UNIVERSITY OF CAPE COAST

PERSONAL SELLING STRATEGY AND MARKET SHARE: EVIDENCE FROM WATER PRODUCING FIRMS IN GHANA

 \mathbf{BY}

CURTIS BRIGHT ADDO

MAY, 2016

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PERSONAL SELLING STRATEGY AND MARKET SHARE: EVIDENCE FROM WATER PRODUCING FIRMS IN GHANA.

 \mathbf{BY}

CURTIS BRIGHT ADDO

Dissertation submitted to the School of

Business, University of Cape Coast Department of Management Studies
in partial fulfilment of the requirements for the award of Master of

Business Administration in Marketing

MAY, 2016

DECLARATION

Candidate's Declaration

| I hereby declare that this dissertation is the result of my own original work |
|--|
| and that no part of it has been presented for another degree in this university or |
| elsewhere. |
| Candidate's Signature Date |
| Name: CURTIS BRIGHT ADDO |
| Supervisor's Declaration |
| I hereby declare that the preparation and presentation of the Dissertation was |
| supervised in accordance with the guidelines on supervision of |
| Dissertation/Project Work laid down by the University of Cape Coast |
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ABSTRACT

Personal selling is a marketing strategy which contrary to classical promotion such as advertising with one-way communication, permits communicative interchanges between the seller and buyer. It is of primary importance in the marketing of commodities which due to their complexity require some form of explanation or demonstration to the buyer. Its usefulness as argued in the literature is said to be more pronounced in industrial marketing and services compared to products in the fast moving consumer goods (FMCG) markets where little time and effort is spent to obtain the product by the consumer.

The aim of this study was to investigate the relationship between personal selling strategy and market share in the water producing industry in Ghana. A sample of 25 firms made up of 5 companies and 20 small and medium scale enterprises (SMEs) was drawn from the population of water producers in the Accra-Tema industrial hub with the administration of a five-point Likert scale questionnaire based on six constructs of personal selling strategies. The strategies include adapted selling strategy, customer-oriented selling strategy, sincerity salespeople strategy, commitment salespeople strategy, liquidity salespeople strategy, and relational selling strategy.

These variables were regressed over sales performance as a proxy for market share. The results indicate that all the six strategies except sincerity salespeople strategy have positive impact on sales performance suggesting that personal selling strategies can influence sales performance and hence market share in the water producing industry.

DEDICATION

This work is dedicated to Miss Precious Avenyo, Esenam, Elorm and Collins.

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Set goals are not easily achieved effortlessly, aside hard work, perseverance and dedication of resources; the assistance of many is needed. I therefore express my heartfelt gratitude to my supervisor Miss. Regina Appiah-Gyimah of the University of Cape Coast supervised my work. Her expert guidance, directions and suggestions produced the successful completion of this research work. I am indeed grateful to you.

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CHAPTER ONE

INTRODUCTION

Brief Overview of the Study

It has been argued that personal selling strategies are not pronounced in the fast moving consumer goods market hence prior studies have focused on industrial goods markets. This study sought to investigate the relationship between personal selling strategy and market share in the water producing industry in Ghana. This involved three intersecting areas; water producing industry, personal selling strategies and sales performance. The study follows Abed and Haghighi (2009) six strategies of personal selling and test their significance in the water industry which is in the FMCG category. Each of the three areas is initially discussed in the sub-sections that follow. First, the background of personal selling as related to sales performance in the water industry is presented. The problem definition, general layout and logical sequence of the study is subsequently provided.

Background of the Study

The marketing and sales community has, in the past two decades, widely embraced the call for connecting marketing to firm performance. To that end, the sales and sales management literature has long been at the forefront of this push, with the sales force viewed as a revenue-generating necessity rather than a creative cost option. As part of the promotional mix, personal selling has been recognized as an effective tool for boosting sales and market share although its importance lies in the role it plays in a firm. Personal selling strategies are

persuasion strategies used by compliance professionals such as salespeople, fundraisers, advertisers, etc. Six persuasion strategies used to influence others to
comply include social proof, scarcity, authority, commitment and consistency,
liking and reciprocation (Cialdini, 1993). In this regard, a salesperson plays an
important role for developing and maintaining buyer-seller relationships .Personal
selling is a set of activities directed towards the attainment of marketing goals by
establishing and maintaining direct seller-buyer relationships through personal
communication (Hammann, 1979). It is of primary importance in the selling of
commodities which, due to their complexity, have to be explained or
demonstrated to the buyer.

Contrary to classical marketing mix such as sales promotion, advertising and direct selling, personal selling allows for communicative interchange which in terms of efficiency, results in reach losses (Choi, Huang & Sternquist, 2015). The product so advertised has all the potential to satisfy the need of the prospect more than competitive product in the market through personal selling than other types of awareness creation for a product, like advertising, public relation, sales promotion, etc. This is because, personal selling is a face-to-face communication, which has the potential to convince the buyer and demonstrate the workability of the product in terms of its quality and features.

Advertising, sales promotion and publicity is a fertile ground for personal selling to excel by persuading and informing the target buyer about the product the company is offering Nnedu (1998). Companies that deal on industrial products need salesmen to help them analyze the needs of customers. Personal selling enables marketers to make their presentation to fit the needs, wants, motives and behaviour of individual customer. Personal selling is an effective tool

used by organisations to receive the desired response from its customers and prospects. Effective personal selling includes effective communication, education of customers on product usage, problem solving stimulating and motivating and ultimately soliciting for favourable response. For any firm that produces industrial products to succeed in its competitive environment, it must adopt personal selling as its number one promotional tool.

Despite the important role personal selling plays in the marking mix, its effectiveness has been recognized by both academics and practitioners as vital to the success of service type business with limited attention given to consumer goods particularly the fast moving consumer goods sector which is less expensive and sophisticated in differentiation. Studies examining the importance and value of building relationships with customers in the consumer goods markets of the FMCG industry are extremely scanty. To the best of the knowledge of this study, the only available recent study focusing on the FMCG industry is that of Beneke, Matthews, Munthree & Pillay (2015) who studied color in bottled water packaging. Also, a number of studies have considered the statistical relationship between market share and profitability but anchored in advanced economies and considerably in affluent markets. Researchers appear to have ignored potential insights from an emerging important market comprised approximately half to twothirds of the world's population (Chikweche, 2013). It is not simply that increases in the volume of sales must be linked to increases in the total amount of profits earned but that increases in market share will directly cause increase in profitability. This study opted to focus on the case of fast - moving consumer goods (FMCG) namely, the water industry in Ghana. Given that FMCGs are lowinvolvement goods which in recent years have become more cluttered with competition, the numerous different brands on the market is likely to affect purchasing decision (Silayoi & Speece, 2004).

The Water Industry

Like products in the fast moving consumer goods (FMCG) market bottled and sachet water are commodities in which the distinction between the quality of competing brands is negligible. (Beneke, Matthews, Munthree and Pillay 2015). Perhaps selection decision may be based on aesthetics. The water industry, in recent times has become increasingly saturated with a clutter of competitive products and messages, increasing complexity for consumers and marketers. To this end, personal selling can play an important role in attracting consumer and purchase consideration. It has been reported that bottled water is amongst the most universally sold consumer products in the world and is expected to shortly surpass tea as the world's most consumer packaged beverage (Noble et al, 2009; Feliciano, 2014). Bottled and sachet water may be argued to fit the profile of a commodity product, due to the minimal differentiation in terms of core product. In this regard, the various water brands (both bottled and sachet) are largely seen as being equal substitutes for one another. In 2008, bottled water became the second ranked product amongst all US beverage types, after carbonated soft drinks (Beneke, Matthews, Munthree & Pillay, 2015).

The water industry in Ghana is not only huge but also represented by both smaller, regional competitors as well as larger, multinational suppliers (Frimpong 2014). Although there are a lot of different brands springing cross the length and breadth of the country, consumers still patronize them. Two types of selling characterized the water industry. From the producer's perspective, selling is made

directly through regional outlets, or through salesmen at the factory premises, or selling indirectly through middlemen who in turn sell directly to consumers.

