Developing India-centric B2B sales theory: an inductive approach using sales job ads

Murali Mantrala
Marketing Department, Robert J. Trulaske College of Business, University of Missouri, Columbia, Missouri, USA

Shrihari Sridhar
Marketing Department, Smeal College of Business, Pennsylvania State University, University Park, Pennsylvania, USA, and

Xiaodan (Dani) Dong
Marketing Department, Robert J. Trulaske College of Business, University of Missouri, Columbia, Missouri, USA

Abstract
Purpose – Given India’s rapid industrial growth and burgeoning numbers of sales and marketing employees, there is an urgent need to develop India-centric B2B sales management knowledge. However, there is little hard information about similarities or differences between sales management strategies in India and the developed economies. To shed more light on this issue, in this commentary the aim is to report the results of a novel exploratory study of recent India B2B sales job ads motivated by the idea that sales recruiting is a critical sales management function that provides insights into hiring organizations’ overall business strategy.

Design/methodology/approach – The authors content analyze a sample of India sales job ad postings to identify the job goals, skills and additional roles sought by Indian B2B sales recruiters. Subsequently, they use latent class clustering to segment companies along these requirements.

Findings – It is found that B2B sales organizations in India appear to be recruiting according to the same core strategies, principles and criteria as those in the developed world, especially with regard to customer management.

Research limitations/implications – This research develops confidence that some extant B2B sales management theories, models, and knowledge accumulated in developed markets are applicable to the Indian context, with suitable modifications to accommodate idiosyncratic cultural and economic differences.

Originality/value – This is the first, albeit exploratory, effort to utilize the content of India-specific B2B sales job advertisements as a source of data and insights into sales management strategies in India.

Keywords Business marketing, Sales management, Sales force recruiting, Customer acquisition and retention, Latent class clustering, India, Business-to-business marketing, Recruitment advertising

Paper type General review

An executive summary for managers and executive readers can be found at the end of this article.

According to the Center for Monitoring the Indian Economy (CMIE), as reported in Business Line (April 18) India’s GDP growth is expected to be 8.8 percent in 2011-2012 (FY 12), following real GDP growth of 9 percent in FY 11. The industrial sector, including construction, is projected to grow by 9.4 percent during 2011-2012, as compared to the 8.5 percent estimated in 2010-2011. Not surprisingly, during his recent visit to India, US President Barack Obama declared that the Indian economy is no longer “emerging” but has in fact emerged.

Industrial sector growth is expected to be driven by both consumption and investment demand, with business marketing expected to play a large role. In particular, personal selling by B2B sales forces is a key driver of demand in prominent industries such as computers, industrial equipment and machinery, chemicals, pharmaceuticals, IT and financial services. Worldwide, personal selling remains one of the most potent and effective marketing mix variables, especially in the B2B marketing context (e.g. Albers et al., 2010). Despite speculations to the contrary early on, the advent of the internet has not obviated the need for B2B sales forces (e.g. Piercy and Lane, 2003; Rackham and DeVincentis, 1999; Sheth and Sisodia, 1999). However, some radical internet-induced shifts in traditional sales force strategy and organization design can be expected (Mantrala and Albers, 2010). Therefore, the study of B2B sales forces has gained more urgency, especially in the context of emerging markets where sweeping economic and technology changes are occurring (Sheth, 2007). From this perspective, it is laudable that JBUSIM has undertaken to produce this Special Issue to encourage India-specific B2B marketing research.

According to its call for papers, the promise of this Special Issue is “that it will engender new B2B marketing theories, originating from Indian practice and context”, because “most B2B marketing literature presents theories and models that

Received: October 2010
Accepted: December 2010
are grounded in B2B marketing practices in developed countries, which are characterized by mature markets”. This is a timely objective but begs the question as to whether and how current B2B marketing practices in India deviate from those prevailing in the developed world.

When we were invited to contribute a commentary article by the Guest Editors of this Special Issue, we hoped to base it on existing India-specific B2B marketing literature and data. However, we quickly found that this was a more challenging endeavor than initially expected. First, barring a few notable recent exceptions (e.g. Singh and Koshy, 2011) the existing academic literature on India B2B sales force management practices and peculiarities is very sparse. Second, despite the size and importance of India’s industrial sector, little organized secondary data exist and/or is readily accessible to scholars regarding India B2B sales forces. An internet search found limited data on current trends in India B2B sales force sizes, composition, organization, and compensation.

