

## Research Article

### Emotional Intelligence in Marketing Exchange Enhances Business Performance

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**Abstract:** The objective of this study is to find out factors, which enhance salespersons' ability to influence purchase decisions of customers. Furthermore, it also aims at identifying the impact of Emotional Intelligence, Customer Orientation, Adaptive Selling and Manifest Influence on sales performance. Study reveals that emotionally sound salespersons are successful to identify customer needs and alter their emotions, accurately evaluate customers' emotions are more likely to perform better in different perspectives. Theoretical implications evaluating salespersons abilities and capabilities only telecom sector may result as generalizability. There are valid chances might occurred that the salespersons belongs to other industries might answer differently to research questionnaire. Therefore, this theoretical framework should be tested in other industries as well.

**Keywords:** Adaptive selling, customer orientation, emotional intelligence, manifest influence, sales force

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## INTRODUCTION

Personal selling happens when a sales representative sells a service, product, or solution to a customer. Sales representatives match the benefits through their product, service or a solution to fulfill a customer's needs, wants and desires. Sales are undoubtedly the chief goal of an organization for generating equitable revenue. They do so by fulfilling customer needs; which should be transformed into wants by harmonizing the Cultural, Social, Behavioral and Psychological aspects. Sales force may prove competitive edge over competitors and can create real differences in company's success. Sales force is the chief contributor to a company's endurance in terms of a central hub between the company and its customers. The sales process becomes more complex and the determination of the required measures of performance is correspondingly more difficult to identify (Jaramillo *et al.*, 2005). Salespersons' primary job is not just to make a sale, but to satisfy customers and create loyalty for the firm. In such situations, it is quite difficult to assess salespersons' performance (Johnston and Marshall, 2009). As performance assessments become more complex, additional measures are required to cope up with these circumstances. Clear identification of the skill-sets, essentially required for successful job performance measures, has become more complex. Traditionally, firms have successfully designed criteria

for salesperson who are enthusiastic, aggressive, self-motivated, extrovert and competitive (Spiro *et al.*, 2008). The selling process includes gathering information about the target customer, developing sales strategy based on provided information, conveying messages to incorporate the sales strategy, assess the influence of these messages and making alterations depending upon this assessment. Consequently, salesperson has an edge to develop and incorporate a sales presentation personalized to each customer. Furthermore, salesperson can make several alterations in the message in reaction to their customers' decisions.

Assessing sales performance can be straightforward in circumstances where the sales representative's main accountability is to enhance profitability. Nevertheless, in most sales situations, the sales process becomes more complex and the determination of the required measures of performance is correspondingly more difficult to identify (Jaramillo *et al.*, 2005). Salespersons' primary job is not just to make a sale, but to satisfy customers and to create loyalty for the firm. In such situations, it is quite difficult to assess salespersons' performance (Johnston and Marshall, 2009).

As performance assessments become more complex, additional measures are required to cope up with these circumstances. Clear identification of the skill-sets essentially required for successful job performance measures become more important and

complex as well. Traditionally, firms try to successfully designed criteria for salesperson who are enthusiastic, aggressive, self-motivated, extrovert and competitive (Spiro *et al.*, 2008). What kind of skills, abilities and characteristics are required in sales situations needed consultative sales behaviors? How is performance assess and required behavior recognized? The salesperson's core role is to give knowledge, tender suggestions and assist the customer in his prescriptive requirements (Weillbaker, 1990).

Salespersons face several types of job-related challenges in direct conversations with customers, as they endeavor to defend the cost/benefits analysis. In order to handle with such disputes, salesperson involve in their assigned tasks, to execute to the best of their skills and abilities. The use of frequent dimensions to quantify performance, e.g., number of contact calls, distribution of samples, is revealing of the fact that only single procedures that is widely used to measure performance does not subsist (Johnston and Marshall, 2009).

The objective of this study is to find out factors, which enhance sales-individual's ability to influence purchase decisions of customers. Furthermore, it also aims at identifying the impact of Emotional Intelligence, customer orientation, adaptive selling and manifest influence on sales performance and indirectly on business performance. In particularly, the research has following research objectives:

## LITERATURE REVIEW

Customer Orientation has developed as a key construct in the marketing literature. Many research studies have examined the Customer Orientation of salesperson (Franke and Park, 2006). One of a major concern in managing sales force is how to enhance salesperson's performance. This important yet unexplored question is specifically relevant during the current economic decline, as companies struggling to advance their productivity to remain competitive, among rising sales costs and declining customers' interest in purchase decisions. A variety of products available in the market, customer has different alternatives available, in this particular situation salesperson have to be more skilled in order to cope with current circumstances. A meta-analysis by Jaramillo *et al.* (2005), which was based on sixteen preceding studies, sample of 3,477 respondents, indicated customer orientation as an essential determinant of salesperson's success. Customer orientation has a direct impact on performance (Saxe and Weitz, 1982), furthermore, it is the most prominent stream in sales force research (Franke and Park, 2006). Salesperson with rich knowledge of customer orientation is more likely to perceive customers' needs, fulfill customers' inquiries and solving customers' complications. Customer Orientation results as win-win

situations, the reason behind this that every single customer is served according to his specific needs, generating high level of performance for both organization and sales force itself.

