a service design process [16], [17], which brings value in combining the different

parties and their needs to the business development processes, which aim is always to improve or renew something.

Therefore, the successful sales interaction should ensure that customer feel to learn or realize something new and valuable in the value co-creation situations, and salespeople also are able to observe the customer instant experience through the emotional signals. The customer's experience has direct impact on the success of sales meeting and finally to the commercial potential of proposals of sales teams. Hence, the successful sales interaction has much similar elements with the user centered design processes [18] where all stakeholders are equally impacting to the value creation process where new products and services are developed.

Today, customers are also gaining new knowledge from digital sources [19], and this has an impact on B2B sales interactions as well. In the end, new knowledge produced during sales conversations leads to new value co-created by both salespeople and customers: It adds value to the salesperson as they acquire additional knowledge about a customer's world or allows the customer to become aware of a new issue that could save, improve, or increase efficiency in the market or organization. Therefore, the successful sales interaction is very psychological process [20], [21] where several emotional and motivation factors are impacting on salespeople and customers. The experienced and successful salespeople often know this and they have learned to manage different customers and adapt to the varying situations. In addition to this, the salespeople should understand the whole customer decision journey from the beginning to the end in the successful sales interaction and in managing successfully sales processes [22], [23]. Therefore, creating business value and good relationship in sales processes requires more than acquiring product or service based knowledge about features, price models or implementation practices. It should also create new competitive advantages or monetary value for the customer. Otherwise, it only represents isolated ideas without measurable financial value.

## VII. CONCLUSION

This paper increases our basic understanding of how salespeople and customers behave in discourse in authentic B2B sales interactions, not how they claim to behave. This was made possible by using video recorded data and the research approaches of observation and content analysis. This paper empirically increases the evidence that successful sales meetings must have a value oriented interaction, and it should not be dominated by the salesperson. Instead, customers need to have equally active roles so that they are better engaged and can create value and new understandings together with the salespeople. Successful interactions offer a situation where participants are focused on generating new knowledge and building of understanding concerning to business value of proposed products and services.

This paper increases also understanding of key elements in the sales interactions. In sales and customer organizations, there are several issues which impact directly or indirectly to the success of sales meetings. Additionally, there may be

resource or financial limitations that resist new sales, even though the benefits might be obvious and value is commonly accepted. A sales team can help customers to manage these issues by providing open-ended questions that promote value co-creation in the sales interactions. The new knowledge and understanding function as a catalyst for the realization of business value. Therefore, much attention must be focused on issues that drive the creation of new knowledge and understanding and help customers to close sales deals on behalf of their organizations.

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