What internet searches do reveal, however, is a plethora of India B2B sales position announcements and advertisements, indicating that the B2B marketplace in India is undoubtedly very active, and growing. We realized that sales job ads themselves may tell us something about the differences, if any, between India and developed-world B2B sales management perspectives and practices. Consequently, in this article we report the results of a content analysis of recent India B2B sales job ads in an exploratory research study aimed at gaining insights into the following questions:

• What job goals, skills and additional roles requirements are India B2B marketers seeking in contemporary B2B sales force recruiting efforts?
• Are required skills and roles consistent with the stated job goals based on existing sales management research?
• Are there any major differences between advertised India B2B sales job requirements and those identified by developed world sales managers as salesperson success factors?

Below, we first expand on our motivation to use sales job ads as a source of data for investigating our exploratory research questions. Next, we describe our methodology. We then summarize findings relevant to our research questions and close with suggestions for more general India-related B2B sales force research in the future.

Sales job ads as a source of insight into company sales objectives

A sales organization’s effectiveness depends on having the right people in the right jobs at the right times to meet rapidly changing organizational requirements. Most leading sales consultants and scholars agree that sales rep hiring and selection are the most important decisions a sales manager makes. A bad hiring decision can cost a company three times the salesperson’s annual compensation, including expenses, training costs, benefits, and incentive pay (Zoltners et al., 2001). This usually occurs due to poor “fit” or alignment between the selection criteria and the organization’s business strategy and culture (e.g. Bechet and Walker, 1993). Pfeffer (1998) notes that the skills and abilities hired need to be carefully considered and consistent with the particular job requirements and the organization’s approach to its market, i.e. business strategy. Thus, the kind of people a firm seeks to hire can tell us a lot about the hiring organization’s overall business strategy (or lack thereof.)

The information value of job ads

Job ads are used by organizations to find qualified applicants. They are a first screening device, meant simultaneously to encourage qualified applicants to apply and to discourage unqualified applicants (i.e. screening by self-selection). From a research viewpoint, posted job ads offer “objective” information, in that they describe what organizations desire. Moreover, considering the upside of good selections, it can be expected that recruiters would be careful to describe the skills they require in posted ads. Thus, job ads are a valid and useful source of secondary data and have been content analyzed across different fields, for purposes such as understanding firms’ goals and strategies (e.g. Gallivan et al., 2004; Bennett, 2002; Ryan et al., 2000; Todd et al., 1995). In sales management, Mathews and Redman (2001) have analyzed job ads to see whether they are contributing to recruiting the wrong salespeople. To the best of our knowledge, our study is the first to content analyze India B2B sales jobs ads.

Exploratory empirical research methodology

Our research methodology involves three steps:

1. sample job ads collection;
2. sample job ads content analysis and coding of variables in a dataset; and
3. descriptive analyses of the overall sample of job ads and clusters in this sample using latent class cluster (LCC) analysis.

Data collection

We compiled India B2B sales job posts in English from two major job websites in India (i.e. www.monsterindia.com and www.naukri.com) over a four-month period in year 2010. We then randomly selected 161 job posts and subjected them to content analysis. The sample comprised job ads from a wide range of industries, such as manufacturing, pharmaceuticals, information technology, engineering consultancies, logistics, hospitality industry, etc. Many of the job advertisers were small and medium-sized enterprises (SMEs). We subsequently classified the industry type of all firms in the sample as either “goods” or “services”.

Job position descriptors drawn from content analysis and coding

Job goal measure

Almost all job ads made some statement about the overall goal of the job in customer-related terms, which is in keeping with today’s dominant emphasis on customer equity management around the globe. Specifically, we found that the job ads made reference to customer acquisitions and/or customer retention as job goals. Therefore, we employed two binary variables to code mentions of acquisition and retention in the job ads, i.e. 0 (no mention) or 1 (mentioned).

Next, following the procedures recommended by Elo and Kyngäs (2008), we classified the remaining content of job posts into three categories of variables:

1. “skill requirements”;
2. “role requirements”; and
3. job level.
Job skill requirements
These are skills and abilities that the organization expects the candidate to have to meet the specified job goal. Across the sampled job ads, we found these included communication skills, leadership skills, selling skills, relationship skills, and information technology (IT) skills.