Bottled and sachet water are available in several variations, including still, sparkling, flavored and enhanced water variants, with still water accounting for a majority (74%) market share. Moreover, bottled water is ubiquitously available throughout supermarket stores and convenience outlets in all urban areas. Bottle water is steadily increasing it share in the market amongst the non-traditional bottled water segments. This further adds to the market size and consumer appeal of the product. Given the rise in popularity of bottled and sachet water across the cultural and income spectrum in Ghana, together with its status as a major competitor in the beverage industry, this study identified bottled water as a product category worthy of examination.

Market Share

It has been argued that industrial leaders have intrinsic competitive advantage over smaller firms in terms of market share. Larger firms derive cost benefits arising from economies of scale and the experience curve effect (Nnedu, 1998). Relating this to the water industry, one would expect that the larger firms like Voltic, Bell Aqua, Standard Water, Special Ice, Ice Drop have competitive edge over individual firms that produce on a smaller scale. Also it is only the large firms that produce bottled water in addition to sachet water. The large firms also produce the water used for dispensers. These could probably contribute to the advantage these firms have over the smaller firms. This also due to the fact that the smaller individual water producing firms are not in a position to meet the

demands of large organizations that purchase mostly bottled water and dispenser bottles.

It can however be argued that smaller firms possess the built-in potential to react quickly to customer needs and markets which results in competitive edge through their organizational agility. Although the issue of high market share and low market share arising from selling strategies has been the focus of most studies, limited literature exists on the interaction between sales strategy and market share in smaller firms (Beneke, Matthews, Munthree & Pillay, 2015). This study aims at examining the personal selling strategies that characterized both large water producing companies and individual smaller firms hence making significant contribution to literature.

Personal Selling

In the past personal selling was conceptualized as general sale approaches which basically focused on the product rather than the customer. In current literature, personal selling is being conceptualized as moving from sales orientation to customer orientation (Shannahan, Bush, Moncrief Shannahan2013). Although salespeople aim at increasing sales, the focus of personal selling in on meeting the needs of the customer rather than the sale of the company's product. To this end, several studies have investigated universal characteristics that affect sales performance as well as the interaction in the buyer - seller dyad. However, these studies focused extensively on industrial selling compared to consumer goods market. The consumer goods market such as the fast moving consumer goods market of which the water industry belongs is seen as one that does not exhibit personal selling strategies since consumers do not spend much time and effort in obtaining such products. Whether personal selling strategy is relevant and beneficial to these sectors has not been established.

Sales Performance

Although the existing body of literature on sales performance is large, little is known about selling orientation and sales performance in the FMCG markets (Leahy, 2011). Being a product of the FMCG market with two forms of packaging (bottled and sachet) in the context where income disparities are extremely prevalent, the purchase intent of consumers is likely to be influenced by the use of selling strategies which eventually impact on sales performance (Fritchie and Johnson, 2003). According to Chakrabarty, Widing and Brown (2014), the determinants of salesperson performance can be influenced by selling organizations. Some of these determinants as noted by Churchill, Gilbert., Jr. Neil. Ford, Steven. Hartley, and Orville, Jr. (1985) include skills and selling – related strategies such as adaptive selling. The positive relationship between these personal selling strategies such as adaptive selling strategy and customer – oriented selling strategy and sales performance has although been extensively studied, little is known about such relationships in the FMCG markets.

These gaps in the personal selling and sales management literature motivate the current study, focusing on the water producing industry in Ghana, a market where wide disparity in income distribution is highly prevalent.

Statement of the Problem

The problem which this study seeks to address is a knowledge gap linking personal selling characteristics or strategies and the market share of FMCG markets. The marketplace for mineral and sachet water in Ghana has in recent

years become more cluttered with competition to the extent that consumers have become more inundated by messages and offers (Frimpong, 2014). The mineral water is a consumer product that has non-permanent retail location. Being classified as a fast moving consumer good, it has been argued that personal selling strategy is not pronounced in the water market as it obtains in the industrial goods market (Leahy, 2011). Being a product of the FMCG markets, profit margins are usually low for retailers. As a consequence, retailers would often like to offset the low profit margins by selling large volumes.

It is a refrain often heard around the major cities and towns, accompanied most often by the appearance of sweating woman or girl with a pan on her head filled with chilled bottled and plastic or plastic sachets of water (popularly known as ''pure water''). Pure water is the common name for the little plastic sachets of drinking water. Five hundred milliliters of water packaged neatly in a plastic sleeve and stamped with the approval of the Ghana Standards Authority, sachet water is everywhere. Women hawk it in traffic. People sell it in coolers on the side of the street. Roadside shops sell sachets individually from refrigerators or wholesale in bags of thirty. Flatbed trucks and three-wheeled carts loaded with bags of sachet water are common sights on the motorways. And their skeletons are everywhere, too: Empty water sachets litter the roadsides and the gutters, clogging drains and making their way to the ocean.

The activities of these marketers clearly indicate their lacking of the strategies of personal selling and market share. Turning to the bottled water producing companies such as Voltic, Special Ice, Ice Drop, Bell Aqua and others, Personal selling is being adopted as such organizations are aware of the crucial

roles it can play in increasing their sales volume and hence market share. However, the fact can be said that some of these organizations are still ignorant of the actual practices of personal selling strategies.

Research Objectives

The objectives of this study are threefold, that is to:

- Investigate the link between personal selling and market share in the FMCG industry in Ghana
- 2. Assess the effectiveness of personal selling strategies in the marketing of both bottled and sachet water in the FMCG markets in Ghana
- 3. Identify whether salespeople of water producing companies use specific persuasion strategies in reaching customers in the mineral water market.

Research Questions

The following research questions have been found to be relevant in addressing the research gap

- 1. To what extent does personal selling impact on the market share of FMCG the water industry in Ghana?
- 2. What personal selling strategies are adopted by bottles water producing companies in marketing their products?
- 3. Are salespeople in the water producing industry utilise specific personal selling strategies in reaching customers?

Significance of the Study

The selling environment has undergone a number of significant changes which apparently is driven by external factors. These factors include not only the discovery of new technologies and heightened attention to customer relationship development and retention, but also competitive pressure on firms to make their sales functions more strategic in terms of its contribution to multiple dimensions of organizational performance. The research intends to assist both producers and marketers of bottled water in making decisions pertaining to personal selling, advertising and positioning in the market place. Moreover, it aims to assist SMEs in the water industry to better understand market nuances and the opportunities these present especially the influence of personal selling as one of the marketing mix on the retailing of FMCG merchandise. The results of this study and hence the findings could give signals which marketers of both bottled and sachet water must pay close attention regarding their importance to sales performance and hence market share. Also, the findings could assist sales managers in the water industry in using personal selling strategies to target specific income groups which in effect enhances sales performance in emerging economies with wide disparity in income distribution.

The study is also expected to benefit managers in the water industry in diverse ways. It will give an insight into consumer relationship management in the water industry which personal selling strategy plays significant role. Customer relationship management has been increasingly recognized as a strategic, process – oriented, cross – functional, and value – creating for buyer – seller relationship and a means of achieving superior financial performance (Lambert, 2009).

Delimitation of the Study

The study focuses on water producing companies comprising both bottled water and sachet water within the fast moving consumer goods markets in Ghana. Apart from the corporate entities which are located within the regional capitals, numerous firms in the form of SMEs are scattered across the breadth and length of the country. However, majority are concentrated within the Accra-Tema industrial hub. In this regard, the essence of personal selling in the FMCG industry within the Accra-Tema industrial hub is appropriate for this work.

Limitations of the Study

The population and sample of the study will be limited to the well-known water producing companies within the Accra-Tema industrial hub. This is due to the fact that the not all the water producing companies within the FMCG markets can be contacted. Owing to the limited time for which the results of the study have to be presented, and the issue of proximity coupled with financial constraints in the collection of data, the selection of the major companies is appropriate. The findings can however, be generalized to include all other water producing companies within the FMCG markets in Ghana not included in the sample.

Organisation of the study

This work is organized into five chapters as follows. Chapter Two will review the literature on related studies on personal selling and market share. The research methodology will be devoted to chapter Three. Under this chapter, the study population, sample, data and analysis are discussed. Analysis and presentation of findings will be presented in chapter Four whilst the

recommendations following the summary of main findings and conclusions thereof to the study will be contained in chapter Five.