The term of adaptive selling defined as the shifting of sales behaviors while a sales encounter or during customer interactions dependent on professed information about the kind of the interaction situation (Sujan and Weitz, 1986). Sales person use high level of adaptive selling when they incorporate several sales presentations while sales encounters, furthermore they make modifications during selling situations. In other words, sales person with low level of adaptive selling is designated by the routine of using same old styled sales presentations during all sales encounters. Adaptive selling can be started in an efficient and an inefficient way; hence, efficiency is not related to the real definition of adaptive selling. Adaptive selling results in long-term success when the paybacks of the technique outweigh the actual cost. When the sales made through the utilization of adaptive selling outweigh the cost of choosing and training salesperson to gather appropriate information from their target customers and employing this appropriate information accurately.

Manifest influence refers to adjust customers' purchase decisions and behaviors because of salespeople's active contribution (Kohli and Zaltman, 1988). Sales professionals' with higher manifest influence are more likely to be better performers (McFarland *et al.*, 2006). Previous researches anticipate that high Emotional Intelligence sales professionals persuade consumers more successfully because they distinguish and comprehend their needs and can give best solutions according to their needs, resulting in constructive outcomes for the firm, consumer and sales professionals.

Salovey and Mayer (1990) ability model and Goleman (1995) competency model were the two basic conceptualizations, which incorporate the foundation for Emotional Intelligence and the consequent increase in attention towards Emotional Intelligence. Primarily, Salovey and Mayer (1990) proposed Emotional Intelligence as the capability to observe individual's emotions furthermore the thoughts of other persons. Mayer *et al.* (2000) established best recent assessment instrument, which is known as Mayer-Salovey-Caruso Emotional Intelligence test (MSCEIT). The MSCEIT consists of four dimensions:

- Perceiving emotions
- Facilitating emotions
- Understanding emotions
- Managing emotions (Offerman *et al.*, 2004; Mayer *et al.*, 2000).

Perceiving emotions is the ability to recognize and interpret emotions accurately (Mayer *et al.*, 1999).

Perceiving emotions is the ability to differentiate different types of emotions (Roberts *et al.*, 2001). Specifically it is very important for sales professionals to better perceive customers' emotions that are he or she is bored or excited, confused or interested, such differentiation provide sales professionals to select strategies accordingly.

- H1:** Customer Orientation in selling situations enhances the sales performance
- H2:** Adaptive selling in selling situations enhances the sales performance
- H3:** Manifest Influence in selling situations enhances the sales performance

## DISCUSSION

The core reason of this research study is to find out abilities and capabilities that lead to the development of interactive sales team. Furthermore, to know how these abilities and capabilities can play a key role during sales encounters.

The first hypothesis of this research study is that Customer orientation in selling situations enhances the sales performance. Customer oriented salesperson can play an essential part during sales encounters. The reason behind this that customer-oriented salespersons are more likely to better evaluate customer needs and wants (Franke and Park, 2006). Furthermore, they are more likely to provide customers with best suitable solutions with regard to customer needs and wants.

Organizations these days are growing faster, the essential key factors regarding how to better communicate to the targeted customers to make them aware about organizational value creation, giving assurance, evaluating and offering best solutions to customer needs and wants, these key goals cannot be achieved without including the vital frontier spanners, the salesperson (Cross *et al.*, 2007).

The second hypothesis of this research study is that Adaptive selling in selling situations enhances the sales performance. Salesperson who has Adaptive selling behavior will have more knowledge about several selling techniques, which are required in different sales situations. Salesperson should have confidence in the capability to utilize a wide range of different sales techniques (Keillor *et al.*, 2000).

The third hypothesis of this research study is that Manifest Influence in selling situations enhances the sales performance. Manifest influence refers to adjust customers' purchase decisions and behaviors because of salespeople's active contribution (Kohli and Zaltman, 1988). Sales professionals' with higher manifest influence are more likely to be better performers (McFarland *et al.*, 2006). Study anticipate that high Emotional Intelligence sales professionals persuade consumers more successfully because they distinguish

and comprehend their needs and can give best solutions according to their needs, resulting in constructive outcomes for the firm, consumer and sales professionals.

**Managerial implications:** The findings of this study imply certain thoughtful considerations for managers. This research provides several guidelines that those salespersons that have high emotional intelligence would influence higher sales and retain more clients than those who have low level of emotional intelligence. Customer orientated sales people better estimate, understand and interpret that what customers' feels in different circumstances, know which emotions and emotional states influence their purchase decisions. With greater manifest influence, salespeople would be able to ensure customers' purchase decisions with their active participation. Resultantly, more customers would be more attracted towards the products and services such salespeople offer. For meeting the objective of generating higher sales revenues, managers should focus on several areas. Those candidates who are good at interpreting and understanding customers' state of mind should be hired and their abilities be further polished through training and development. Managers should also organize such training programs which would prove helpful for sales professionals to enhance their emotional intelligence abilities, customer orientation and adaptive selling.

## CONCLUSION

This study revealed that salespeople having higher Emotional Intelligence are more likely to perform behaviors reliable with customer orientation for the reason that they efficiently understand, utilize, distinguish and manage emotions in marketing activities. With high Emotional Intelligence, sales professionals persuade consumers more successfully. They distinguish and comprehend their needs and can give best solutions according to their needs resulting in constructive out comes for all the stake holders, i.e., the firm, consumer and sales professionals. Adaptive sales professionals will adapt their sales techniques, interpersonal skills and presentation, with relevance to the consumer type or selling situation. Consequently, Study concludes that customer orientation, manifest influence, adaptive selling with high levels of Emotional Intelligence are more likely to play an important and considerable role in enhancing the sales performance of an organization's sales team.

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