Job role requirements
We identified four types of expected roles:
1. performing market research;
2. providing training;
3. monitoring competitors; and
4. working in a cross-cultural environment.

All the job requirements variables within the skills and roles categories were also binary coded (“on” or “off”) in our dataset.

Job level descriptors extracted from our job ads sample include seniority of the job position and expected work experience. Specifically, the job level was coded as either a junior or senior position, and the work experience was classified into three categories:
1. 1-4 years;
2. 4-8 years; and
3. more than eight years.

Analysis and results
Overall sample description
Table I provides the sample descriptive statistics for all our variables. Interestingly, all of the skills and roles requirements listed in Table I figure in the list of the 60 most important sales rep hiring criteria identified by Marshall et al. (2003) based on a survey of 215 US sales managers. In particular, the communications skills and selling skills requirements asked for by 73 percent and 80 percent of our sample, respectively, are ranked in the top six sales success factors listed by Marshall et al. (2003). Thus, overall, the hiring criteria mentioned in India B2B sales force jobs are very consistent with Western sales managers’ criteria.

Cluster analysis
Next, we performed a cluster analysis to get a finer understanding of the variability of job requirements over the sample of job ads. We use the latent class clustering (LCC) method for the purpose of uncovering any underlying groups of similar job ads. LCC formulates a finite mixture of multivariate distributions, provides probabilistic classification into clusters, does not require rescaling of observed variables, and yields managerially meaningful segments (Wedel and Kamakura, 2000, pp. 78, 329). Parameter estimation is carried out by generating a maximum-likelihood function (Vermunt and Magidson, 2002).

Results
The results of the LCC analysis are shown in Table II. Based on the Akaike information criterion (AIC), Bayesian information criterion (BIC), classification error rate, and $R^2$ criteria (Vermunt and Magidson, 2002), we found that a three-cluster LCC solution (Table II) had the best fit to our data.

Cluster sizes and nature
We found that the largest cluster comprised 88 job ads (55 percent of the sample); the second largest comprised 50 job ads (31 percent of the sample), and the smallest comprised 23 job ads (14 percent of the sample). Further, about 73 percent of the job ads in the first cluster mentioned customer acquisition, while 52 percent indicated customer retention as a job goal. In contrast, 45 percent of the ads in cluster 2 emphasized customer acquisition as a job goal, while only about 3 percent of this cluster mentioned customer retention. Lastly, in the third and smallest cluster, 51 percent of the job ads mentioned customer retention as a goal while only 1 percent mentioned customer acquisition.

Based on this pattern, we label cluster 3 as the “retention emphasis” (RE) group; cluster 2 as the “acquisition emphasis” (AE) group; and the largest cluster, cluster 1, as the “balanced emphasis” (BE) group. Notably, our labels remind us of the traditional divisions of sales positions between “hunters” (salespeople who are good at getting new consumers to the firm) and “farmers” (those salespeople who are good at maintaining sales relationships) (e.g. Zoltners et al., 2001). However, “hunters” by nature tend to focus on transactional sales, while “farmers” tend to be focused on relationship selling. It is interesting that our clustering of India B2B sales force ads reveals the BE group as the dominant group. This is consistent with Sheth and Sharma’s (2008, p. 226) observation of a product to a service shift in