CHAPTER TWO

LITERATURE REVIEW

Introduction

This chapter reviews both the theoretical and empirical literature on personal selling. As a sub- discipline of marketing much importance has been accorded to it in recent years. This is due to the fact that a variety of approaches including the internet, television and catalogs to the purchase of goods is utilized by customers. Personal selling strategies become highly relevant in these circumstances. Also, the water industry has attracted different kinds of producers with sachet water constituting the largest. Different brands of both sachet and bottled water have flooded the markets to the extent that sellers have to adopt strategies in not only attracting customers but also maintaining long-term relationships. First a brief summary of the features of the water market is given. This is followed by a brief summary of the selling behavior of salespeople. A look at the Challenger Sales Model is presented followed by the selling strategies of the salesperson. The chapter ends with a summary.

Features of the Water Market

As essential as it is and the fact that no human being including all other living things cannot do without it, water is the kind of product in which little time and effort is spent in obtaining it. Although the consumer is always interested in a particular brand, other brands can be substituted easily if the needed brand is not available. Consumers in most cases attach no importance to the quality or brand when in dying need especially those who make purchases in the street. Consumers are normally not influenced by the behavior exhibited by the seller in their

decision to buy the product (Beneke J, Matthews O, Munthree T and Pillay K 2015). All the consumer does is to call for the product when in need. The consumer becomes sophisticated in extreme cases.

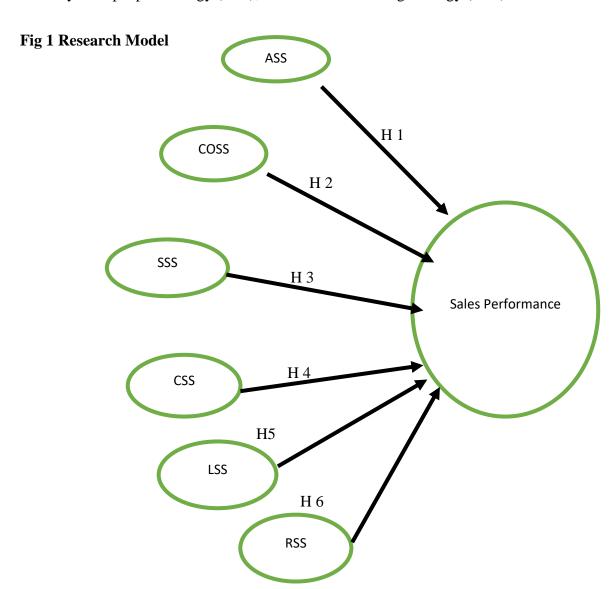
Considering the circumstance that characterized the water market, it appears that personal selling strategies may not play any significant role as products are acquired with much minimal effort and time (Beneke et al, 2015). Nevertheless, those at the corporate level are in fierce competition which warrants personal selling strategies. They are also represented by individuals selling their products along the streets, mini bars and supermarkets. Three different forms of packaging namely, bottled water, bottled water for dispensers, and sachet water can be found on the water market. Given the prices of each brand and form of packaging, and affordability by the consumer in terms of income distribution, the sachet water is always in greater demand since it is the one that can be afforded by majority of consumers. In fact, the sachet water is at the Bottom of the Pyramid (BOP) if the water market is segmented into affluent and poor markets. The water market therefore consists of two segments; those in the bottled water segment and those in the sachet water segment. In the sections that follow, the various forms of personal selling strategies are discussed.

Product Types

Products can be categorized into convenience goods, shopping goods and specialty goods (Hammann, 1979).

Theoretical Framework

The theoretical and empirical foundations that support the association between personal selling and sales performance developed by Abed & Haghighi (2009), is employed to guide this study. The framework comprises six selling strategies constructs or variables that impact on sales performance. These include Adapting Selling Strategy (ASS), Customer-Oriented Selling Strategy (COSS), Sincerity Salespeople Strategy (SSS), Commitment Salespeople Strategy (CSS), Liability Salespeople Strategy (LSS), and Relational Selling Strategy (RSS).



(Adapted from Abed & Haghighi (2009 and modified for the current study),

The Selling Behavior of Salespeople

The salesperson plays an important role in the development of buyer-seller relationships. It has been established that the behavior exhibited by the salesperson has a link with the satisfaction derived from the behavior by the customer and hence impact on sales performance. Selling behaviors of salespeople represent a key component in seller – customer relationships and a driver of sales force effectiveness (Widing, Brown and Chakrabartey, 2013).

These behaviors shape the means by which the relationship between salespeople and the customer are developed. This suggests that if the knowledge about customer needs is gained by the salespeople, the relationship between the seller and the customer would be strengthened thereby satisfying customers in the long-run and hence improving sales performance. Whilst the relationship between a positive behavior of salespeople and the customer and is expected to impact positively on sales performance, a mixed of empirical evidence characterizes such relationships.

Behavior of salespeople can be apportioned into in-role and extra role behaviors. In-role behavior refers to matters that are associated with the salesperson's job. Extra role or organizational citizenship behaviors as is commonly known relates to other discretionary activities not objectively related to the salesperson's formal role in an organization. An observation by Choi, Huang and Sternquist (2015) has been the complexity that characterized buyer-seller relationships in contemporary business. The demand from customers to solving a problem requires integrated cross-functional solutions.

The Challenger Sales Model

The challenger model as illustrated in Fig 2 can be described under five categories. This categorization according to (Rapp et al, 2013) was based on research findings of responses drawn from a survey comprising 90 frontier managers. These include

- i. The challenger itself
- ii. The reactive problem-solver
- iii. The relationship builder
- iv. The lone wolf and
- v. The hard worker

The selling skills as required in the Challenger Sales Model include teaching, tailoring sales events and taking absolute control of the selling process.

Teach – As indicated in the diagram teaching consists of the following attributes

- The way customers think or reason is reframed by the seller's insightful thoughts
- The ability of the seller to touch on something that the customer considers as new and thought provoking.
- Coming out with something which is considered valuable on the competition described as best

Tailor – the features include

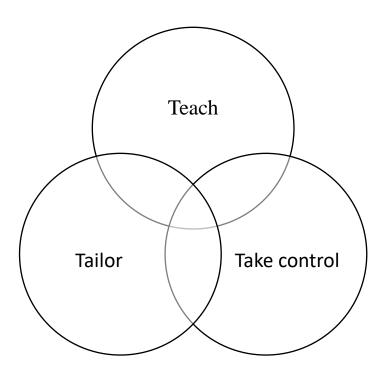
- In customer context, sales information sent
- Sales massages are directed towards customer value drivers, economics and performance indicators

• Individuals and different functions receive messages

Take Control – comprises the following

- The application of empathy, control and diplomacy in all dealings
- Drive customers out of their comfort zone
- Discount in prices and the addition of value is the focus
- It presses for quick decision-making
- Prevents indecision inertia

Fig 2: The Challenger Model



Although some positive features of the challenger model can be assessed including innovation, division within the sales force and the role of knowledge, (Rapp et al, 2014) identifies several conceptual and empirical limitations or deficiencies associated with the model. The conceptual limitations are associated with the following;

- i. the role of customer relationship building
- ii. solution selling conceptualization
- iii. salesperson credibility
- iv. complex versus fast moving markets
- v. conceptualization of challenger profile
- vi. customer lifetime value

The empirical critique include causality, mutual exclusivity, profile characteristics and sales performance operationalisation

Selling Strategies

Strategy is collection of processes that firms utilize before selling their goods and/or services (Abed & Haghighi, 2009). Using the best technique, a seller can meet the right person at the right time and location in order to influence that person is what a good strategy entails. Selling strategy has its real meaning to be doing all that is required to achieve goals in the best situation.

Personal Selling Strategies

Being a persuasion form of marketing mix, six persuasion strategies which Cialdini (1993) referred to as 'click, whirr', include social work, scarcity, authority, commitment and consistency, liking and reciprocation.

