Industrial Selling of Services
A case study of the construction industry in Sweden

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Acknowledgements

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Abstract

The field of selling has evolved rapidly during the most recent decade, changing the traditional view of selling from transactional focused to relationship focused. Due to these changes a need for research within industrial selling has been recognized. Furthermore, the growth of the service sector has put emphasis on research within the area of selling services. Thus, the research problem for this thesis has been to gain a better understanding of industrial selling of construction services in Sweden.

Two of the main areas within industrial selling are "the selling process” and "team selling". Therefore, these areas were chosen as research questions for this thesis. A literature study was performed, where theories regarding the chosen subject were found, and presented in the Literature Review chapter. Through a case study, personal interviews were conducted at two companies within the construction industry. In both cases selling processes and team roles were recognized.

The findings of this thesis suggest that selling processes do exist in both companies. It was also recognized that the selling processes varied depending on type of selling situation. Neither of the processes found in theory were directly applicable to the processes found in the study. However, many of the processes found in theory were partly applicable to the studied companies, where some of the stages in the selling processes were similar between theory and the studied companies. In addition, all of the team roles presented in the theoretical framework were recognized in both companies. No additional roles were identified in this study.
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- Questionnaire - English version
Introduction

In this chapter will the area of industrial selling be presented with a certain focus on some topical areas. The research background within these areas will then be presented followed by an introduction of the selected industry. Furthermore will the chapter end up in the research problem of this thesis.

Moncrief and Marshall (2004) suggest that the field of selling has evolved rapidly during the most recent decade. Traditionally, selling has been about identifying prospects, making persuasive presentations and closing the deal (Persson, 1999). This traditional view of selling has changed from transactional focused to relationship focused, also referred to as a shift from selling orientation to customer orientation (Moncrief & Marshall, 2004). In accordance to these suggestions has Persson (1999) recognized a need of future research within the area of industrial selling.

Selling is defined as “the personal or impersonal process of assisting and/or persuading a prospective customer to buy a commodity or a service or to act favorably upon an idea that has commercial significance to the seller” (Koschnick, 1995, p.547). Industrial selling, often referred to as business-to-business (B2B) selling, comprise all selling where companies and organizations produce and sell their products further for professional use (i.e., all selling except to the end customer) (Flodhammar & Nielsen, 1980). The industrial market is estimated to account for more than half of the economic activity in industrialized countries (Dwyer & Tanner, 2002).

As economies advance, a growing focus on producing services has emerged (Kotler, 2003). In 2005 65-70 percent of the Swedish industrial companies were active within the service sector (retrieved July 7, 2005, www.ne.se). A service can be defined as: “The production of an essentially intangible benefit, either in its own right or as a significant element of a tangible product, which through some form of exchange, satisfies an identified need” (Palmer, 1998, p.2).

The growth of the worldwide economy, with emphasis on the service sector stress that research within the area yet has to be performed (Palmer, 1998). Therefore will the scope of this thesis be industrial selling of services.

1.1 Background

Persson (1999) and Spekman and Johnston (1986), suggest that the ongoing changes and ideas of today are transforming industrial selling, and that the industrial market now emphasizes on creating long-term, mutual sales relationships with the customers. Furthermore products and services become more technologically complex, sales become larger and the customer’s demand of service increase. Due to these changes on the industrial market, organizations can no longer rely solely on sales-oriented strategies, rather they have to invest in customer relations and more efficient exchange processes. (Persson, 1999)

Many types of selling techniques exist, however personal selling is a commonly used technique on the industrial market (Sandberg, 1988; Czinkota & Ronkainen, 2004). Personal selling can be defined as the process of assisting and persuading a prospect to purchase a good or service by the use of person-to-person communication (Czinkota & Ronkainen, 2004).
Shapiro and Posner (1976) suggest that management should consider a number of steps to ensure a successful and long-lasting sale. Several other authors have also recognized that a sale could be presented as a number of stages put together as a process, amongst them Persson (1999) and Moncrief and Marshall (2004). One of the first written theories within sales processes, “Seven Steps of Selling”, was published in 1920 (referred to by Moncrief & Marshall, 2004 pp.14-15). Due to the changes in the field of selling have however other authors presented modified sales processes during the last decades, amongst them Persson (1999).

Persson (1999) and Moncrief and Marshall (2004) suggest that industrial selling is cross-functional in nature, integrating activities from different functional areas within the organization. Furthermore is this interpretation supported by Moon and Armstrong (1994) and Shapiro and Posner (1976), who state that team selling has become an important and current topic. In line with this area do Deeter-Schmelz and Ramsey (1995) and Moon and Armstrong (1994), propose a core selling team to be a small permanent team, responsible for customer relationships. Deeter-Schmelz and Ramsey (1995) also suggest four roles existing within the core team. A second type of team suggested by Moon and Armstrong (1994) is the selling center, which also consists of five distinctive roles. In contrast to the core selling team the selling center has a fluid membership limited to a certain sales transaction. Another distinction between the two teams is that the core selling team is considered to be customer-focused, while the selling center is transactional-focused. (Moon & Armstrong, 1994)

Persson (1999) suggests that future research concerning different industrial selling situations in different industries is needed, which also is supported by Donaldson’s (1998) proposal of selling as situation-specific.

In line with the discussion above, suggesting selling to be situation-specific, the research must be directed toward a specific research field (i.e., industry).

1.2 Industry Selection

Hoffman and Bateson (2002) argue that traditional marketing strategies based on goods are not always applicable on the service-producing industries, and furthermore suggest that the demand for research within service selling is greatly expanding due to the growth of the global service economy. However does Palmer (1998) suggest that a study of the service sector will be weak unless a smaller category of service is chosen as subject. Furthermore he suggest that services can be classified through the level of presence by the characteristics that distinguish the sale of services in relation to goods; intangibility, inseparability, variability, perishability and ownership (Palmer, 1998; Kurtz & Clow, 1998; Kotler & Keller, 1998).

- **Intangibility**: a service can not be assessed by the use of physical senses
- **Inseparability**: a service can not be mass-produced or transported to another place
- **Variability**: the quality of a service is situation-specific
- **Perishability**: a service can not be stored
- **Ownership**: a service can not be owned (i.e., can not be sold through retailers etc.) (Ibid.)
One of the largest industries in Sweden is the construction industry. The industry accounts for about seven percent of the country’s Gross National Product (GNP). (“Fakta om Byggandet 2003”, retrieved September 19, 2005 from www.bygg.org)

1.2.1 Construction Industry
Volpe and Volpe (1991) argue that the construction business is thought to be a high profitable business, however in reality it is high competitive with sometimes very small profit margins. Today are buildings reaching higher and higher, and innovations within heating, cooling and other systems constantly change the market. There are however many risks and unforeseen conditions, which might turn a sales opportunity into a financial disaster if wrong decisions are made, or if no decisions are made at all. Furthermore Volpe and Volpe (1991) state that the basic work functions within the construction business does not differ between smaller and larger firms, rather one individual can perform several functions in a smaller organization. To get a clear overview of all responsibilities within a firm, the authors suggest that all firms should have a job description for each position of authority.

1.3 Research Problem
Dominant attention has within industrial marketing been given to the buying side of the dyad (Hutt et al., 1985). Furthermore, is service marketing a relatively young academic field where a broader theoretical framework yet has to emerge (Hoffman & Bateson, 2002).

To ensure a successful and long-lasting sale, managers have to consider a number of stages, presented as a sales process. (Shapiro & Posner, 1976) A sales process is according to the authors especially relevant when dealing with larger sales.

Deeter-Schmelz and Ramsey (1995) suggest teamwork to be a requirement for success in today’s changing business environment. Although team selling is important in marketing, the topic has not gained much interest from academic researchers (Moon & Armstrong, 1994). Due to the use of formal selling teams, Deeter-Schmelz and Ramsey (1995) suggest that further research must assist this business evolution. They also state the importance of each member having a clear understanding of his or her role, and recognizing how that role interacts with other team roles.

Based on the previous discussion, together with the characteristics of the construction industry, the research problem of this thesis is;

”To gain a better understanding of industrial selling of construction services in Sweden”
2 Literature Review

*In this chapter will theories related to the research problem be presented, and furthermore theories presenting the characteristics of the chosen area.*

2.1 Classifying Selling Situations

Hutt et al. (1985) suggest a typology that can be used when classifying organizational selling situations. The foundation of this typology can be found in the work of Howard 1963 and Howard, Hulbert and Farley 1975 (referred to in Hutt et al., 1985, p.35) where they classify executive decisions by extensive problem solving, limited problem solving and routine problem solving. The three types of selling situations proposed by Hutt et al. (1985) are; *new selling task, modified selling task and routine selling task.*

*New Selling Task*

A new selling task is characterized by extensive problem solving. The information requirements are high, defined decision rules are poorly or nonexistent and a high uncertainty prevails of the task. A new task might involve an entry on a new segment of the market or an introduction of a new product, clearly different from other products in terms of technology, sociopolitical or economy. These selling situations are likely to demand a high level of transactional interdependence involving frequent activities between sales personnel and other members of the selling center. New selling situations often involve many persons within the selling organization. Personnel from engineering, production, physical distribution and others may enter the selling process to respond to technical or customer requirements. Furthermore top managers might be members of the selling center when dealing with new selling tasks due to problems and opportunities (i.e., competitors and potential large accounts). The large number of decisions and diffusion of decision-making roles in the selling center requires negotiation and coordination by the marketing manager and sales manager. Also the development of mutual benefits and relationships between the selling and buying organization requires a strong interdependent managerial perspective. (Hutt et al., 1985)

*Modified Selling Task*

Modified selling situations require limited problem solving. The organization has a base of information to use when making decisions, but additional information is required when dealing with new situations. In these situations the salesperson analysis the selling situation, develop alternatives and consult with other members of the selling center. The sales manager also has a central role consulting with other organizational areas, negotiates about required modifications and approves a certain strategy for the account. (Ibid.)