<table>
<thead>
<tr>
<th>Table I</th>
<th>Sample descriptives</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job descriptor</strong></td>
<td><strong>Sample frequency</strong></td>
</tr>
<tr>
<td><strong>Job position</strong></td>
<td></td>
</tr>
<tr>
<td>Junior level</td>
<td>84</td>
</tr>
<tr>
<td>Senior level</td>
<td>77</td>
</tr>
<tr>
<td><strong>Working experience</strong></td>
<td></td>
</tr>
<tr>
<td>1-4 years</td>
<td>48</td>
</tr>
<tr>
<td>4-8 years</td>
<td>79</td>
</tr>
<tr>
<td>&gt;8 years</td>
<td>34</td>
</tr>
<tr>
<td><strong>Communication skills</strong></td>
<td></td>
</tr>
<tr>
<td>119</td>
<td></td>
</tr>
<tr>
<td><strong>Leadership skills</strong></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td></td>
</tr>
<tr>
<td><strong>Selling skills</strong></td>
<td></td>
</tr>
<tr>
<td>129</td>
<td></td>
</tr>
<tr>
<td><strong>Relationship skills</strong></td>
<td></td>
</tr>
<tr>
<td>71</td>
<td></td>
</tr>
<tr>
<td><strong>Information technology skills</strong></td>
<td></td>
</tr>
<tr>
<td>39</td>
<td></td>
</tr>
<tr>
<td><strong>Training</strong></td>
<td></td>
</tr>
<tr>
<td>11</td>
<td></td>
</tr>
<tr>
<td><strong>Marketing research</strong></td>
<td></td>
</tr>
<tr>
<td>44</td>
<td></td>
</tr>
<tr>
<td><strong>Monitor competitors</strong></td>
<td></td>
</tr>
<tr>
<td>27</td>
<td></td>
</tr>
<tr>
<td><strong>Industry</strong></td>
<td></td>
</tr>
<tr>
<td>Goods industry</td>
<td>71</td>
</tr>
<tr>
<td>Services industry</td>
<td>86</td>
</tr>
<tr>
<td>Cross-cultural environment</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table II</th>
<th>Job ads cluster descriptive statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cluster 1: balanced firms</strong></td>
<td><strong>Cluster 2: acquisition firms</strong></td>
</tr>
<tr>
<td><strong>Cluster size</strong></td>
<td>55</td>
</tr>
<tr>
<td><strong>Retention orientation</strong></td>
<td>52</td>
</tr>
<tr>
<td><strong>Acquisition orientation</strong></td>
<td>73</td>
</tr>
</tbody>
</table>
global industrial markets that calls for hiring salespeople who are focused not only on acquiring sales but also developing long-term relationships with their customers.

Cluster attributes and differences
We now perform a more detailed examination of the differences in job requirements that distinguish the BE, AE, and RE clusters that we have uncovered. We see that the “industry” (goods or services) variable is a significant discriminator. We also see that the following job descriptors contributed significantly to the differentiation between the three clusters:

- the two job-level variables – job position and work experience;
- the two job skills requirement variables – selling skills and relationship skills; and
- the three role requirements variables – providing training, doing marketing research, and monitoring competitors.

We observe the association of services (goods) firms with the RE cluster of sales job ads is highest (lowest), lower (higher) with the BE group, and least (most) with the AE group of sales job ads. This pattern makes sense as services firms clearly depend on customer profitability growth via the “3Rs” (retention, related products sales, and referrals) of customer management much more than “goods” firms who require more emphasis on new customer acquisitions, especially when inter-purchase intervals are long.

Next, Table III indicates that the association of more senior (junior) positions with the AE group of job ads is strongest (least), lower (higher) for the BE group, and least (most) with the RE group of job ads. This pattern makes sense when we consider that a new customer acquisition by a seller implies a “new task” buy-class decision for the buying organization that would involve a larger and more complex buying center than in the case of purchases from an existing supplier. Moreover, today the internet is enabling more “vertical” or senior executive involvement in companies’ buying centers for new supplier selections (e.g. Mantrala and Albers, 2010). Consequently, sellers can expect more negotiations on setting financial and long-term supply relationship terms and should have the authority to participate effectively in such negotiations, explaining why the AE group of job ads tends to be for more senior positions. Conversely, more junior positions associated with RE job ads can be explained by the need for less authority when maintaining existing customer relationships with set financial terms.

However, Table III reveals that work experience levels sought tend to be the highest in the RE group, somewhat lower in the AE group, and least in the BE group. This could be because the roles of the RE and AE groups are more specialized, for example relationship-building in the former and negotiations in the latter. But it is also well-known that there is an “experience myth”, i.e. no strong correlations between sales experience and results have been reported (e.g. Boles et al. 2000). So, in this respect, India B2B sales jobs may be overemphasizing work experience levels.