Social Proof

This normally involves the determination of our behavior based on how we associate with others. A behavior according to Cialdini (1993) is viewed as

correct in a given situation based on the degree of performance by others. In this case people look to others to determine their behavior in situations where they are uncertain or in situations where people allow themselves to follow the lead of others. In a selling situation this would mean that the seller provides social proof through comments made to consumers to indicate that many others are buying the product (Cialdini, 1993). Social proof persuades the consumer to purchase the item simply because others are buying. Thus, the intended result of social proof is to persuade the consumer to purchase the product by based on the principle that 'if others are buying, I should buy'. But this strategy may or may not have any impact in the FMCG market like the water industry because such items are purchased without spending much time on the product and with minimal effort. Consumers will often substitute for the brand that is not available.

Scarcity

Products that are difficult to attain are typically described as more valuable. The motivation to purchase a product is influenced by the scarcity of the product. That is consumers will buy a product if they believe that the product is not in great supply. According to Cialdini (1993), the intended result of suggesting diminishing availability of a product is to persuade the consumer to conclude that he/she has to get the product now before it vanishes from the shelf. This strategy may be effective in the water market if value is attached to a particular brand of water. For example, consumers attached more quality to voltaic mineral water than other brands hence voltaic water sells at a premium.

Authority

Presenting consumers with individuals who are either real authorities with expertise (e.g. two out of three officials from the Food and Drugs Authority recommends Voltic natural water) or who has the appearance of expertise (e.g. an actor dressed as a dentist recommends a toothpaste). Here, consumers are persuaded to buy the product by the mere fact that people in authority recommend that product. Here consumers may always look for a particular brand of water to purchase

Commitment and Consistency

Persuading first, a customer to disclose product criteria and presenting a product that matches those stated criteria by the seller is a strategy of commitment and consistency. The customer feels obliged to purchase the product if he/she is consistent with what is needed. This strategy is however, not likely to be effective in the water market as consumers do not spend time in obtaining such products.

Liking

The liking of other people is influenced by factors such as a presenter, including his/her physical attractiveness, and apparent similarity to the customer, and others. For example, a high ranking government official or a well-respected person in society is seen consuming a particular product. A positive response is preferred to be given to people we like most

Reciprocation

Reciprocation in a selling situation encompasses doing something for the customer such as showing an in-store sample so that the customer feels obliged to

make a purchase. It appears though as the seller is saying, 'I have done something for you so you need to reciprocate by at least buying something'.

The Role of Selling Strategies on Sales Performance

Abed & Haghighi, (2009) outlined a number of selling strategies. These include adaptive selling strategy, customer-oriented selling strategy, sincerity, commitment: liability of salesperson's strategy, and relational selling strategy.

Adaptive selling

The adaptive selling framework proposes that the proper use of a selling strategy can be critical to salesperson's effectiveness (Spiro & Weitz, 1990; Goolsby, Lagace & Boorom, 1992; Boorom, Goolsby & Ramsey, 1998; Porter, 1998; Porter &Inks, 2000). Weitz., Sujan, andSujan (1986) defined adaptive selling as 'the altering of sales behaviors during a customer interaction or across customer interactions based on perceived information about the nature of the selling situation". According to Spiro & Weitz, (1990) adaptive selling is conceptualized as the means by which information about a selling situation is gathered by a salesperson and developing unique sales presentations that meet the needs of the customer from the information gathered. Porter, Wiener, and Frankwick (2003) also found that a salesperson may be tempted by adaptive selling to maintain customer satisfaction and increase probability of future sales by sacrificing short-term sales. In this case high adaptation to customer needs and customization of the offer are usually considered important dimensions of adaptive strategy. It means that adaptiveness would not be present if salespeople use the same strategy for all customers. Abed and Haghighi (2009) state that the adaptive nature of the personal selling process is based on a salesperson's ability

to gather information about the sales interaction, effectively designed and transmit a sales message that is appropriate for the customer, and gather feedback from the buyer to determine if the sales message has been effective.

Customer-Oriented Selling Strategy

This strategy posits that an organization should be customer-oriented if it wishes to have a successful long-term relationship with customers. It is a management philosophy which states that an organization should strive to satisfy customer needs through a coordinated set of activities that also allows the organization to achieve its objectives. Requirements for successful implementation of customer orientation are that salespeople should have the skill and knowledge to:

- o Gather information about the customer through effective listening
- o Analyze and understand customer problems
- o Tailor offerings to customer needs.

Sincerity, Commitment: Liability of Salesperson Strategy

Anderson (1996) noted that salesperson's characteristics such as liability, developing trust and friendship, commitment and honesty normally results in a long-term relationship with customers. In this case, a salesperson is seen as playing the role of a company's personal relationship with customers.

The sales representative is a proxy for the company who provides the firm with valued and required customer information. Implementing a partnering seller-buyer strategy requires that a salesperson must have the conceptual and analytical skills to develop understand customers' key profit/productivity goals, and identify

problems and provide solutions based on the selling firm's resources and creativity.

Relational Selling Strategy

This strategy posits that a salesperson should engage in enhanced interaction and interdependence with customers in order to have access to greater amount of customer information. The salesperson plays important role for developing and maintaining buyer — seller relationships. A salesperson in relational selling is likely to become more involved in strategic decisions as he/she is exposed to valuable customer information that enables them to make an improved strategic contribution. Managers are likely to respond to valuable customer information supplied by salespeople by shearing more information and responsibility with salespeople.

Sales Management Skills and Personal Selling

The relationship between sales management skills possessed by the salesperson and sales performance has been the underpinning factor in hiring and training salespeople. Possessing the necessary sales management skills in relation to personal selling strategies is highly acknowledged in the literature. As noted by Rentz, Joseph, Shepherd, Tashchian, Dabholkar and Robert (2002) and Johlke (2006), Powers, sales management skills possessed by the salesperson is not only vital to sales performance and sales effectiveness but also enhancing sales productivity and improving the firms competitive position. The sales management skills required by the personal selling strategy are vast. According to Jennings and DeCarlo (2014) these can be grouped into a variety of knowledge skills or abilities as follows

- The ability of the salesperson to comprehend the general trend and direction of the company.
- The overall strategy of the organization should be understood by the salesperson
- The salesperson must be able to take decisions that are consistent with the company
- Ability of the salesperson to provide effective verbal feedback
- The salesperson must act as a role model to the entire salesforce
- The salesperson must have the ability to establish trust among the salesforce
- The salesperson must possess the skill that result in the design and building of effective teams
- A supportive team environment should be created by the salesperson.
- Possess the skill in managing team dynamics
- Salesperson should be able to evaluate and understand the importance of new technology.
- Possess the skill to implement sales force automation
- Implement customer relationship management
- Salesperson should be sensitive to issues that are culturally related.
- Understands global selling programmes
- Understands salesperson evaluation metrics.

Each of these knowledge skills or abilities is discussed next.

General Trends in the Industry

This is a knowledge gap that must be satisfied by the salesperson. The salesperson must be reliably informed or be abreast with current issues that are relevant to the market and product features including that of the competitor's product line. This is typical in the water industry as different brands of water characterize the market as the days go by. Knowing the general trends in the industry facilitates the comparison of the company's line of products with that of competitors (Rentz et al, 2002). This is important because the extent to which a company advances in the accomplishment of its goals is influenced by the selling behaviors of competitors. In addition, it permits a company to not only satisfy the needs of customers but also brings into focus the alignment of the organization's strategic goals with that of the strategic goals of the customer (Johlke 2006). This also enhances the firm's continuance existence.

Overall Strategy of the Firm

This strategy according to Shepherd, David, Geoffrey, Rick, Dan and Brian (2011) is also a knowledge base strategy which must be possessed by a salesperson. This is a knowledge constituting of the plans the firm institutes in realization of its overall goals. Sales effectiveness and sales performance are normally influenced by these strategies which are in alignment with the operations of the sales force. It should be however noted that this is a strategy which is not required only by the salesperson but also the sales manager because knowledge of the overall strategy of the firm is a basic requirement of the sales manager (Shepherd, et al., 2011). In fact, it is the sales manager who must acquire this

knowledge and transfer or transmit it to the salesperson for the purpose of enhancing sales performance (Piercy, Nigel, David, and Nikala, 2009)

Decisions in Line with Firm's Strategy

This knowledge also underpins the sales manager's role of insight into the strategies of the firm to facilitate the enhancement of customer – buying dynamics. This knowledge is transmitted to the salespersons during selection of salesperson process. According to Piercy et al (2009), the actions and behavior of the sales force towards the achievement of the firm's goals is influenced by the sales manager's decisions which are exercised. This suggests that the acquisition of this knowledge is hinged upon the sales manager's knowledge base.