*Routine Selling Task*

This selling situation is characterized by routine problem solving with little or no involvement from other members of the selling center. Members of the selling center have clearly defined decision roles. The salesperson implements the selling strategy guided by prescribed plans or operating procedures. (Ibid.)

Another attempt to classify selling situations is proposed by Bäckström (2002). The author suggests, in accordance to Donaldson (1998), that two types of products exist;
namely complex products and standardized products. Furthermore these sales can be carried out to new or existing customers. Consequently, Bäckström (2002) suggests four types of operationalized selling situations; 

- selling a complex product to a new customer,
- selling a complex product to an existing customer,
- selling a standardized product to a new customer,
- selling a standardized product to an existing customer.

2.2 Service Selling

Modern definitions suggest that a pure service in itself produce no tangible output, however might the service be considered as an instrument of producing material outputs (Palmer, 1998). Pure services have a number of characteristics, which distinguish them from goods; intangibility, inseparability, variability, perishability and ownership. These characteristics create unique challenges in sales situations according to Kurtz and Clow (1998) and Kotler and Keller (2006). Moreover do Hoffman and Bateson (2002) suggest that theories based on the goods-producing sector are likely to be inapplicable within service selling.

**Intangibility:** A pure service can not be assessed by the use of physical senses, thus a service can not be seen, tasted, touched, heard or smelled. (Palmer, 1998; Kurtz & Clow, 1998; Kotler & Keller, 2006)

**Inseparability:** Services can not be produced at one place and transported to another. Neither can a service be mass-produced at the most convenient time for the selling organization, rather the customer decides time for production. Thus are services produced and consumed simultaneously. (Kurtz & Clow, 1998; Kotler & Keller, 2006) Strategies for getting around these limitations do however exist, for instance might the service provider work with larger customer groups simultaneously or learn how to work faster (Kotler & Keller, 2006). Kurtz and Clow (1998) also suggested that service companies should implement a process to manage their customers in a more efficient way.

**Variability:** The quality of services depend on when, where and by whom the service is provided. Due to this characteristic are consistent standards difficult to ensure. (Palmer, 1998; Kurtz & Clow, 1998) A pre-delivery inspection is neither a possibility when selling services, rather is the quality shown during the time of production, and furthermore the time of consumption by the customer. Though, this problem can be partially solved by the use of blueprints. (Palmer, 1998) Other steps to increase quality control are suggested by Kotler and Keller (2006); investment in skilled personnel and training of personnel, and standardization of a service-performance process throughout the organization.

**Perishability:** Services can not be stored, which however only is a problem when the demand is unstable. (Kurtz & Clow, 1998; Kotler & Keller, 2006)

**Ownership:** Due to the intangibility and perishability a service can not be owned and no ownership is transferred from the seller to the buyer when the service is performed. Because of the absence of ownership, services can not be sold through retailers or wholesalers. Direct distribution, in some cases through intermediaries, is therefore the common sales method. (Palmer, 1998)

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1 Blueprint: A method to visually portray the process and participants of a service (Palmer, 1998).
2.3 The Sales Process

In this section will found theories regarding the area of sales processes be presented and visualized. The theories will be presented starting with the earliest publication and the most resent at the end of this section.

2.3.1 A Dyadic Sales Process Model

Wilson (1975) presents a dyadic process model for development of a long-term buyer-seller relationship. The author argues that the duration of the stages overlap each other as they might be carried on simultaneously, and that the basic stages has to be met in order to move on to the more advanced stages of the model. Furthermore two basic assumptions are underlying the model:

1. The buyer is trying to secure both tangible and psychological attributes from the seller. (Ibid.)
2. The relationship between the buyer and seller is developed over a period of time. (Ibid.)

Fore the sake of simplicity Wilson (1975) has chosen to ignore that a buying center involves more than one individual, and the fact that individual goals exist. The suggested model is divided into five stages; source legitimization, information exchange-problem identification, attribute delineation, attribute value negotiation and relationship maintenance (Figure 2.1).

Source Legitimization

Information Exchange

Problem Identification

Attribute Delineation

Attribute Value Negotiation

Relationship Maintenance

Figure 2.1 A Dyadic Sales Process Model (Wilson, 1975, p.396)

Source Legitimization

In a new selling task situation the salesperson has to develop source credibility and legitimization for the effectiveness of the future communication (i.e., establish him- or
herself as a credible and legitimate partner in the dyadic interaction process). This task is likely to continue during the next stages. (Ibid.)

**Information Exchange - Problem Identification**
In this stage the problem to be solved through the purchase will be located. The amount of information received by the buyer is a function of how well the salesperson has established the credibility and legitimization in the first stage (i.e., a salesperson perceived as an expert will likely be given more information). Guided by the information the salesperson will try to suggest an attribute package, which is competitive and a strong bargaining base. (Ibid.)

**Attribute Delineation**
Now the bundle of attributes, which latter will be exchanged, is developed within the dyad. Some attributes will have to be discussed, while others might be implicitly determined. (Ibid.)

**Attribute Value Negotiation**
The attribute set, and the exchange rate of each attribute can be viewed as the bargaining process. In other words, there will likely exist a trading of the amount of each attribute, which in the end will decide the final package of attributes. (Ibid.)

**Relationship Maintenance**
In this final stage of the model, the dyad works on maintaining and building the relationship. Personal attributes will increase and take the business relationship to a more personal level. Also some bargaining over exchange attributes can be taken into question if problems arise. (Ibid.)

2.3.2 **Strategic selling process**
The Strategic Selling Process is an eight-step process by Shapiro and Posner (1976) ranging from the initial opening of the sale to the eventual close (Figure 2.2). The authors suggest that management should consider these steps to ensure a more successful and long-lasting sale. Furthermore the authors state that strategic selling is especially relevant for larger sales, since only a large profit can justify the costs and time spent through the process.

The steps present in the process are: opening the selling process, qualifying the prospect, developing the sales strategy, organizing the justification, making the presentation, coordinating resources and personnel, closing the sale and nurturing the account relationship. (Ibid.)
Opening the Selling Process

Shapiro and Posner suggests that a salesperson should prepare for a sale by reading up on the potential customer so that they will have an idea of the likelihood of a sale and also who to contact in the initial stage. If the salesperson feels he has a chance to make a sale the next step is to make an "opening", which often is done over the telephone. The goal with the initial contact is to determine which person, or persons, within the organization is the most appropriate to meet. (Ibid.)

The best opening, particularly in one-time sales, can in some situations be through a third party. In this way the seller avoid making a cold conversation which sets him/her in an inferior position, but yet obtain information without revealing the intention of the call. Some companies even goes as far as calling these third parties a "second sales force". (Ibid.)

Qualifying the Prospect

In the next step it is time to determine if a sale can be made or not. Shapiro and Posner (1976) suggest that many companies spend more time selling to prospects that have no intention of buying, than to those customers who do. The authors bring up two questions a salesperson should consider;

- Can my company service their company?
- Can I bring the two companies together?
If, for an example, a competitor with a close relationship, a family tie or something similar, to the prospect compete with the salesperson, it is likely that the competitor will win the sale. In this stage the salesperson has to learn to drop the prospect when realizing that it is not likely to become a sale. This also includes being ready to break a relationship if it does not seem to lead to business. (Ibid.)

**Developing the Sales Strategy**

When the salesperson think there is a possibility for sale, he/she needs to plan his own effort and the company’s resources to develop the account relationship. In strategic selling there are many factors required, and it is easy to overlook important issues. Shapiro and Posner (1976) have developed a “Strategic Sales Opportunity Profile” which will help the salesperson to map out his strategy and organize his sales effort. The profile includes listing all people contacted, information given and received, results of the contact, the persons position and responsibilities within the prospect company, and similar information. The profile will help the salesperson to succeed with the sale, or to follow up on a less successful business. The profile should ensure the salesperson to give all of the influential buyers the right kind of attention, as technical information for the engineering manager and financial data for the financial manager. The profile should also provide necessary information to other interested parties within the selling company. In this stage it is also crucial for the salesperson to sell at the right level of the prospect company, since the top managers often are the ones most affected by a major purchase. (Ibid.)