We now consider the differences in job skills requirements between the clusters indicated in Table III. First, selling skills are most strongly associated with the AE group, have a lower association with the BE group, and the lowest association with the RE group of job ads. Selling skills encompass the skills needed to go through the whole sales process including prospecting, and sales presentation skills, i.e. listening, adaptive selling, handling objections, negotiating, and closing (Marshall et al., 2003), and are strongly correlated with performance (e.g. Johlke, 2006). All stages of the sales process usually occur in customer acquisition settings, thereby demanding higher selling skills. Similarly, relationship skills, e.g. follow-up and service skills, are more strongly associated with the BE and RE groups of job ads, which emphasize customer retention, than with the AE groups (e.g. Crosby et al., 1990).

As regards job roles requirements, the first of three significant discriminators in this set is the ability to perform marketing research (see Table III). As one may expect, this role requirement is most strongly associated with jobs in the AE group. The criticality of finding and qualifying leads in B2B sales is well established (Trailer and Dickie, 2006) and necessarily involves conducting marketing research and/or interfacing with the marketing department in this process (Mantrala et al., 2010). Next, the need for the ability to train other salespeople is most strongly associated with the RF group. In general, evidence of product/market knowledge and expertise is important in maintaining customer relationships (Crosby et al. 1990) and expecting expert “relationship managers” to share their knowledge with newer team

<table>
<thead>
<tr>
<th>Covariates</th>
<th>Cluster 1: balanced firms</th>
<th>Cluster 2: acquisition-focused firms</th>
<th>Cluster 3: retention-focused firms</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Job position</td>
<td>1.481</td>
<td>1.611</td>
<td>1.172</td>
<td>0.018 **</td>
</tr>
<tr>
<td>Working experience</td>
<td>1.822</td>
<td>1.992</td>
<td>2.100</td>
<td>0.017 **</td>
</tr>
<tr>
<td>Communication skills</td>
<td>0.758</td>
<td>0.651</td>
<td>0.860</td>
<td>0.270</td>
</tr>
<tr>
<td>Leadership skills</td>
<td>0.102</td>
<td>0.140</td>
<td>0.000</td>
<td>0.780</td>
</tr>
<tr>
<td>Selling skills</td>
<td>0.803</td>
<td>0.95</td>
<td>0.476</td>
<td>0.084 *</td>
</tr>
<tr>
<td>Relationship skills</td>
<td>0.637</td>
<td>0.130</td>
<td>0.356</td>
<td>0.058 *</td>
</tr>
<tr>
<td>Information technology skills</td>
<td>0.186</td>
<td>0.394</td>
<td>0.130</td>
<td>0.110</td>
</tr>
<tr>
<td>Training</td>
<td>0.000</td>
<td>0.141</td>
<td>0.179</td>
<td>0.090 *</td>
</tr>
<tr>
<td>Marketing research</td>
<td>0.182</td>
<td>0.466</td>
<td>0.209</td>
<td>0.080 *</td>
</tr>
<tr>
<td>Monitor competitors</td>
<td>0.214</td>
<td>0.161</td>
<td>0.000</td>
<td>0.080 *</td>
</tr>
<tr>
<td>Industry</td>
<td>0.795</td>
<td>0.672</td>
<td>0.867</td>
<td>0.040 **</td>
</tr>
<tr>
<td>Cross-cultural environment</td>
<td>0.045</td>
<td>0.000</td>
<td>0.000</td>
<td>0.300</td>
</tr>
</tbody>
</table>

Notes: *p < 0.10; **p < 0.05
members makes sense. Lastly, the ability to monitor the competition is a requirement of AE sales jobs but apparently of not much importance in RF sales jobs. Richer knowledge of competitors in the marketplace is clearly a requirement in acquisition settings, not only for identifying the most promising leads but also for highlighting and exploiting comparative advantages in sales presentations and negotiations with prospective customers.

Finally, it is noteworthy that there are no significant differences between the three job ads as regards the requirements of communications skills, leadership skills, IT skills, and the need to work in cross-cultural environments. These results do not imply that these requirements are not important. Rather, their non-significance as discriminators is attributable to their importance in any kind of sales job. More specifically, good communication skills (including persuasion, written, oral and nonverbal skills) are expected of sales recruits in all positions and this is consistent with their very high importance ratings by the vast majority of respondents in past surveys of salesperson success factors in the developed world (e.g. Marshall et al., 2003). Similarly, as CRM and internet technologies advance, the requirement of strong IT skills in all types of B2B sales jobs is universal (e.g. Mantrala and Albers, 2010). The same holds true with respect to the demand for good leadership skills, i.e. the skills needed for activities to influence others to achieve common goals for the collective good. These include working smarter, coping with role conflicts and role stress, conflict resolution skills, and working effectively in team selling situations. As noted by Ingram et al. (2005), the environment facing most sales organizations today is characterized by increasing complexity, collaboration and accountability, which creates demands for both self-leadership and/or shared leadership activities at all levels of sales organizations.

