

How to win more B2B contracts with effective e-sales

March 24 2020, by Matt Weingarden



Credit: CC0 Public Domain

Researchers from the University of Nebraska, University of Missouri, and Case Western Reserve University published a new paper in the *Journal of Marketing* that analyzes B2B e-negotiation communications in order to provide sellers with insights into buyers' behavioral responses to salespersons' communications.

The study, forthcoming in the March issue of the *Journal of Marketing*, is titled "B2B E-Negotiations and Influence Tactics" and is authored by Sunil Singh, Detelina Marinova, and Jagdip Singh.

Advances in digital technologies motivate firms to adopt technology-mediated channels for business interactions. According to reports, 77% of customers prefer e-communications over other formats. For B2B selling, this trend manifests in a 75% increase in e-negotiations and, by one estimate, 80% of U.S. sales negotiations are conducted online. Despite this increase in B2B e-negotiations, little is known about its effectiveness. Compared to face-to-face (F2F) communications, e-communications offer fewer contextual cues and less interactivity and flexibility, but they benefit from easy accessibility, transparency, and ability to deliver diverse materials via attachments and links.

A new study in the *Journal of Marketing* analyzes e-communications to provide sellers with greater insights about buyers' needs and behaviors. The research team worked with a B2B firm to collect e-negotiation communication data for more than 40 e-negotiations over a two year-period. Using these data, they identified influence tactics, such as textual cues, used by salespeople in day-to-day interactions with buyers during the e-negotiation sales process. Specifically, they identified information sharing, recommendation, promise, and assertiveness as four distinct influence tactics. The research also analyzed buyers' emails to develop a corpus of textual cues that reflect buyers' attention, which is the degree to which a buyer displays behavioral responses to a salesperson's e-communications.

This research revealed that after accounting for known salesperson and customer factors, buyer attention is positively associated with contract award. Furthermore, no individual influence [tactic](#) is sufficient to hold a buyer's attention or win the contract award. Effective use of influence tactics requires the concurrent use of complementary tactics that prompt either internalization (internal analyzing) or compliance (risk-shifting) but not both. Information sharing and recommendation work by persuading the receiver to focus on the merit of the argument (internal-analyzing). On the contrary, promise and assertiveness work by obtaining

the compliance of the receiver without attempting to persuade the receiver of the appropriateness of the decision. Thus, promise and assertiveness are known to mitigate decision risk, simplify information processing, and/or reduce uncertainty (risk-shifting). If the salesperson uses any other combination of influence tactics (referred to as competitive combination), such as information sharing used with promise or assertiveness or recommendation used with promise or assertiveness, buyer attention decreases.

These results hold several important implications for salespeople and those who manage them. First, the study recommends that sales organizations incorporate into their training programs guidelines that build buyer attention during sales e-negotiations. A 30% increase in buyer attention increases the likelihood of a contract award seven-fold. Sales managers should specify buyer attention as a key process metric. By measuring buyer attention for each e-negotiation on an ongoing basis, the manager can establish a new performance indicator and identify skill gaps that require more directed coaching.

Second, by isolating the benefits of using complementary (internal-analyzing or risk-shifting) influence tactics together, this research suggests a different path to winning contracts. For instance, the concurrent use of assertiveness and promise tactics evoke compliance during e-negotiations and boost buyer attention by 14% on average. Likewise, the concurrent use of [information sharing](#) and recommendation tactics evokes internalization during e-negotiations and results in a 15% increase in buyer attention. On the other hand, competitive combinations that are concurrently deployed invite losses in buyer attention (30% on average) and significantly diminish the likelihood of contract award.

More information: Sunil K. Singh et al, Business-to-Business E-Negotiations and Influence Tactics, *Journal of Marketing* (2020). [DOI:](#)

[10.1177/0022242919899381](https://doi.org/10.1177/0022242919899381)

Provided by American Marketing Association

Citation: How to win more B2B contracts with effective e-sales (2020, March 24) retrieved 6 July 2024 from <https://phys.org/news/2020-03-b2b-effective-e-sales.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.