Effective Verbal feedback

Unlike overall firm's strategy and strategic decisions, this is a skill the salesperson must acquire. However, like overall firm's strategy and decisions that are in line of the firm's strategy, effective verbal feedback is a requirement of the sales manager's decisions which must be transmitted to the salesperson. This is because it is the sales manager who must initiate leadership by relating any feedback in the selling process to the salesperson in relation to the perception that the sales manager has over the salesperson's performance.

According to Rentz et al (2002), this skill emanates from the verbal communication skills possessed by the sales manager. It normally consists of the sales manager's ability to deal with the most significant part of the message devoid of ambiguity that confuses the salesperson. It is the verbal communication of the sales manager which is utilized to provide feedback to the sales force and reinforces the activities that enhance sales performance. To realize this goal, the

feedback must be positive rather than negative. As noted by Deeter-Schmelz, Karen and Daniel (2002) verbal communication represents the most important attribute that should be possessed by the sales manager because it provides a way of supporting the salesperson's effort.

The Sales Force Role Model

This is a skill that requires certain attributes of the sales manager to be transmitted to the sales force through role modeling. Some of these attributes are that the manager should be forward-looking, inspirational, competent and integrity. This is because subordinates monitor and scrutinize the sales manager's actions in order to emulate.

Developing Trust with the Sales Force

Trust between the sales manager and the sales force normally develops when the trust earned by the sales manager from the sales force is devoid of conflict. The underpinning factor of trust is the social interaction that exist between the sales manager and the sales force. Deeter-Schmelz, Karen and Daniel (2002) noted that relationship of trustworthy with the sales force increase and promote positive, productive work behavior.

Effective Teams Design and Development

This has to do with the constitution of teams in which each team possess the knowledge capable of addressing customer issues or situations that are complex and sophisticated (Steward, Beth, Michael and Ajith, 2010). According to this skill, the sales manager should possess the capability of grouping salespersons in accordance with their individual personalities and decision making capabilities in a manner that facilities teamwork building. The design of an

effective team is hinged on the implementation of an organization's framework which is supportive of teams that not only promotes a reward system but also coordinates the goals and activities of the organization.

A Supportive Team Environment

This is also a skill that is required by the sales manager. According to Deeter-Schmelz, et al (2002) support emanates from the blending of the sales manager's communication style and his/her capability of facilitating teamwork among salespeople. In this regard, the salesperson should perceive the sales manager as approachable and a source of encouragement.

The Dynamics of Management Teams

Addressing conflicts with teams has been regarded as central to managing teams. One of the sources of team failure which requires intervention by sales managers has been conflicts. In this regard, sales managers' role is to voice their thoughts and opinions to the sales force such that they can constructively handle within teams conflicts.

New Technology and its Importance

New technology has been identified as one of the attribute that positively impact on sales force performance and hence profitability as it minimizes waste and ensures utilization of the right amount of resources. Investments in new forms of technology results in advancements in the interactions between the salesperson and customers as well as facilitating the monitoring of sales performance. For technology to impact positively on sales performance, the sales manager must see technology as one that underpins the efficient utilization of resources, executing

tasks in a timely manner, and project the future outlook of the company (Piercy et al 2009).

Putting Sales force Automation to Use

According to Barker., Stephan, Jian and David (2009) technology automation in the salespersons context refers to the customization of the activities that characterizes sales in the confines of a technology which makes it routine for the entire sales force with the ultimate objective of enhancing sales performance. Whilst accomplishing sales activities by the sales force, automation links salespersons within and across departments and other organizations. In sales force automation systems, standards and processes that are repetitive are executed by electronic means which in effect improves upon the efficiency of the sales force.

Implementation of Customer Relationship Management Process

Customer relationship management (CRM) has been recognized as a powerful tool that makes it available to salespersons information that is required to be able to serve a customer effectively. If the firm aims at retaining clients and acquires customer loyalty, then CRM is the tool to rely on. The intended purpose of CRM should initially be explained by the sales manager to the salesperson to make it effective.

Being Sensitive to Cultural Issues

This requires both knowledge and skills which must be acquired by the sales manager in order to be well informed by the political, economic and social trends and events that unfold Deeter-Schmelz, et al (2002). The cultural matters generally are characterized by the diversity of salespeople and consumers' groups. Within the salespeople category, there are racial, ethnical and non-traditional

diversity which sales managers must observe and addressed them accordingly. The emphasis here is on hiring of salespersons practices by sales managers that is devoid of discriminatory and acrimony since such actions can attract legal suit against the firm.

Global Selling Programmes

The sales person in addition to the already acquired skills and knowledge need to be in possession global and strategic skills in order to be in a position to cater for persons from various national, ethnic and cultural backgrounds.

However, the sales manager must first of all possess this skill so that he or she could influence the firm's business strategy within the markets.

Salespersons Metric Evaluation

This relates to the review of salespersons behaviors by sales managers. The process starts with the determination of the process through which the salesperson is assessed. Performance standards are initially established whilst observing salespeople performance and subjecting these performances to a review. The chosen methodology for the evaluation is highly important since a variety of biases can accompany the evaluations. Some of the prevailing methodologies include customer satisfaction, conflict management and negotiation skills (Barker. et al, 2009).

Conceptualization of the Personal Selling Process

The primary objective or goal of the salesperson is to effect sale although he/she is interested in providing solutions to client's problems. Personal selling has been conceptualized as a concept that consists of a series of sequential steps from most early studies. As noted by Shannahan, Bush, Moncrief and Shannahan (2013) most of the early conceptualizations were not only normative but also based on the assumption that personal selling functions as that which influences customer choice, and implicitly views the customer as a hurdle to overcome rather than an equally participant in the process.

A more recent personal selling conceptualization has been that of a customer-oriented methodology and that information that emanates from the prospective customer has been the focus. The customer plays a pivotal role in providing in the sales process which is highlighted in information – intensive environment. The implication is that more recent conceptualizations of personal selling focus on the role of the customer and information during the personal selling process.

Personal Selling and Market Share in the Water Industry

Market share is normally reflected by two types of forces: - relative scale and/or experienced – based cost advantages or disadvantages and relative success or lack of it in designing, producing and marketing products that meet the needs of the customer in a particular served market. The water industry is made up of relatively a large number of smaller firms compared to the bigger firms. Bigger water firms command the industry and are perceived by the consumer as industry leaders who have intrinsic competitive advantage over smaller firms in terms of cost benefits from economics of scale and the experience curve effect. The perception has been that bigger firms have large market share relative to smaller

firms. However, empirical evidence has shown that either high – share or low – share businesses can produce superior profitability through personal selling.

CHAPTER THREE

RESEARCH METHODS

Introduction

An important chapter of all research projects is the procedures and methods adopted to address the research objectives and hence the research questions. it particularly addresses the approaches to answering the research questions based on the philosophical stance of the researcher. This chapter presents the general plan of the study. The research design in terms of population and sample, data type and data collection instruments are discussed.

The chapter also discusses the research model, the mode of data collection and analysis and the statistical instrument used.

Research Design

According to Asare, Yang and Alejandro (2012), research design in personal selling and sales management can be grouped under conceptual studies, survey research, laboratory experiments, experimental simulation, field experiment, field study, case study, meta-analysis and measurement development. From these methodologies, the survey type was considered appropriate for this study since it involves the administration of questionnaire to the respondents.