Table IV lists the sample companies by cluster.

### Discussion and conclusions

Below, we first summarize the main findings from our exploratory research of 161 India B2B sales job ads relative to our three research questions:

1. **What job goals, skills and additional roles requirements are India B2B marketers seeking in contemporary B2B salesforce recruiting efforts?**
2. **Are the required skills and roles consistent with the stated job goals based on existing sales management research?**
3. **Are there any major differences between advertised India B2B sales job requirements and those identified by developed world sales managers as salesperson success factors?**

First, based on our content and cluster analyses of recent B2B sales jobs ads, our findings indicate that Indian B2B sales jobs emphasize customer acquisition and/or customer retention goals, and the most commonly sought skills are communication skills, selling skills, and relationship skills. Second, upon clustering, the dominant group (55 percent) emphasized both customer acquisition and retention as job goals; the second largest group (31 percent) emphasized customer acquisition; while the smallest group (14 percent) emphasized customer retention. The dominance of the balanced emphasis cluster of job ads group in our India sample appears consistent with the product to service shift evolution occurring in industrial markets worldwide (e.g. Sheth and Sharma, 2008). Third, as we have discussed, the significant as well as non-significant differences in hiring criteria across the three groups are largely explainable by current theoretical perspectives and models in existing B2B sales management research. Fourth, all the specific sales job skills and role requirements mentioned in the ads are found in lists of key sales hiring criteria reported by research surveys in the developed world (e.g. Marshall et al., 2003). Interestingly, beyond the general expectation that salespeople operate in different cultural environments, we found no India-specific peculiarities in the job requirements advertised.

Thus, our sample sales jobs ads analysis suggests that modern B2B sales organizations in India appear to be recruiting according to the same core strategies, principles and criteria as those observed in the developed world, especially with regard to customer management. We speculate that there are several possible reasons for this similarity in Indian and developed market practices that we observe: First, there is a high incidence (over 50 percent of the sample) of multinational companies (MNCs), i.e. companies operating in India and in other countries, in our database. MNCs mature through the accumulation of experience and knowledge from operating in multiple country markets, and following a standardized approach to running corporations (Samiee and Roth, 1992). This is even more likely to be true in today’s world, which is increasingly inter-connected. Hence, seeking salespeople with largely similar skills allows
firm to hire, train, and manage in an efficient manner. Second, with economic liberalization and the spread of information technologies, for example, the internet, India – like the developed world – has moved from being seller-centric to much more buyer-centric over the last two decades. Customers in India have more information channels and seller offerings to choose from than in the past. As a result, hiring salespeople who are able to both acquire and retain buyers based on the use of their communication and relationship skills should be expected in India as much as anywhere else. Third, the worldwide diffusion of CRM databases that allow firms to selectively target and monitor customer lifetime value could explain the similarities in the technology skills sought of boundary-spanning salespeople in the Indian and developed market contexts.

Of course, our research is exploratory, and both similarities and differences between developed-world and Indian sales recruiting strategies along with their antecedents and consequences need to be probed more rigorously in future research. While our research suggests that extant B2B marketing theories and models from the developed world can serve as a foundation for such research, there are bound to be many region-specific moderators of core propositions whose effects need to be carefully investigated in the local context. In this manner, research efforts from around the world can contribute to strengthening and broadening the foundational theories so they are generalisable to increasingly diverse settings.

References


Developing India-centric B2B sales theory

Murali Mantrala et al.

About the authors

Murali Mantrala is Sam M. Walton Distinguished Professor of Marketing at the University of Missouri. Murali Mantrala is the corresponding author and can be contacted at: mantralam@missouri.edu

Shrhirhari Sridhar is an Assistant Professor of Marketing at Pennsylvania State University.

Xiaodan (Dani) Dong is a Marketing PhD candidate at the University of Missouri.