**Organizing the Justification**

Once the salesperson has determined whom to contact at the prospect company it is time to deliver a cost-justification of the potential purchase, which is crucial when dealing with a multimillion-dollar product or service. Each top executive has to understand how the purchase will affect the budget and other areas. The salesperson will more likely succeed with the sale if he understands the really important factors, which the sale depend on, and limit the data to those factors. (Ibid.)

Since the cost justification mostly is based on key assumptions, Shapiro and Posner (1976) advocate, the importance of a consensus of each assumption by the decision makers. This can be provided by questions as "Do you feel our service can increase sales by 10% over a two-year period?". The focus lies on what the prospect think is feasible and to use these numbers. (Ibid.)

**Making the Presentation**

The presentation should summarize all relevant information in the form of a proposal. If the right people of the prospect company are present at the presentation the salesperson should use this opportunity to ask for the order. To hold an effective sales presentation Shapiro and Posner (1976) suggest four factors to consider; *elements and order of presentation, location, timing, and attendees.*

- *Elements and order of presentation:* at this stage no new information should be added to the prospect, only previous agreements should be confirmed.
- *Location:* a suitable location can be the prospect’s facilities, the selling company’s facilities, a conference center or an installation done for another customer.
- *Timing:* at this point all major agreements must be reached, if not the presentation might be premature.
- **Attendees**: all decision makers at the prospect company must be attendant and also the persons that best can represent the company from a social as well as business point of view. Attendees from the selling company should include top managers, which also often are demanded by the buying company. The top managers presence can be crucial both for approval of last minute adjustments, because of the appropriate status to deal with the top executives at the buying company and as a support to the salesperson. (Ibid.)

**Coordinating Resources and Personnel**
Throughout the sales process the salesperson is responsible for managing the company’s resources. When handling private-labeled products many persons within the selling company can be involved. The product might require certain product development, design personnel, manufacturing, distribution, pricing and payment schedule. The salesperson must in this stage be given the responsibility and trust to make decisions concerning the sale. As an example Shapiro and Posner (1976) bring up the situation where a large prospective company want a minor product modification. In this situation the salesperson has to respond quickly for retention of the prospects interest. (Ibid.)

**Closing the Sale**
The closing of the sale is the first actual evidence of the salesperson’s selling ability. According to Shapiro and Posner (1976) the sales process is a prolonged situation where the final order-signature can occur anywhere from six months to three years after the initial contact. Because of this extended procedure the salesperson should get an agreement from the prospect in each step of the sale cycle and also reaffirm previous agreements. By asking questions like "If we could deliver that system with an average ROI\(^2\) of 15% per year, would you buy?" the salesperson will know whether the sale will succeed or if he must drop the prospect to minimize the time and money invested in the nonsale. (Ibid.)

**Nurturing the Account Relationship**
Some top managers suggest that the real selling start after the first order of a major sale is signed. If the sold product requires installation, training of personnel or an extended delivery schedules the salesperson effectively must control these areas. Shapiro and Posner (1976) suggest that the salesperson should develop a long-term plan for the product, services, and resource together with the customer. Besides this he should also develop an own, more detailed version of the plan where he strives to expand the account. Furthermore, to multiply the effort when the salesperson is absent other individuals within the selling company must be versed of the plan. This constant follow-up on the purchase reinforces the customer’s confidence in the seller and also tends to keep competition out. (Ibid.)

**2.3.3 An Organizational Selling Model**
According to Plank and Dempsey (1980) a salesperson must deal with two dimensions when planning, executing and controlling selling efforts. The authors also state that the dimensions are not mutually exclusive (i.e., they overlap), and in their model assumes that the prospecting of customers has already been done. The selling model presented is divided into these dimensions, each containing a number of tasks

\(^2\) ROI: Return on interest (Koschnick, 1995).
to consider. The presented model illustrates the dual dimensionality of selling (Figure 2.3).

**Dimension 1 - Selling**

| A. Setting the Stage |  
|----------------------|--------------------------------------------------------|
| 1. Mood, Professionalism |  
| 2. Credibility |  
| 3. Communication level(s) |  

| B. Determining Buyer(s)’ Need |  
|-------------------------------|--------------------------------------------------------|
| 1. Organizational needs |  
| 2. Individual needs |  
| 3. Departmental needs |  

| C. Presentation |  
|-----------------|--------------------------------------------------------|
| 1. Stage 1 – develop interest |  
| 2. Stage 2 – demonstration |  
| 3. Stage 3 – handle objections, close or conclude |  

| D. Exit |  
|---------|--------------------------------------------------------|

**Dimension 2 – Organizational Buying Environment**

*Figure 2.3 An Organizational Selling Model (Plank & Dempsey, 1980, p.145)*

**Dimension One**

The first dimension is the dimension of selling and is consist of four phases; *setting the stage, determining buyer(s)’ needs, presentation and exit*. (Ibid.)

**Setting the Stage**

Initially the salesperson has do create an atmosphere of professionalism, which according to Plank and Dempsey (1980) might be complex since different people prefer different approaches. The potential customer also has to feel credibility for the selling organization, product and services, as well as the salesperson. The salespersons have to establish credibility associated with their company, product or service as well as themselves. The process of creating credibility starts with the first contact and continues throughout the interaction. To establish the right communication levels, the salesperson has to determine which behavior style each member of the buying team prefers. (Ibid.)

**Determining Buyer(s)’ Needs**

A salesperson has to recognize not only the buying organization’s needs, but also the departmental and individual needs within the organization, and furthermore communicate in different ways and with different information to each member of the buying team. (Ibid.)
Presentation
Plank and Dempsey (1980) suggest that the salesperson first has to gain the potential customer’s attention and interest and then try to develop a desire of the product by demonstrations and discussions of the buyer’s need. Finally the salesperson has to overcome the potential customer’s doubts to get the sale. (Ibid.)

Exit
This phase is about the salesperson making a well-timed and graceful exit. (Ibid.)

Dimension Two
The second dimension can be considered as an extension of the prospecting work done prior to the first contact with a potential customer, and consists of four tasks which has to be accomplished by a successful salesperson; buying group identification, influence pattern identification, organization factor identification and environmental factor identification. (Ibid.)

Buying Group Identification
The first task for the salesperson is to identify the buying group and whether the buying decision is made autonomous or as a joint-decision. If the salesperson misses one of the decision-makers it will reduce the chance for a successful sale. (Ibid.)

Influence Pattern Identification
As the second task the salesperson has to ascertain the influence patterns within the buying organization, which also include differences when dealing with autonomous and joint decision-makers. (Ibid.)

Organization Factor Identification
It is common that organizations develop policies, which have an effect on their purchases, and these policies must be recognized by the salesperson by observation. (Ibid.)

Environmental Factor Identification
The salesperson has to identify environmental constraints, which can have an effect on the buying function of the organization. The constraints could be cultural and social forces, political and legal forces, and economical conditions. (Ibid.)

2.3.4 The Sales Process in an Existing Long-Term Relationship
Persson (1999) suggests that the sales process is a complex, ongoing process rather than a sequential one. In the study Persson (1999) focus on the sales process in already existing relationships. The process is divided into two phases, the first one is The Relationship Maintenance and Proposal Phase and the second is The Offering and Installation Phase. The author however suggests that the sales process not necessarily has to go through both phases, rather it can be interrupted in the first phase and thus return to the first stage of the process, the Relationship Maintenance stage. Furthermore the sales process can be interrupted in many stages and return to the first stage. Consequently, the sales process may enter a number of loops. (Persson, 1999)
When dealing with straight rebuy situations or less complex selling situations, Persson (1999) suggests that the sales process can be reduced to the second phase.

The sales process suggested by Persson (1999) has seven identified stages; relationship maintenance, problem identification, technical proposal, offering, technical and commercial negotiation, instructions for production and installation (Figure 2.4).

**Figure 2.4 The Industrial Sales Process with two Phases (Persson, 1999)**

*Relationship Maintenance*
This first stage, also referred to as Customer Care, includes indirect contacts via telephone, mail and e-mail, but can also include visits. The salesperson has to make sure the customer is satisfied with the product, and that the product is giving the customer what was promised. This stage is built on mutual seller and buyer learning where the salesperson communicates information about products and technology while gathering information about the customer operations and new business possibilities. The salesperson must recognize new business opportunities and add-on orders. (Ibid.)

*Problem Identification*
A specification of customer needs, problems and costs together with technical demands is constructed by the salesperson. Alternative solutions and earlier experiences are considered by the salesperson, sometimes in interaction with other departments of the selling organization. (Ibid.)
Technical Proposal
A problem solution is formulated by the salesperson, sometimes in interaction with other departments of the selling organization. Specific situations can also demand the expertise by external vendors. The final solution is then commonly documented in texts and sketches. (Ibid.)

Offering
The salesperson makes an agreement with the responsible buying-personnel on how to proceed. Proposals undergo alterations, and if the customer expresses further interest a final proposal is made. The final proposal includes a detailed description of the product and installation procedures. In this stage the salesperson interact with all persons involved in the project. Which mean dialogues with the buying team, selling organization departments, and external vendors. Final technical instructions and price calculations are made, and delivered to the customer as an offer. (Ibid.)