A cross sectional data was generated from 20 individual water producing entities and five industrial water producing companies within the Accra-Tema industrial hub. The industrial companies include Voltaic Company, Special Ice Company, Bell Aqua Mineral Water Company, Ice Drop Water Company, and Standard Water Company. With regards to the individual water producing firms which deal in only sachet water production their names were withheld for the sake

of anonymity in order to solicit accurate data. A five-point Likert Scale questionnaire was designed and distributed to the sampled firms to solicit their views on six personal selling strategies in relation to sales performance which is used as a proxy for market share. Sales performance represents the endogenous variable while the other six constructs represent the exogenous variables. Prior to the distribution of the questionnaires, participants were informed of the main objective of the study, and also presented with a written definition of keywords to build a shared concept. They were encouraged to respond sincerely to all the questions in the questionnaire and assured of absolute anonymity. The data were analyzed by means of multivariate analysis where sales performance is the dependent variable and the six constructs represent the independent variables.

Hypotheses Development

From the research model as illustrated in Fig 2, and based on prior literature on personal selling, the following six hypotheses were formulated and tested.

- H 1: There is a positive association between adaptive selling strategy and sales performance
- H 2: There is a positive association between customer-oriented selling strategy and sales performance
- H 3: There is a positive association between salesperson's sincerity and sales performance
- H 4: There is a positive association between salesperson's liability and sales performance
- H 5: There is a positive association between salespeople's' commitment and sales performance

H 6: There is a positive association between relational selling strategy and sales performance

Sample, Data and Questionnaire

A total of 86 managers and senior officers and other sales representatives from both the 20 sachet water producing firms and the five industrial firms were asked to complete the questionnaire. The questionnaire is made up of five point Likert scale items that capture the differences in opinion on personal selling and market share. The questionnaires were administered with the assistance of colleagues in order to increase the validity and reliability of the responses. In addition, the personnel approached the respondents and explain to them the details of the survey including its purpose, the meaning of the items in the questionnaire and what is expected of them. The respondents were asked to give their perception on the level of personal selling and market share on a five-point Likert scale with 1 = strongly disagree to 5 = strongly agree.

Data Collection Process

A formal permission letter was sent to the human resource manager of each of the industrial water producers (in the case of the individual sachet water producers the owners) requesting for a research to be undertaken in their setups. The questionnaires were administered to primarily managers, senior officers and sales representatives of individual firm. The questionnaires were distributed to the respondents with the help of two other colleagues and respondents were made to return them either on the spot or a give some time for the researcher to collect. The questionnaire items were made up of a Likert-scale type questions on attitude statements asking respondents to indicate level of agreement on a five-point scale

(with 1 = strongly disagree to 5 = strongly agree). Data on company size, location and product type were controlled.

Estimation Techniques

The six constructs of personal selling strategies and sales performance which have received great support from the literature were built into the research models. A multiple regression model was used. For the estimation process

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

Introduction

This chapter presents the results of the analysed data, and subsequent discussion of the results. The cross section data was analysed by means of multiple regression model using the R statistical software package. The chapter begins with the explanation of study variables followed by the hypotheses that were tested.

A series of tests that confirms the validity of the underlying assumptions of the model employed comes after. These include normality, heteroscedasticity, autocorrelation and multicollinearity tests. Next is the presentation of the results comprising the descriptive statistics, regression analysis and finally a discussion of the results.

Study Variables/Constructs

The selection of the study variables for this study follows that of Boles et al (2000) and made up of six personal selling strategies namely, adapting selling strategy (ASS), customer-oriented selling strategy (COSS), sincerity salespeople strategy (SSS), commitment salespeople strategy (CSS), liability salespeople strategy (LSS), and relational selling strategy (RSS). Adaptive selling strategies reflects salesperson's self-reported performance and was measured using a five-point Likert scale (with I = strongly disagree to 5 = strongly agree). Similar scales of measurements were used for the other constructs namely, COSS, SSS, CSS,

LSS and RSS. Sales performance output measures were obtained using sales levels during the past twelve months. This measure reflects industry measure of a salesperson performance and productivity. These were obtained from the sales records of the five companies.

With regards to the individual water producing companies fourteen out of the twenty were able to provide me with their sales record for the past twelve months. The remaining six firms provided partial data.

Data for the Constructs

Data that relate to sales performance, a proxy for market share and personal selling strategies as well as demographic characteristics were collected from 25 water producing companies and individuals using a five-point Likert scale questionnaire. Useable responses totaling 89 representing 53.3% were obtained from a sample of 167. The salespeople involved in the study were those who have been working with the company for the past five years and for the individual companies those who have been in active business for the past five years so all the responses that showed less than five years of working experience were dropped from the sample.

This resulted in the response rate consisting of 37 full-time `selling agents of the five bottling water companies in Accra and 52 individual water producing firms also in Accra totaling 89 responses out of the 133 questionnaires distributed. The demographic responses indicated 61% who averaged 36 years of age were male and the remaining 39% represent female averaged 31 years of age.

Tests of Underlying Assumptions

From the descriptive statistics the mean, standard deviation, maximum and minimum, skewness and kurtosis of the endogenous and exogenous variables, including the number of observations during the period of study under consideration have been shown to meet the assumptions underlying the classical linear regression assumptions.

The model and its linearity characteristics is based on the assumption that ordinary least squares (OLS) is applied to the model in order to perform the analysis. The assumptions also ensure the validity and robustness of the results.

Normality Test

This test was conducted to ensure that the disturbances in the model result in variances that have zero means and are constant. This is confirmed by ensuring that the disturbances are not only independently and identically distributed (iid), but also possess variances that have means with values zero and constant as well. In this case, the exogenous variables are expected to be constant in multiple samples.

Where the disturbances are non-normal in terms of distribution, the estimators of the OLS are assumed to be normally distributed for a large sample data based on the central limit theorem. This confirms the normality of the distribution for the sample.

Heteroscedasticity Test

Heteroscedasticity refers to the instance where the disturbance terms of the model have non-constant variances or non-homogeneity. In this regard, this test was conducted to ascertain whether the disturbance term and its probability distribution is does not vary for all other observations. In other words, the variances of all exogenous variables are the same. This was done via the Cook - Weisberg tests in order to detect if any heteroscedasticity is presence. The p-value was more than 0.05 which was an indication of non-presence of heteroscedasticity.

Autocorrelation Test

This test was conducted to ascertain the assumption that the error terms contain covariance of value zero spanning a time period. This was performed via the Durbin Watson test. Since the test statistic was closed to two the test confirmed the non-presence of autocorrelation.

Multicollinearity Test

To test whether there is correlation among the exogenous variables, this test was performed. When the independent variables correlate with each other it shows the presence of the sharing of predictive power. When the p-value is greater than the t-value, the test confirms the non-presence of multicollinearity. The detection of multicollinearity was performed via Pearson Correlation Coefficient and Variance Inflation Factor (VIF).

Results

The results for the descriptive statistics, MANOVA and regression analysis are summarized in Tables 1 and 2 respectively. The summary statistics shows the means, standard deviation, maximum and minimum values for the constructs. This section provides the results for each of these.

Summary Statistics

Significant differences in the levels of personal selling strategies can be observed from the mean differences between the maximum and minimum values of constructs. Significant differences in the mean values for the maximum and minimum personal selling strategies can be established. Given the relationship between sincerity salespeople strategy, relational selling strategy and adaptive selling strategy and sales performance, sincerity salespeople strategy had significantly the highest mean of selling strategy with respect to sales performance which in effect implies that among the six constructs, SSS is likely to improve sales performance if properly adopted.

This is followed by relational selling strategy with a mean of 8.88 and adaptive selling strategy with a mean of 7.89. commitment salespeople strategy is slightly above that of adaptive selling strategy and also considered an important selling strategy with respect to sales performance in the Ghana's water industry.

Table 1: Summary Statistics of Study Variables

| Variable | Mean | Std Dev | Max | Min | Kurtosis |
|----------|------|---------|-------|------|----------|
| ASS | 7.89 | 3.89 | 9.35 | 2.13 | 2.01 |
| COSS | 5.89 | 2.87 | 7.66 | 1.49 | 0.763 |
| SSS | 9.23 | 1.99 | 13.09 | 3.72 | 0.779 |
| CSS | 7.61 | 3.93 | 8.99 | 4.11 | 1.08 |
| LSS | 6.38 | 7.27 | 11.83 | 3.23 | 2.81 |
| RSS | 8.88 | 4.76 | 12.73 | 2.55 | 0.878 |
| | | | | | |

Source: Survey Data, 2016

ASS = Adaptive selling strategy, COSS = customer-oriented selling strategy, SSS= sincerity salespeople strategy, CSS = commitment salespeople strategy, LSS = Liability salespeople strategy, RSS = Relational selling strategy.