Executive summary and implications for managers and executives

This summary has been provided to allow managers and executives a rapid appreciation of the content of the article. Those with a particular interest in the topic covered may then read the article in toto to take advantage of the more comprehensive description of the research undertaken and its results to get the full benefit of the material present.

Business marketing is expected to play a large role in India’s industrial-sector growth—a growth driven by consumption and investment demand. In particular personal selling by B2B sales forces is a key driver of demand in prominent industries such as computers, industrial equipment and machinery, chemicals, pharmaceuticals, IT and financial services. Worldwide, personal selling remains one of the most potent sales mixes, especially in the B2B context. But do current B2B marketing practices in India deviate from those prevailing in the developed world and, if so, how?

According to a study by Murali Mantrala et al., entitled “Developing India-centric B2B sales theory: an inductive approach using sales job ads”, their analysis of sales jobs ads posted on the internet suggests that modern B2B sales organizations in India appear to be recruiting according to the same core strategies, principles and criteria as those observed in the developed world, especially with regard to customer management. This could be for several possible reasons. First, there is a high incidence (over 50 percent of the sample) of multinational companies (MNCs), i.e. companies operating in India and in other countries, in the study’s database. MNCs mature through the accumulation of experience and knowledge from operating in multiple country markets, and following a standardized approach to running corporations. This is even more likely to be true in today’s world, which is increasingly inter-connected. Hence, seeking salespeople with largely similar skills allows the firm to hire, train and manage in an efficient manner.

Second, with economic liberalization and the spread of information technologies, for example the internet, India, like the developed world, has moved from being seller-centric to much more buyer-centric over the last two decades. Customers in India have more information channels and seller offerings to choose from than in the past. As a result, hiring salespeople who are able to both acquire and retain buyers based on the use of their communication and relationship skills should be expected in India as much as anywhere else. Third, the worldwide diffusion of CRM databases that allow firms to selectively target and monitor customer lifetime value could explain the similarities in the technology skills sought of boundary spanning salespeople in the Indian and developed market contexts.

Most leading sales consultants and scholars agree that sales rep hiring and selection are the most important decisions a sales manager makes. A bad hiring decision can cost a company three times the salesperson’s annual compensation, including expenses, training costs, benefits, and incentive pay. This usually occurs due to poor “fit” or alignment between the selection criteria and the organization’s business strategy and culture. Consequently, the kind of people a firm seeks to hire can tell us a lot about the hiring organization’s overall business strategy (or lack thereof). They are firstly a self-screening device meant to simultaneously encourage qualified applicants to apply, and discourage unqualified ones. From a research viewpoint, posted job ads offer “objective” information in that they describe what organizations desire. Moreover, considering the upside of good selections, it can be expected that recruiters would be careful to describe the skills they require in posted ads. Thus, job ads are a valid and useful source of secondary data.

Perhaps not surprisingly, good communication skills (including persuasion, written, oral and non-verbal skills) are expected of sales recruits in all positions and this is consistent with their very high importance ratings by the vast majority of respondents in past surveys of salesperson success factors in the developed world. Similarly, as CRM and Internet technologies advance, the requirement of strong IT skills in all types of B2B sales jobs is universal. The same holds true with respect to the demand for good leadership skills i.e., skills needed for activities to influence others to achieve common goals for the collective good. These include working smarter, coping with role conflicts and role stress, conflict resolution skills, and working effectively in team selling situations.

The authors performed a cluster analysis on the companies seeking recruits, labeling them as the “retention-emphasis” (RE) group, the “acquisition-emphasis” (AE) group, and, the largest cluster, the “balanced emphasis” (BE) group. The labels are a reminder of the traditional divisions of sales positions between “hunters” (salespeople who are good at getting new consumers to the firm) and “farmers” (those salespeople who are good at maintaining sales relationships). However, “hunters” by nature tend to focus on transactional sales, while “farmers” tend to be focused on relationship selling. It is interesting that the clustering of Indian B2B sales force ads revealed the BE group as the dominant group. This is consistent with a previous observation of a product to service shift in global industrial markets that calls for hiring salespeople who are focused not only on acquiring sales but also developing long-term relationships with their customers.

(A précis of the article “Developing India-centric B2B sales theory: an inductive approach using sales job ads”, Supplied by Marketing Consultants for Emerald.)