Technical and Commercial Negotiation
The salesperson or the selling team presents the proposal to the buying team. Negotiations, concerning technical and commercial details, can be made in several rounds within this stage. Changes of the proposal can bring the business back to the Technical Proposal and Offering stages, and then once again reaches the Technical and Commercial Negotiation stage. This loop can be carried through several times, and eventually end up in a closed deal including an order. (Ibid.)

Instructions for Production
This stage is initiated by the customer order. Final instructions concerning production are written and sketched. Preparations of the installation are made, and minor adjustments can be accomplished. (Ibid.)

Installation
Installations of complex products are usually made by a service unit. The customer personnel are trained to handle the equipment. The salesperson can participate in this training to establish contact with the users and maintainer of the equipment. As soon as the product is in use the process shifts to the first stage, the Relationship Maintenance. (Ibid.)

2.3.5 The Evolved Seven Steps of Selling
The seven steps of selling is one of the most accepted fundamentals in the sales field, and can partially be found in a sales training book from 1920 (Moncrief & Marshall, 2004). Moncrief and Marshall (2004) suggest that the field of selling has evolved over the past century, with a particular high rate during the last decade. Due to this evolution the authors present an evolved version of the traditional seven steps of selling (Figure 2.5).

Seven Steps of Selling
The traditional seven steps of selling includes the stages; prospecting, preapproach, approach, presentation, overcoming objections, close and follow-up. (referred to by Moncrief & Marshall, 2004, pp.14-15)
Prospecting
In this step the salesperson searches for new and potential customers. The prospecting includes qualifying prospects and developing some type of screening procedure. Traditionally salespeople were expected to find their own prospects, which meant spending a considerably large part of the selling job on this task. (Ibid.)

Preapproach
The seller does research on the prospect or customer to gain knowledge about the need, reviewing previous correspondence, and search for other relevant material which can be useful when making the sales call. (Ibid.)

Approach
The approach takes the first minutes of a sale and includes the handshake, eye contact, opening a small talk and similar actions to make a good initial impression. (Ibid.)

Presentation
In this step the salesperson should have determined the customer’s needs. One or multiple presentations can be carried through over a period of time. A goal with the presentation can, in first-time buying situations, be to give the buyer information and a product demonstration. (Ibid.)

Overcoming objections
The salesperson should expect objections in form of questions and hesitations, by the customer. These objections should be considered positive since true buyer needs can be uncovered. In other cases the objections should be considered as a sign not to pursue the sale since the product might not meet the customer need. (Ibid.)

Close
Once objections has been overcome the salesperson must ask for the business to start the closing of the sale. The close is defined as the successful completion of the sales presentation and culminates in a commitment to buy the good or service. (Ibid.)

Follow-up
The salesperson does not assume that a sale is over when the customer accepts an order. Instead much work begins after the acceptance to make sure the customer is satisfied with the good or service. This step is a newer addition to the steps of selling. (Ibid.)
The evolved seven steps of selling

The evolved selling process assumes that the salesperson and others within the selling organization view the customer as the center of focus in each step. Each individual step does not occur in every sale situation, and the steps occur nonsequentially over time. This sale approach relies on the organization’s strive to develop and maintain long-term relationships with profitable customers. (Ibid.)

Customer retention and deletion

Today organizations are spending more time on retaining profitable existing customers than prospecting for new ones. The use of CRM makes it possible to locate less profitable customers, and then delete or outsource these customers. The prospecting is often performed by others within the organization, rather than the salespersons. Salespeople are often very expensive assets and many organizations believe the salesperson’s time is better spent with existing customers or qualified prospects, identified by someone else. (Ibid.)

Database and knowledge management

Computers have replaced the earlier system, where the salesperson reviewed basic customer information on a paper card. Now the salesperson instantly can get all needed information about a customer at any time or place by using a laptop computer. CRM-systems and databases contain information regarding every customer, history of purchase, and past and present needs. Furthermore the information is updated by every person within the organization, including the salesperson, which the customer is in contact with. Consequently, this knowledge management has enabled the salesperson to conduct his or her work in a much more efficient way. Another change

3 CRM: those processes that address the aspects of identifying customers, creating customer knowledge, building relationships and shaping the customer’s perception of the organization and product (Arens & Boveé in Dwyer & Tanner, 2002, p. 304).

4 Outsource: the process of finding another organization to supply the buyer (Dwyer & Tanner, 2002).
in selling is that a preapproach no longer is done at an individual level. The whole organization helps the salesperson gathering information, and furthermore does the salesperson make calls on multiple people within the buying organization, rather than just the traditional purchasing agent. (Ibid.)

**Nurturing the relationship**
At this point the salesperson has likely already developed the foundation of the interpersonal network within the buying organization. This set the goal to provide more information, solve possible problems and then provide a solution. When handling new customers the goal is foundation based to determining organizational structure, needs and problems. Establishing this foundation is what later on facilitates relationship selling. (Ibid.)

**Marketing the product**
Traditionally at this point the salesperson made a presentation to the customer. Today the salesperson does more listening than talking since most of the information has already been presented to the customer by the selling organization’s webpage or by an attachment in an email. The presentation today does also include several people from both the selling and buying organization. (Ibid.)

**Problem solving**
Predetermining customer needs allows the salesperson to work with the customer in a more consultative approach. Many times this could lead to the fact that the product originally proposed turns out to be inappropriate and need modifications. The ultimate goal in this phase is not necessarily an immediate sale, but rather to strengthen the relationship based on a win-win situation. (Ibid.)

**Adding value/satisfying needs**
The key goal has changed from closure of a sale to need satisfaction, meaning successful accomplishment of the mutual goals between the organizations over the long run. In many cases this will include a closed sale, but a closing technique will likely not be necessary to bring the organizations together in an agreement. (Ibid.)

**Customer relationship maintenance**
This part of the sale is still quite similar to the traditional follow-up, and has mostly changed due to new technology. Email has become the dominant method of follow-up due to the ease of use and time saving. The customer immediate receives the mail and can quickly respond if any difficulties would arise. The phone is also convenient, however has it today become more difficult to reach the person in question. (Ibid.)

2.4 **Team Selling**
As products and services become more and more technologically complex the buyers expect a considerably level of service. Due to this evolving complexity Moon and Armstrong (1994) suggests that team selling, also referred to as multiperson selling effort, is becoming more prevalent. Team selling can be described as a combination of sales and nonsales people within the organization, with some type of involvement in the sale. Moon and Armstrong (1994) bring up the fact that there are no precise definition of this type of selling, and terms as “team selling”, “national account management”, “key account team”, “major account team”, “strategic account team” and “selling center” has different meanings for different authors.
Two types of teams, with suggested sets of roles, have been presented by Deeter-Schmelz and Ramsey (1995) and Moon and Armstrong (1994), namely the core selling team and the selling center.

2.4.1 Team Selling – suggested by Deeter-Schmelz and Ramsey (1995)

Core Selling Team
Deeter-Schmelz and Ramsey (1995) define the core selling team as a small, permanent team responsible for customer relationships, sales strategy and transactions. The core selling team consists of members, from the selling organization, who possess complementary skills (i.e., technical expertise, problem-solving abilities and interpersonal skills), are committed to a common purpose, common performance goals and a selling approach which they hold themselves mutually accountable for (Deeter-Schmelz & Ramsey, 1995).

As an extension of the core team do the authors suggest an additional team, namely the extended selling team. The extended selling team is defined as those members of the selling organization accessed by the core selling team on a temporary basis to answer to a customer’s need during a specific transaction (Deeter-Schmelz & Ramsey, 1995).

The authors furthermore suggest that the functions of a selling team primary are:

- Coordinating team efforts with requirements of other internal departments including other selling teams. A two-way communication is crucial.
- Coordinating team goals with overall goals of the organization
- Maintaining knowledge about the customer, industry and environment
- Developing and maintaining a customer base and customer relationships
- Negotiating and selling products at a specific quality and price level (Ibid.)

Roles in a Core Selling Team
Four roles within the core selling team have been conceptualized by Deeter-Schmelz and Ramsey (1995). The roles are based on the concept that teams consist of a small number of people with complementary skills and are defined as Selling Team Leader, Seller, Internal Coordinator, and Customer Service Representative.

Selling Team Leader
This person is responsible for all team actions and work directly with the CSR to make sure customer needs are being met, with the IC to plan composition of the extended selling team and with the seller to plan approaches toward the customer and techniques for developing relationships. The leader might also be in contact directly with the buyer or the buying team leader. (Deeter-Schmelz & Ramsey, 1995) The team leader is responsible for developing common strategies for the core and extended selling team members (Smith & Barclay, 1993, referred to by Deeter-Schmelz & Ramsey, 1995, p.52). Furthermore the leader obtains information and approvals from managers on team decisions, customer discounts and organizational goals. (Ibid.)
Seller
The seller is the primary customer contact and in most cases the first to recognize a sales opportunity. The seller is also the primary source of external information crucial for approach decisions, extended team composition, and product development decisions. If the seller recognizes a need for an additional member in the extended team he or she distributes this information to the IC. (Ibid.)

