

# How Sales Forces Can be Strategic in Value Creation and Development

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A recent article(\*) focusing on the dual process of creating and appropriating value in exchange relationships, has revealed some interesting results about the effect that sales forces can have in translating the customers' desired value back into their firms.

The results of the research paper could lead to changes in the role of the sales force in value creation and appropriation. More in-depth research should be carried out about the role of the sales force in overall firm strategies and process development.

In B2B markets in particular, the value creation for both clients and suppliers is a well known process where we can really talk about value being co created. However, the role of salespeople is largely underestimated in strategic plans, where value creation and profitability is critical.

## **Developing customers' value knowledge from the field.**

Research and managerial experience provide mainly global ideas about value creation processes in the client relationship. However, we now need to identify and implement the individual roles, tasks and processes that sales forces have to undertake in

order to create and improve sustained value for clients, whilst at the same time maintaining a company's profitability.

According to the research paper, a number

of things need to happen in order for this to take place:

- The misunderstanding between clients and suppliers about what the customer's needs are should be addressed. To do this, new methods which involve sales people are needed, such as qualitative research, brainstorming sessions with clients and develop-



(\*)Blocker C.P., Cannon J.P., Panagopoulos N.G., Sager J.K., "The Role of the Sales Force in Value Creation and Appropriation: New Directions for Research", *Journal of Personal Selling & Sales Management*, Vol. 32-1, Winter 2012, pp. 15-27.



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ing customer value knowledge visualisation techniques.

- Effective use of qualitative research via a CRM should take place as the most effective way of analysing not only numbers and statistics relating to value creation, but complex human processes linked with the client relationship too. The sales representatives will, most probably, be the best people to provide, use and disseminate this knowledge.

### **How can sales forces be active participants in the value creation process?**

The importance of the relationships built by sales forces with their clients shouldn't be underestimated. Rather, they should be viewed as a means to create and improve value. The personal interactions of the sales force with various individuals such as purchasers, experts, influencers, can have a huge influence on the creation and development of value sharing. Some examples of this include their influence on:

- The implementation of cross-functional acts in their organisation and the sharing of value creation and appropriation processes with colleagues from other services;
- The focus on neglected sources of value, relating in particular to client requirements, product-service deployment or post-deployment support; and

- The monitoring of customers' changing needs, anticipating these in order to create a better long term relationship with the client.

### **The era of customer value management**

Of course, these processes are oriented towards the longer term. But even with indirect return on investment for the business, they are viewed as necessary in the eyes of the client.

In order to make sure that customer value management remains at the top of the value creation process, there needs to be a rebalancing of efforts developed before/after making deals with new clients. This is because the value created during the first phases of a client experience could be deemed to be excessive and therefore useful to competitors!

There should also be a rebalancing of efforts developed among segments. Even if it sounds rather 'traditional', it is important to recognise and differentiate between the management of low-high value customer profiles as this remains complex for sales forces, in the current economic context.

There should be more emphasis placed on non-economic strategic value because in-depth sources of value such as shared innovations, referrals from clients and collective sales actions can be under-exploited.



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These sorts of processes and actions need to become systematic, actively planned, and rewarded. This is because our current business context is, more than ever, made up of much shorter relationship life cycles, competitive opportunities and cross-cultural and globalised markets.

For this reason, the outcomes of the paper reveal invaluable new techniques for busi-

ness managers to help improve value creation and appropriation. These include understanding how clients form their initial value judgement, how sales forces should influence that process and what kind of knowledge is involved/necessary to succeed in it, as well as how to use current social and spatial distances to build effective client relationships.

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The full reference for this study:

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