The analysis of data consisted of two parts. In the first part of analysis, the extent to which personal selling strategies impact on sales performance was performed. As summarized in Table 1, the p – value for adaptive selling strategy of the salesperson is 0.000 < 0.01 and that of mutual disclosure has a p – value of 0.013 < 0.05. Salesperson's interaction intensity is statistically significant at the 1% significant level whereas mutual disclosure is significant at the 5% level of significance. The p – value for cooperative intentions is 0.102 > 0.01 and 0.05 hence not statistically significant at both the 1% and 5% levels of significance. Partner specific value as perceived by the salesperson has a p – value of 0.000 < 0.01 and that of salesperson's disposition to innovate has a p – value of 0.016 < 0.05. This means that whilst the salesperson's perceived partner specific value is

statistically significant at both 1% and 5% significant levels, the salesperson's disposition to innovate is statistically significant at the 5% level of significance.

Table 2: Summary of Results for Sales Performance

| Behaviors of Relationship Selling | Performance | p-value |
|-----------------------------------|-------------|---------|
| ASS | 0.1727*** | 0.000 |
| COSS | 0.0929** | 0.013 |
| SSS | 0.022* | 0.102 |
| CSS | 0.109*** | 0.000 |
| LSS | 0.217** | 0.016 |
| RSS | 0.118** | 0.002 |

Source: Survey Data, 2016

Note: $R^2 = 0.204$, F-computed = 13.91, (***) = significant at 1%, (**) = significant at 5%

ASS = Adaptive selling strategy, COSS = customer-oriented selling strategy, SSS= sincerity salespeople strategy, CSS = commitment salespeople strategy, LSS = Liability salespeople strategy, RSS = Relational selling strategy.

Regression Results

The results of the relationship between personal selling strategies and sales performance are summarised in Table2. All the six constructs except sincerity salespeople strategy are statistically significant at the 1%, 5% and 10% significant levels respectively. This implies that the six personal selling strategies play important role in sales performance and hence market share.

The results indicate that the level of sales strategy a salesperson exhibits impacts positively on sales performance and hence increase market share. However, adaptive selling strategy and commitment salespeople strategy appear to be highly significant compared to the other constructs with p-values of 0.000 < 0.01 and 0.000 < 0.05 respectively. Relational selling strategy is the next highest significant strategy with a p-value of 0.002 < 0.01 and 0.05 respectively. Sincerity salespeople strategy is not significant at the both the 1% and 5% percent significant levels with a p-value of 0.102 > 0.01 and 0.05. This implies that a sincerity salespeople strategy exhibited by a salesperson does not have any significant impact on sales performance. It is therefore a less important variable amongst the six personal selling strategies.

Table 3: Results on Hypotheses Tests

| Hypothesis | Path | | t – value | Hypothesis |
|------------|--|-------|-----------|-------------|
| H 1 | Adaptive selling strategy → sales performance | 0.27 | 1.87** | Significant |
| H 2 | Customer-oriented selling strategy → sales performance | 0.38 | 2.94** | Significant |
| Н3 | Sincerity salespeople strategy → sales performance | 0.17 | 0.989* | Significant |
| H 4 | Commitment salespeople strategy → sales performance | 0.45 | 1.97* | Significant |
| H 5 | Liability salespeople strategy → sales performance | 0.34 | 3,01** | Significant |
| Н 6 | Relational selling strategy → sales performance | -0.42 | -2.99** | Significant |

Source: Survey Data, 2016

(** p < 0.01, * p < 0.05 two tailed)

Following Crosby et al (1990), a measure of personal selling was obtained which is a reflection of performance of the salesperson. This was done using five-point

Likert scale (with 1 = strongly disagree to 5 = strongly agree). Assessing the reliability for this measurement indicated the acceptability of reliability of all

To test for the influence of age and number of years of working experience on levels of relationship selling behaviours a simple OLS regression was performed. In this case the relationship between the antecedents and the selling strategies of salespersons was performed at the second part of analysis. The results of the mean analysis of variance is summarized in Table 2 which in effect, compares differences in the mean levels relating to the constructs of personal selling strategies relative to demographic variables. A univariate for each individual personal selling strategy was conducted. This was done in response to the effect of the overall variables relating to demographic parameters which were considered predictors of personal selling strategies was found to be statistically significant at the 1% level of significance (p-value < 0.01). It was established that adaptive selling strategy (p – value < 0.05), customer oriented selling strategy (p – value < 0.05), commitment selling strategy (p - value < 0.05), and relational selling strategy (p - value < 0.05) are statistically significant with respect to demographic variables whereas sincerity salespeople strategy (p – value > 0.05) and liability salespeople strategy (p - value > 0.05) were not statistically significant. Only one demographic variable namely, was found to be correlated with mutual disclosure and cooperative intentions.

Correlation Matrix Results

The results for the correlation coefficients between the exogenous variables are summarised in Table 3. As Table 3 indicates, all the variables had

Table 4: Correlation Matrix

| Construct | ASS | COSS | SSS | CSS | LSS | RSS |
|-----------|-------|-------|-------|-------|-------|------|
| ASS | 1.00 | | | | | |
| COSS | 0.024 | 1.00 | | | | |
| SSS | 0.042 | 0.122 | 1.00 | | | |
| CSS | 0.023 | 0.243 | 0.052 | 1.00 | | |
| LSS | 0.412 | 0.496 | 0.447 | 0.309 | 1.00 | |
| RSS | 0.198 | 0.612 | 0.534 | 0.481 | 0.311 | 1.00 |
| | | | | | | |

Source: Survey Data, 2016

ASS = Adaptive selling strategy

COSS = Consumer oriented selling strategy

SSS = Sincerity salespeople strategy

CSS = Commitment salespeople strategy

LSS = Liability salespeople strategy

RSS = Relational selling strategy

Discussion of Findings

The significant contribution that this study makes is that it examines personal selling strategies in relation to the water industry which belongs to the fast moving consumer goods (FMCG) markets, an area which has not been considered in the literature. This is due to the nature of FMCG which are normally obtained by consumers with little effort and less time compared to industrial goods. However, with the increase in FMCG business units in recent years which

is accompanied by the various sales promotion strategies such as advertising, and personal selling makes this study highly beneficial to industry players.

The study sought to investigate the relationship between personal selling and market share which was proxied by sales performance in the water producing industry in Ghana. The water industry belongs to FMCGs market in which products such as frequently purchased consumer goods like hygiene products and consumer packaged food and drink products are sold quickly at relatively low costs. In this regard, the water industry is regarded as one that fits the profile of a commodity product because consumers attached a minimal differentiation to it especially the sachet water when referring to the core product. Being a product of the fast moving consumer goods (FMCG) market, consumers attach little importance to the features of the product and can easily substitute one brand for another. The distinction between quality and competing brands is negligible. Water (both bottled and sachet) is ubiquitously available throughout supermarket stores and convenience outlets across the country and has in recent years steadily increased its market share in the market.

The initial results involved the direct influence of salespersons strategies on sales performance. In relation to what Crosby et al (1990) found that future purchase intentions of buyers and positive salesperson's relationships are positively related, the current study has shown directly from the analysis that the strategies adopted by salespersons can influence sales performance. Although, unlike the industrial goods market, little effort and time are spent by consumers in the water market in acquiring the product, the results suggest that the buyer-seller interface in the water market is becoming more sophisticated with consumers demanding in a continuous manner, an integrated cross-functional approach to

business. Whilst empirical evidence suggests that the effect of buyer-seller relationship is not pronounced in the FMCG market, and hence had no relationship with sales performance in that regard, this study has shown that personal selling strategies can produce different results on buyer-seller effects on sales performance. Disclosure of salespersons information about themselves and the maintenance of regular contacts with customers are important ingredients to the successful seller and customer relationships. Tables 1 through to 4 indicate that salespersons play a critical role in the creation, development and the sustenance of relationship that exist between seller and buyers. In this case they represent as boundary spanner in the creation, development and the sustenance of buyer-seller interaction.