Internal Coordinator (IC)
The IC is responsible for compiling and coordination of the extended selling team, and has to work closely with all members of the core team to determine which information the customer needs. (Ibid.)

Customer Service Representative (CSR)
The CSRs are the members of the core selling team who provide installation, maintenance and other services to the customer (Kotler, 1991). According to Deeter-Schmelz and Ramsey (1995) the CSRs can take the seller’s role as customer contact when the seller is unavailable or when the information needed by the customer does not require the expertise of the seller. The CSRs will often provide information regarding customer requirements, preferences, problems, and complaints (Manning & Reese in Deeter-Schmelz & Ramsey, 1995, p.52).

2.4.2 Team Selling – suggested by Moon and Armstrong (1994)

Core Selling Team
Moon and Armstrong (1994) define the core selling team as a customer-focused team with focal points on establishing and maintaining strong customer relationships. The core selling team members come from multiple units of the selling organization, and the team can consist of one single member (i.e., the seller) up to a large amount of individuals. Memberships are stable and changes only as the assignment changes. (Moon & Armstrong, 1994)

Moon and Armstrong (1994) propose that one core selling team existing in every situation where a seller services a buying organization. Due to these multiple teams within the organization, one individual can belong to several core selling teams. As an example of this multiple membership Moon and Armstrong (1994) suggest the service technician who might service many different customers. The core selling team is also likely to have multiple layers of sales management actively involved in development and implementation of the sales strategy. Individuals within the core selling team might not always know that they are members of the team, which also could weaken the team effectiveness. (Moon & Armstrong, 1994)

Selling Center
The selling center term can be described as an extension of the buying center, originally conceived by Robinson, Faris and Wind (1967, referred to by Moon & Armstrong, 1994, p.18). Moon and Armstrong (1994) defines the selling center as a team consisting of individuals from the selling organization involved in a particular sale transaction. Thus, a selling center exists in every selling situation where a seller is involved, and the size of the team can vary from one single person, when selling simple products in straight rebuy situations, to many, when the sale involves large and complex procedures. In contrast to the core selling team, the selling center however is
a transactional-focused team with the primary objective to complete the specific sale, that the team was formed to pursue. The membership does not have to be limited by the selling organization’s own personnel, but can also involve individuals from the outside. (Moon & Armstrong, 1994) Hutt et al. (1985) suggest the membership to be fluid, as members enter and leave the group when the selling requirements change.

Core Selling Team and Selling Center
Moon and Armstrong (1994) argue that an overlap between a core selling team and a selling center might exist in practice, and that it could be difficult to determine where one ends and the other begins. Furthermore they suggest that the core selling team initiates and coordinates the efforts of the selling center since the core team is customer focused and the selling center transactional focused. A framework to clarify the distinctions of the two types of teams is presented in Table 2.1.

Table 2.1 Organizing Framework of Selling Teams

<table>
<thead>
<tr>
<th>Core Selling Team</th>
<th>Selling Center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relatively permanent, customer-focused group</td>
<td>Relatively temporary, transaction-focused group</td>
</tr>
<tr>
<td>Membership determined by job assignment to a specific buying organization</td>
<td>Membership determined by involvement in transaction for a particular good or service</td>
</tr>
<tr>
<td>One team per buying unit</td>
<td>One selling center per sales opportunity</td>
</tr>
<tr>
<td>Membership relatively stable</td>
<td>Membership very fluid</td>
</tr>
<tr>
<td>Characteristics of team depend on characteristics of buying organization</td>
<td>Characteristics of team depend on characteristics of sales opportunity</td>
</tr>
<tr>
<td>Mission is strategic with respect to the buying Organization</td>
<td>Mission is tactical with respect to the sales opportunity</td>
</tr>
</tbody>
</table>

Source: Moon and Armstrong (1994, p.23)

Roles in a Selling Center
Moon and Armstrong (1994) propose five distinctive roles of members within the selling center; the Initiator, Coordinator, Resource, Approver and Implementer.

Initiator
The initiator is assigned his or her role by being the one who first identifies a sales opportunity. Next the initiator contacts someone within the selling organization to address the opportunity. In situations where a close business relationship already exists might either the selling or the buying side of the dyad detect the identification of such an opportunity. However will it likely be someone from the sellers organization who trigger the formation of the selling center. It is also likely that someone assigned to a customer would have the most knowledge about the customer’s need, and therefore detect opportunities. However might someone from the product or marketing group be assigned the role as initiator since their extensive information about a product or application can be a way of detecting an opportunity and deciding suitable prospects. (Ibid.)
Literature Review

Coordinator
The coordinator’s task is to coordinate all selling center members to work together in an effective way when responding to a certain sales opportunity. According to Moon and Armstrong (1994) it is essential that at least one efficient coordinator exists in each selling center. It is likely that more than one individual functions as a coordinator. (Ibid.)

Resource
The task of providing information or expertise to other members within the selling center is set on the resources. The coordinator identifies needed information and then obtains the appropriate resource. An example of a resource can be an individual from the Research and Development unit who is needed to explain technical information to a customer. (Ibid.)

Approver
The approver reviews the work conducted by the selling center and approves, disapproves or makes suggestions of improvement. The number of managerial representation in the selling center seems to influence the number of approvers. (Ibid.)

Implementer
These members of the selling center are argued to simply carry out their normal job assignments. However might their contribution have a great impact on a certain sale. Examples of implementers are Shipping Supervisors and Manufacturing Resource Planning units. (Ibid.)
3 Frame of Reference

This chapter will, based on the literature review, present the research question of this thesis. The theories chosen to answer the research questions will be conceptualized and operationalized to give a clear view of which data to collect to best address the questions, and furthermore how to collect the data.

The previous chapter presented an overview of literature related to the research problem of this thesis:

“To gain a better understanding of industrial selling of construction services in Sweden”

When searching for theories addressing the research problem, two major areas have been recognized; namely the selling process and team selling. Furthermore have different types of selling situations been recognized.

According to Palmer (1998), many of the principles in marketing of goods can be applied to services with relatively small refinements. Due to a poor theoretical framework of the service selling, together with Palmer’s (1998) suggestion, the theoretical framework of this thesis will partly be built on theories of selling goods.

3.1 Selling Situations

By dividing the research problem into the four selling situations suggested by Bäckström (2002), I will be able to observe the task of service selling in a multiple dimension, which will give this thesis a broader base. The conceptualization and operationalization of the selling situations can be viewed in Table 3.1:

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Concept</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selling Situations</td>
<td>Selling complex services to new customers.</td>
<td>The respondents view of a complex service and a new customer.</td>
</tr>
<tr>
<td></td>
<td>Selling complex services to existing customers.</td>
<td>The respondents view of a complex service and an existing customer.</td>
</tr>
<tr>
<td></td>
<td>Selling standardized services to new customers.</td>
<td>The respondents view of a standardized service and a new customer.</td>
</tr>
<tr>
<td></td>
<td>Selling standardized services to existing customers.</td>
<td>The respondents view of a standardized service and an existing customer.</td>
</tr>
</tbody>
</table>
3.2 Research Question One

Due to the changes on the industrial market, organizations have to invest in customer relations and more efficient exchange processes (Persson, 1999). Moreover Persson (1999) define a sales process as selling activities carried out by salespeople. Several theories regarding the selling process have been presented during the last decades, the first theory was though presented as early as in 1920 (referred to by Moncrief & Marshall, 2004, pp 14-15). Since neither of the found theories have a specific focus on services I will use all of them as a theory base in the literature review. By doing this I will be able to compare my empirical findings to theory, and hopefully find entirely or partially matching processes on each of the conceptualized selling situations.

Consequently, the first research question will be:

RQ1

“How can the industrial selling process, in different selling situations, when selling construction services in Sweden be characterized?”

When trying to answer this research question will the following theories function as a theoretical foundation;

- *Organizational Selling Model* – Plank & Dempsey (1980)
- *Sales Process in an Existing Long-Term Relationship* – Persson (1999)

The conceptualization and operationalization of the first research question is presented in Table 3.2:

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Concept</th>
<th>Conceptualization</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Selling Process</td>
<td>Selling Process</td>
<td>A selling process consists of a number of selling activities carried out by salespeople.</td>
<td>The respondent’s suggestion of selling activities performed in a specific selling situation.</td>
</tr>
</tbody>
</table>

3.3 Research Question Two

As selling has gone from one single salesperson handling all activities to multiperson selling, Deeter-Schmelz and Ramsey (1995) states that teamwork is a requirement for success in today’s business environment. Many different types of selling teams have been recognized within selling literature, however only two of the suggested selling teams are presented with a full set of roles, namely the *selling team* by Deeter-Schmelz and Ramsey (1995) and the *selling center* by Moon and Armstrong (1994). Furthermore Deeter-Schmelz and Ramsey (1995) state the importance of each team member having a clear understanding of his or her role, and to recognize how that role

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interacts with other team roles. As a result of the previous discussion the second research question is:

**RQ2**

“How can the roles of the individuals involved in the industrial selling process, in different selling situations, when selling construction services in Sweden be characterized?”

In the literature review chapter are three types of teams in focus, namely the core selling team, the extended selling team and the selling center. Deeter-Schmelz and Ramsey (1995) present a core selling team and an extended selling team, while Moon and Armstrong (1994) present a core selling team and a selling center. As an addition to the core selling team Deeter-Schmelz and Ramsey (1995) propose four roles which can be found within the team:

- **Selling Team Leader**
- **Seller**
- **Internal Coordinator (IC)**
- **Customer Service Representative (CSR)**

Moon and Armstrong (1994) add five distinctive roles to their definition of a selling center:

- **Initiator**
- **Coordinator**
- **Resource**
- **Approver**
- **Implementer**

To be able to keep the suggested teams apart some assumptions has to be made. The two definitions of a core selling team, by Deeter-Schmelz and Ramsey (1995) and Moon and Armstrong (1994), are much similar. Therefore I consider these suggestions of a core selling team to be comparable. The core selling team is furthermore suggested to be a customer focused team, which initiate and coordinate the efforts of the more transactional focused selling center (Moon & Armstrong, 1994). Due to this, together with other characteristics presented in the literature review, I consider the selling center to be comparable to the suggested extended selling team, proposed as an extension of the core team by Deeter-Schmelz and Ramsey (1995).

To be able to answer the second research question must a set of roles be presented. Consequently, the suggested sets of roles by Deeter-Schmelz and Ramsey (1995), and Moon and Armstrong (1994) will be used when trying to answer the second research question (Table 3.3):
<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Concepts</th>
<th>Conceptualization</th>
<th>Operationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Selling Team</td>
<td>Selling Team Leader</td>
<td>Responsible for all team actions and development of common strategies for the team.</td>
<td>Identifying the person responsible for all team actions and development of team strategies.</td>
</tr>
<tr>
<td></td>
<td>Seller</td>
<td>Primary customer contact and source of external information.</td>
<td>Identifying the person who is the primary customer contact and source of external information.</td>
</tr>
<tr>
<td></td>
<td>Internal Coordinator (IC)</td>
<td>Responsible for compiling and coordinating the selling center.</td>
<td>Identifying the person responsible for compiling and coordinating the selling center.</td>
</tr>
<tr>
<td></td>
<td>Customer Service Representative (CSR)</td>
<td>Provides installation, maintenance and other services to the customer.</td>
<td>Identifying the person who provides installation, maintenance and other services to the customer.</td>
</tr>
<tr>
<td>Team Selling</td>
<td>Initiator</td>
<td>The first to identify a sales opportunity.</td>
<td>Identifying the person who first identifies a sales opportunity.</td>
</tr>
<tr>
<td></td>
<td>Coordinator</td>
<td>Coordinates all selling center members when addressing a certain sales opportunity.</td>
<td>Identifying the person who coordinates all selling center members for a certain sales opportunity.</td>
</tr>
<tr>
<td></td>
<td>Resource</td>
<td>Provides information and expertise to other members within the selling center.</td>
<td>Identifying the person who provides information and expertise to other members of the selling center.</td>
</tr>
<tr>
<td></td>
<td>Approver</td>
<td>Reviews the work conducted by the selling center and approves, disapproves or make suggestions of improvement.</td>
<td>Identifying the person who reviews the work conducted by the selling center.</td>
</tr>
<tr>
<td></td>
<td>Implementer</td>
<td>Carries out their normal job assignments, which however impact the sale.</td>
<td>Identifying persons who simply carry out their normal job assignments, which impact the sale.</td>
</tr>
</tbody>
</table>
4 Methodology

In this chapter will the methodological approach for this thesis be presented and justified. This will ensure that future comparative researches can be conducted.

4.1 Research Purpose

Three types of case studies have been suggested by Yin (1994); exploratory, descriptive and explanatory. Yin (1994) however argues that the boundaries between these strategies not always are clear.

The *exploratory* research strategy is appropriate when a problem is difficult to define or when only a vague idea exists about which model, characteristics and relations are of importance (Eriksson & Wiedersheim-Paul, 1997). As an example Eriksson and Wiedersheim-Paul (1997) suggest the question “Why does the working climate at hospital X decrease?”. The authors also states that an exploratory research should be elastic, to permit adaptation of results and knowledge which the researcher gains during the research. An exploratory research is conducted to gain information about a certain problem or subject. This information is latter used for analysis, however not to determine a further course of action within the subject. Exploratory researches are usually conducted with the expectation that further research will be necessary to provide conclusive evidence. (Zikmund, 1994)

Unlike exploratory research, *descriptive* studies are based on some sort of previous understanding of the research problem. The main purpose of a descriptive research is to describe the characteristics of a population. Descriptive researches focus on finding the answers of the questions who, what, when, where and how. (Zikmund, 1994) As an example of a descriptive research problem Eriksson and Wiedersheim-Paul (1997) suggest a research of skin-cancer occurrence in different ages. This strategy is also used by marketers who strive to determine the customers of a product and similar information of the market (Zikmund, 1994).

*Explanatory* researches, also referred to as Causal Researches (Zikmund, 1994), are often conducted when the researcher aims to study the relation between causes and effects (Eriksson & Wiedersheim-Paul, 1997). This type of strategy requires that the researcher already has a certain knowledge of the subject (Zikmund, 1994). An example of a research problem suitable for this strategy is to study which effect currency devaluation has on the market (Eriksson & Wiedersheim-Paul, 1997).

Commonly a study includes more than one of these strategies. A survey can start with an exploratory strategy to clarify which subject the survey will address, and latter turn to a descriptive or explanatory strategy. (Eriksson & Wiedersheim-Paul, 1997)

Since the main purpose with this thesis is to describe industrial selling of services it will mainly be descriptive, however it will also be exploratory since I strive to gain knowledge of the subject, which is done through a thorough examination of existing theory and case studies.
4.2 Research Approach

Holme and Solvang (1997) suggest two different approaches to use when doing research on the society, *qualitative research* and *quantitative research*. The two approaches propose two ways of collecting information. By using one, or both, of these approaches the researcher will gain comprehension of the individual, groups or institutions.

The *qualitative research* approach is not focusing on creating a generality of the sampled information, rather the goal is to gain a deeper understanding and interpretation about the studied subject. A characteristic of this approach is that the researcher works in closely to the chosen sources. (Holme & Solvang, 1997) Qualitative data is often referred to as “soft” data, and contain information about actions or functions (Eriksson & Wiedersheim-Paul, 2001).

The *quantitative research* approach is more formalized and structured in relativity to the qualitative approach, and the researcher is not as close to the sources. Statistical measurements have a central role within the analysis of the gained information and a goal is to be able to compare the information of the sources. (Holme & Solvang, 1997) Quantitative data often is referred to as “hard” data, delivering information as figures (Eriksson & Wiedersheim-Paul, 2001). In comparison with the qualitative approach, the quantitative approach test theories rather than create them (Merriam, 1994).

Holme and Solvang (1997) suggest that the two approaches can strengthen each other’s weaker sides when both are being used.

I have chosen a qualitative study and will, because of the limited time conduct research at two companies, which in turn do not allow generalization.

4.3 Research Strategy

Yin (1994), list five research strategies appropriate when conducting a qualitative study, these are; *case studies, experiments, surveys, histories* and *computer based analysis of archival records*. Furthermore the author suggests three conditions to be used when selecting the research strategy. Nevertheless, the author states that the boundaries, of when to use which of the five strategies are not always clear. The conditions presented are;

- The type of research question posed
- The extent of control an investigator has over actual behavioral events
- The degree of focus on contemporary as opposed to historical events

In a scheme, table 4.1, Yin (1994) present the five strategies in connection to the three conditions, and by this a clear overview emerges of which choices the researcher has to make.
Since the research questions of this thesis is of the “how” type, surveys and archival analysis will not be the proper strategies. Furthermore, the fact that I will lack control over behavioral events within this study (i.e., the outcome of the interviews) excludes experiment as a possible strategy. This study will also focus on contemporary events, which finally indicates the case study as the most suitable strategy for this thesis.

A qualitative case study is commonly used for construction of theory (Merriam, 1994). A case study is a research strategy used when the researcher wants to examine several variables within few objects. This strategy in some terms lacks the possibility to measure values, but rather concentrates on creating a new language with new concepts and therefore is suitable when searching for new theories. (Eriksson & Wiedersheim-Paul, 2001) Yin (1994) argues that researchers can choose to either conduct a single-case study or a multiple-case study. Though, by choosing two or more cases the researcher will be able to make some comparisons between the cases (Eriksson & Wiedersheim-Paul, 2001).

To be able to search for similarities and differences within sales processes and selling teams within service selling, I have chosen to conduct a multiple-case study.

### 4.4 Sample Selection

With consideration of the limited time and the extensity of the research questions, I have decided to conduct two case studies.

The cases I have chosen for this thesis are larger or medium sized companies within the construction business. The larger company is selling heating and sanitation services (HS) and the medium sized is selling heating, ventilation and sanitation services (HVS).