The results for the individual personal selling strategy as summarized in Tables 2 and 3 is discussed in turn in the sub-sections that follow. The individual strategy as applied to the water industry is discussed relative to personal selling in the industrial goods market.

Adaptive Selling Strategy and Sales Performance

The results indicate that adaptive selling strategy is positively associated with sales performance with p – value = 0.000 < 0.01. That is adaptive selling strategy is statistically significant at the 0.01 significance level. This is consistent with existing literature. For example, Goad and Jaramillo (2014), found that adaptive selling strategy mediates the impact of both selling orientation and customer orientation which impact on sales performance. They also found that adaptive selling strategy has practical implications for hiring and training salespeople.

Although the results show a statistically significant relationship and consistent with literature, this strategy may not be well practiced in the water industry because packaged water (whether sachet or bottled) belongs to the FMCG markets where consumers do not make much effort to obtain the product. Adaptive selling strategy requires that the salesperson convert to a different approach if the initial strategy adopted becomes dysfunctional. That is different strategies should be experimented by the salesperson to convince the buyer. In effect, adaptive strategy constitutes efforts made by the salesperson to assess customer demands and respond appropriately to them. As far as the water industry is concerned this strategy may appear to yield little benefit because unlike industrial products the consumer spends little time in obtaining water.

Customer Oriented Selling Strategy and Sales Performance

The results indicated that customer oriented selling strategy is statistically significant (with p – value = 0.013 < 0.05). This suggests that customer oriented selling strategy has positive impact on sales performance and thereby increasing market share. Customer orientation is seen as a construct that is central to the marketing and sales literature (Goad and Jaramillo, 2014) hence has a strong positive relationship with sales performance.

Customer orientation selling strategy requires that the salesperson makes effort to find out the needs of the customer and determine the product type being preferred by the customer. He/she should make every effort to offer to the customer, the product type that best suits the customer's needs and use problem-solving approach to attend to the customer. Although, the results showed a

positive relationship between customer orientation strategy and sales performance, this strategy.

Sincerity Salespeople Strategy and Sales Performance

The p-value for sincerity salespeople strategy is 0.102 > 0.05 indicating that it is not statistically significant. Sincerity requires that the salesperson endeavor to positively influence the environment in a sales conversation and make people feel more comfortable in the event of sales conversation. However, from the findings of this study, it suggests that managers will not see any positive outcome if they should dedicate much of their time to the transfer of their skill to salespeople with the expectation that it will enhance their knowledge thereby increasing sales. Sincerity plays no role in sales performance in the water industry.

Commitment Salespeople Strategy and Sales Performance

The commitment salespeople strategy has a p-value = 0.000 < 0.01 and hence statistically significant. Thus commitment strategy has a positive association with sales performance.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter presents the summary of the main findings, the conclusions arising from the findings and some recommendations based on the conclusions of the study. The aim of the study was to ascertain the personal selling strategies made up of adaptive selling strategy, customer-oriented salespeople strategy, sincerity salespeople strategy, commitment salespeople strategy, liability salespeople strategy and relational selling strategy. The findings suggest that personal selling strategies do influence seller-buyer relationships and hence impact on sales performance.

In this chapter, a summary of the major findings is initially presented. This is followed by the conclusions of the study based on the findings. The recommendations and directions for future research comes next.

Summary of Main Findings

This study empirically investigated the relationship between personal selling strategies and sales performance in the water industry. The study focuses on examining the sales performance implications of personal selling strategy dimensions. The main findings from the study is that personal selling strategies play significant role in sales performance. All the six variables of personal selling strategy except sincerity salespeople showed a statistically significant positive relationship with sales performance.

However, in the water industry certain important characteristics of the salesperson might be overlooked by consumers since less effort and time is exercised to obtain the product. The study reinforces the assume role of the salesperson as a boundary spanner in a buyer-seller relationship.

Conclusions

The conclusions from the study are that six selling strategies (adaptive selling strategy, customer-oriented salespeople strategy, sincerity salespeople strategy, commitment salespeople strategy, liability salespeople strategy and relational selling strategy) have been proved to be vital to the sales performance and hence market share in the water industry and that the salesperson is recognized as a boundary spanner in the buyer-seller relationships. This study therefore concludes that personal selling strategies are not only important for the industrial goods market but also the FMCG market even though consumers spent little effort and time in purchasing such products.

The study concludes further that like the industrial market, salespeople play the important role of holding the customer in a boundary spanner fashion in the water market and the FMCG market at large.

Recommendations and Directions for Future Research

Based on the conclusions emanating from the study, the following recommendations are noted. From the findings the study recommends that having the necessary sales management skills such as personal selling strategies is not only vital to the industrial goods market but also the FMCG market. The results presented are however limited by factors which can be addressed in future studies. First, the sample is limited to water producing companies in Accra. The exclusion

of other water producing companies in other parts of the country is a significant shortcoming which may produce different results.

The second limitation has to do with the reliance on the literature in defining personal selling strategies. The possibility of other personal selling strategies was limited in this sense.

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APPENDIX

Dear Sir/Madam

The aim of this research is to examine the relationship between personal selling strategies and market share in the water producing industry in Ghana and your highly reputable firm has been selected to be part of this exercise. I would be very grateful if you could take a few minutes out of your busy schedules to complete this short questionnaire.

NOTE: This Questionnaire is for Academic Exercise only hence any information given will be treated as highly confidential.

Please check as appropriate. Thank you

| Item | 1 | 2 | 3 | 4 | 5 |
|--|---|---|---|---|---|
| Adaptive selling strategy | | | | | |
| I convert to a different approach with ease whenever I | | | | | |
| feel that my sales strategy is not working | | | | | |
| I always experiment with different sales strategies | | | | | |
| There is a flexibility in the selling strategy I adopt | | | | | |
| I adopt a wide variety of selling strategies with ease | | | | | |
| 2. Customer orientation strategy | | | | | |
| I make every effort to determine the water type product | | | | | |
| that is preferred by the customer | | | | | |
| I try to find out the needs of the customer in the water | | | | | |
| market | | | | | |
| The water type that best suits the customer's needs is | | | | | |
| always offered to the customer | | | | | |

| I always use a problem-solving approach to attend to the | | | |
|--|--|--|--|
| customer | | | |
| 3. Sincerity salespeople strategy | | | |
| I endeavor to positively influence the environment in a | | | |
| sales conversation | | | |
| My actions can render a sales conversation a positive | | | |
| twist with ease | | | |
| I easily make people feel more comfortable in an event | | | |
| of sales conversation | | | |
| 4. Sincerity salespeople strategy | | | |
| Listening to nonverbal cues of customers is difficult for | | | |
| me during sales conversation | | | |
| I understand how one customer differs from another | | | |
| 5. Commitment salespeople strategy | | | |
| I easily bring in information to direct focus on a sales | | | |
| conversation | | | |
| I am able to kindle a small conversation with ease | | | |
| whenever I engage a customer | | | |
| I easily start off a business conversation wherever I find | | | |
| myself | | | |
| 6. Liability salespeople strategy | | | |
| In a salesperson-customer interaction, I do take into | | | |
| consideration what the customer hints on. | | | |
| The best interest of the customer is always kept in mind | | | |
| | | | |

| I always fetch out for examples to illustrate the meaning | | | |
|---|--|--|--|
| of an issue | | | |
| 7. Relational selling strategy | | | |
| People find it easy to understand what I say in a sales | | | |
| conversation | | | |
| I put whatever I say in a broader perspective for better | | | |
| explanation whenever I realized that people are finding | | | |
| it difficult to understand what I am talking about | | | |
| The industry context in which a customer operates is | | | |
| always under my control | | | |
| 8. Sales performance | | | |
| My performance is very high in terms of overall | | | |
| profitability | | | |
| My performance is very high relative to overall sales | | | |
| output | | | |
| My performance is very high in terms of market share | | | |