The chosen companies are;
- Hellmans Rör, a medium sized HVS company
- Bravida AB, a larger company with HS as one of the offered services

The persons I have chosen as the respondents at each company are both in the right posts to be able to answer my questions since they both are working at higher positions within the sales process, and therefore are well aware of the construction and participants of the process.
4.5 Data Collection Methods

Data can be divided into two categories; primary data and secondary data.

Primary data is collected for a specific research, which also makes this type of information much more demanding in time and costs. Primary data can be found by conducting an interview or by sending out a questionnaire, which will be filled in by the respondent and sent back (Eriksson & Wiedersheim-Paul, 1997). The most important, and essential, sources of information in a case study is though the interview (Yin, 1994). According to Yin (1994), an interview can be conducted in three different approaches; open-ended interview, focused interview and structured interview.

Open-Ended Interview
This is the most common type of interview used when conducting a case study. In an open-ended interview the interviewer can ask the respondent questions concerning both facts as well as opinions. (Ibid.)

Focused Interview
In this type of interview the time is limited, however the interview might still be of the open-ended nature but rather following a certain set of questions (i.e., a questionnaire). (Ibid.)

Structured Interview
In a structured interview the interviewer asks structured questions, similar to the questions found in a survey (Yin, 1994; Merriam, 1994).

An interview can be conducted either face-to-face or over the telephone, though it can be easier for the interviewer to ask complex questions when he/she can observe the body language to recognize hesitation or incomprehension at the respondent (Eriksson & Wiedersheim-Paul, 1997).

Since the research questions of this thesis demand much primary data, that only could be delivered from someone involved within the processes at the companies. Furthermore, also due to the nature of an interview, I have chosen to conduct interviews with key sources at each company. Since both interviews were conducted during a maximum of two hours, with respect to the respondents and their busy schedules, and following the earlier delivered questionnaire both interviews were of the focused nature.

All data that already exist in print are referred to as secondary data. Since this data is both less expensive and easier to gather, much because of the Internet, secondary data should be used in first hand and be complemented by primary data. Examples of secondary data sources are the Internet, books, magazines and public sources. (Eriksson & Wiedersheim-Paul, 1997)

As secondary data I have used company pamphlets and similar information received from the respondents or gathered at the companies’ webpages.
4.6 Data Analysis Approach

The analysis of data consists of examination, categorization, tabulation or otherwise recombining the data to be able to address the research problem (Yin, 1994; Merriam, 1994). Yin (1994) suggests two methods for analyzing the empirical findings in a multiple-case study; within-case analysis and across-case analysis. In the within-case analysis the data found in each case are analyzed at a single-case level. The across-case analysis on the other hand compares the data of the cases with each other. (Yin, 1994)

In accordance to Yin’s (1994) suggestion for multiple-case analysis I started with a within-case analysis for each case, and then continued with a cross-case analysis.

4.7 Literature Study

The literature used in this thesis is mainly gathered through the Internet, magazines and textbooks. Through Internet and databases available on the network at Luleå University of Technology I have accessed magazines delivering academic articles within the chosen subject, and also found textbooks regarding the subject. The most frequently used databases for this thesis were LUCIA (i.e., the catalog of Luleå University of Technology’s library), EMERALD and EBSCO. The most frequently used key words when searching for relevant information within these databases were selling, industrial selling, service selling, selling process, team selling, marketing, qualitative research, research method and case study. These keywords were used in different variants and both in English and Swedish, consequently literature in both languages have been used, and if needed translated into English. Some articles that I found in earlier academic works, but could not find through the databases, I have received from my supervisor Lars Bäckström.

4.8 Quality Standards

When conducting a study there are two major tasks to consider; validity and reliability (Eriksson & Wiedersheim-Paul, 2001).

According to Eriksson and Wiedersheim-Paul (2001) and Zikmund (1994) validity is a term used when describing how well a study is measuring what it is meant to measure, while the reliability of a study is given by the trustworthiness and stability of the gathered information (illustrated in Figure 4.1). A study has high reliability if other independent studies, of the same phenomena, deliver the same or similar results (Holme & Solvang, 1997). Since all research strive to produce valid and durable results in an ethically acceptable way, validity and reliability are both very crucial matters to consider. No matter what type of research conducted, validity and reliability are questions that can be handled by constant attention on general concepts within the study, how the information is collected, analyzed and interpreted. (Merriam, 1994)

The empirical findings of this thesis have been gained through face-to-face interviews with respondents who have much insight within the research problem. By conducting a multiple-case study I have increased the validity to some extent, however this thesis focus on selling construction services and might not be applicable on other trades. The purpose of this study is partly to examine whether the existing theories are applicable
on the findings within the constructional service selling. Therefore the validity is increased by a thorough presentation of available theories.

The reliability of this thesis has increased by the fact that a tape recorder have been used during the interviews, by using this equipment no information given by the respondents has been lost. Since the interviews were conducted in Swedish, and the questionnaires were delivered in Swedish, the reliability of the information might decrease as a result of my written translation. By constructing a questionnaire (see APPENDIX I), used as a guide when conducting both interviews, future researches of the same phenomena can easily replicate these questions which will increases the reliability of this thesis further. The questionnaire has been delivered to the respondents one week ahead of the actual interview, which have allowed them to prepare and also gather information for questions they might not be able to respond to without preparation. The questions inquired were not of the leading kind and allowed the respondent to freely answer them in his own pace. Furthermore, follow-up questions have been delivered, and answered, by mail. The respondents were both well authorized to answer the questions, which supplied the thesis with reliable empirical findings.

![Figure 4.1 Reliability and Validity on Target. Source: Zikmund (1994, pp.359)](image-url)
5 Empirical Findings

In this chapter each case will be introduced through a brief company presentation, and furthermore the findings of the interview thoroughly will be presented.

5.1 Case One

5.1.1 Company Introduction

Hellmans Rör is a company active within heating, ventilation and sanitation (i.e., HVS) in Norrbotten, Sweden. The company was founded in Kiruna in 1934, and expanded its business to Gällivare and Luleå in 1940. In 1990 the business was closed down in Kiruna and 2002 in Gällivare. In 1999 the company was sold to NVS, a leading installation company within the construction business, however Hellmans Rör is still the official company name due to the familiarity on the market. Today Hellmans Rör is one of the leading installation companies within HVS in Luleå. As a complement to the installation services, the company also runs a shop, selling related equipment and bathroom interiors to both business and private customers. The company has both business (i.e. companies, organizations, municipalities and the state) and private customers. However thesis will focus on business to business relationships and thus only business customers will be considered when trying to answer the research questions. In a year the company approximately delivers services to 500 customers, where about 50 percent are business customers. Hellmans Rör has about 50 employees, all stationed in Luleå.

Hellmans Rör’s business concept:

“With high competence and far delegated responsibility we shall run contracts and service, where businesses shall lead to long-term co-operations with large as well as small customers” (retrieved Mars 20, 2005 www.hellmans.se)

The respondent on Hellmans Rör was the head manager for the company (i.e. a branch manager at NVS), Bengt Tornberg. He has been working at the company for five years, stationed at the head office in Luleå.

The sales department, according to Bengt Tornberg, is diffuse since all employees are considered as salesmen. Though Bengt Tornberg has the main responsibility and makes all final decisions, with minor or no involvement by NVS. The company structure is presented in Figure 5.1, with concerned posts marked in yellow.
5.1.2 Data Regarding the Research Questions

Complex Service
As a complex service Bengt Tornberg suggests a Cooperation Contract, where Hellmans Rör works with the customer from the initial stage, of taking forth a solution, to the end where installation and maintenance-services are performed. Bengt Tornberg considers approximately 30 percent of all services performed by Hellmans Rör to be complex.

Standardized Service
Maintenance-services are, due to less time and effort demanded, considered as a standardized service by Bengt Tornberg. These services are nevertheless bounded by contracts, which remains for up to three years. Bengt Tornberg considers approximately 70 percent of all services performed by Hellmans Rör to be standardized.

Existing Customer
Bengt Tornberg considers all customers, which the company at some time in history has serviced, as existing customers. The respondent also states that not much action is taken to bring in totally new customers.
New Customers
Since Hellmans Rör does not strive to gain many new customers, and also due to the company’s definition of an existing customer, only five percent of all customers serviced in one year are, by Bengt Tornberg, considered as new.

Selling Complex Services to New Customers
In the initial stage someone, commonly the Branch Manager or one of the Project Managers, at Hellmans Rör might hear about the potential customer. This type of information can be found in the weekly report that Hellmans Rör subscribe to, published by an external company. The reports present all future constructions within the requested area. The Branch Manager then suggests an appropriate person for the contact, or handles the contact by himself. Another possible scenario for the company is to be contacted by the potential customer. This is likely since Hellmans Rör is one of the most recognized installation companies within HVS in Norrbotten. These initiating contacts are in most cases performed by a phone call to the Branch Manager. The goal with the initial contact is to come to an agreement of a meeting.

At the first meeting with the potential customer, Hellmans Rör is represented by the Branch Manager and others from the department who will be in contact with the potential customer. Bengt Tornberg advocates that all employees within the company can in some way contribute on these meetings. The purpose of the meeting is to present Hellmans Rör and what the company can offer, but also to initiate the relationship on a personal level. Bengt Tornberg states that trust is essential between the parties when dealing with these complex sales situations.

When dealing with new customers a credit check-up is always carried out, either by the Administer or Branch Manager. If the financial background of the potential customer is unsatisfying the business is closed. Furthermore the business can be closed by other facts, which points against a successful sale or relationship.

After the meeting the Branch Manager bring forth a pre-projection, in accordance to the customer’s functional demands, which then is presented to the potential customer. In all situations where extensive information (i.e. technical, financial etc.) is necessary, and cannot be found within Hellmans Rör, expertise can be found at NVS.

If the two parties agree on a cooperation a project group is set up, consisting of persons from both parties. From the selling side of the dyad the participants are; the Branch Manager, the chosen Project Manager, the Calculator and in some cases also external consultants. An external company, hired by the project group does the main projection. The project group supervises the results and follows the result from projection to installation. After the main projection is performed and accepted by the Branch Manager, the Calculator brings forth and presents the total price of the contract. If the customer finds the price to be too expensive, or comes up with new requests, the projection undergoes an inspection where possible changes are made by the external company. Then the Calculator presents a new price on the contract. These loops in the projection stage are common and can often occur several times before a final projection plan is signed. The Branch Manager is responsible of signing the final plan.
As soon as the contract is signed Hellmans Rör is ready to begin the installation. All required documents are handed over to the Project Manager, who from this stage is responsible of supervising the installation. The installation is performed by Hellmans Rör’s Fitters, with a Main Fitter, also referred to as the responsible fitter, in charge of the installation area. The Main Fitter acts as an information link between the Project Manager and the Fitters, who distribute work tasks and take upon work tasks himself. Insulation-, electric- and other services are bought from external companies since Hellmans Rör lacks the expertise within those areas. When the installation stage is completed, an inspection is performed. The inspection can be performed either by Hellmans Rör, or by an external inspector. The customer, likely depending on the expense and the trust between the parties makes this choice.

As soon as the inspection is completed a five year long warranty time starts. During this time Hellmans Rör is obligated to handle all maintenance and other related services.

When the warranty time is over another inspection is performed, a warranty inspection. This inspection’s main goal is to make sure all installations are still running. If the customer is satisfied with the services at this stage, Hellmans Rör, through the Branch Manager, Project Manager or Main Fitter strives to sell a maintenance contract of the building. From this stage the customer contact can be reduced on the management level, if such a contract is written. However Bengt Tornberg considers it crucial for future business to keep the contact, and states that some type of further contact exists with most of the customers.

Selling Complex Services to Existing Customers
In this section, and the following sections, only the stages that differ from the process of selling Complex Services to New Customers will be presented.

In these situations Hellmans Rör, through the Branch Manager, Calculator, Project Managers or other persons within the company, can be informed of a potential sale by being in contact with the customer. As an example Bengt Tornberg brings up visits at the customer company.

Since the parties already are aware of each other, and relationships are established, no presentation of Hellmans Rör is needed. However smaller presentations can be performed if some considerable change has occurred.

In most cases a credit check-up is performed, in spite of the fact that sales have been made to the customer in the passed. This is crucial when dealing with as large resources as demanded when selling complex services, according to Bengt Tornberg.

Selling Standardized Services to New Customers
When selling maintenance contracts to a new customer it is common that the potential customer either puts in a request in a newspaper, or contact potential companies. The contact is either performed by phone or by mail. Usually the Branch Manager is the one contacted by the potential customer, and also the one who decide if Hellmans Rör will put out an offer on the contract. As in the case of selling complex services, a potential customer or sale can also be found in the weekly future-construction reports.
The offer-request often includes some type of instructions to give the companies a
concept of the demanded amount of work.

With the instructions as a guideline, a suitable price is taken forth by the Calculator
and presented in an offer, which then is sent or verbally presented to the potential
customer.

If Hellmans Rör’s offer finally is the one accepted, both parties sit down together in a
procurement meeting. Usually, in these situations, the Branch Manager and Calculator
represent Hellmans Rör. Larger customers are also invited to a meeting where
Hellmans Rör and their maintenance-services are presented. Furthermore the
customer is given the chance to give thorough instructions of their requests.

The final contract is then handed over to the Project Manager at the maintenance-
service department. The Project Manager is from this stage the one receiving and
distributing the requested work tasks to the Maintenance-Fitters, who perform the
requested work. These types of contracts are valid for two years, where a third year
can be negotiated if both parties agree.

The Project Manager or Branch Manager usually handles contact with the customer,
however Bengt Tornberg states that contacts are handled by the most suitable person
at Hellmans Rör, and therefore might be almost anyone within the company.

**Selling Standardized Services to Existing Customers**
In this sales situation no new stages was observed. All observed stages can be found
in the process of selling complex services to existing customers, or the process of
selling standardized services to new customers.

5.2  Case Two

5.2.1  **Company Introduction**
The company history started in 1967, when a construction firm named BPA was
founded in Stockholm. In 2000 a merger between Byggnadsproduktion AB (BPA)
and the Norwegian company Telenor lead to the present company name, Bravida.
Today Bravida Sweden AB is titled as the largest total supplier of installation and
maintenance in Scandinavia. The main services delivered by the company are
electrical systems, heating and sanitation. The service chosen for this case-research is
heating and sanitation (i.e., HS). The company head office is located in Stockholm, but
another 243 offices can be found in Sweden, Norway and Denmark. The number of
employees was in January 2005, totally about 9000.
Bravida’s business concept:

“By close co-operation with customers and business partners with expertise, we will stand out as one of Scandinavia’s foremost service and installation enterprises, through creating added value, profitability and growth” (retrieved Mars 25, 2005, www.bravida.se)

The respondent of this interview, Anders Rosengren, can be found at Bravida’s northern division’s head office in Luleå, which belong to region Northern Norrland. He has been working for Bravida, as the department manager of HS, for one year. The organizational structure of Bravida is presented in Figure 5.2, with concerned branches and departments marked in yellow.

The HS department in Luleå handles installations of systems within water, heating, cooling, drainage and sprinklers. Furthermore maintenance-services are performed on these types of systems. Bravida’s customer-portfolio consists of companies, organizations, municipalities and private customers. The department has about 100 customers per year, where about 50 percent are B2B customers. The sale department within HS in Luleå has five employees stationed at the office, and 25 fitters working with installations and maintenance.

5.2.2 Data Regarding the Research Questions
Complex Service
A Total Contract is a contract where Bravida is given the commission to both bring forth a design solution of the installations and to perform the installation, with only the customer’s list of requested functions as a guideline. This service is time and...
Empirical Findings

effort demanding and is therefore, by Anders Rosengren, considered as complex. 30 percent of all services carried out by Bravida in one year are considered complex, according to Anders Rosengren.

Standardized Service
A General Contract is a contract where a design solution is already taken forth by the customer, only demanding installation services by Bravida. Due to less time and effort demanded, Anders Rosengren considers this service to be standardized. 70 percent of all services carried out by Bravida in one year are considered standardized, according to Anders Rosengren.

Existing Customers
Anders Rosengren considers the business to be much dependent on relationships. Therefore he suggests that all earlier relationships and business customers are still considered as existing customers, in spite of the fact that no services might have been performed to the customer in several years.

New Customers
Due to the fact that Anders Rosengren considers all earlier business relationships to be existing customers, only five percent of all customers in one year are considered to be new. This number is considered for all larger services provided by the company.

Selling Complex Services to New Customers
The most common way for Bravida to get in contact with a new potential customer is to be contacted by the customer with an inquiry for an offer. This offer will include all costs to fulfil the customer demands. The request from the potential customer is in most cases sent to the Department Manager. Though, in some cases the Department Manager might have heard about the potential customer and then initiate the offer request by contacting the potential customer on the behalf of Bravida.

Before making an offer, the Department Manager questions the potential customer about demands and other information regarding the requested service. According to Anders Rosengren, Bravida strives to be involved as early as possible in the sale of complex services, preferably from the idea stage where consulting and design services are offered to the potential customer. In this stage the Department Manager sometimes choose to end the potential business due to the fact that the HS-department in Luleå does not have as much resources as demanded at the time, or if the Department Manager together with higher management by any other reason does not feel that the inquiry is appropriate to accept.

When dealing with a new customer, Bravida always perform a thorough credit check-up. If the potential customer’s financial capability is unacceptable, the sale will end at this stage. The credit check-up is performed by the divisional financial department situated at the divisional head office in Sundsvall.

After the credit check-up is accomplished, and accepted, an offer projection is performed by Bravida. The offer projection includes a minor projection where a fundamental solution, sketched by hand, and price is presented to the potential customer. In this stage Bravida, due to the costs involved, is not able to take forth a thorough projection. The offer projection is in most cases performed by an Offer-
Empirical Findings

Calculator stationed at Bravida’s office in Skellefteå. This service is bought by the Department Manager, when he does not have the time or capability to perform the calculations on his own.

At this time Bravida also makes a physical presentation of the company, and involved personnel, for the potential customer. This is, according to Anders Rosengren, a way of initiating the relationship, but also to give a presentation of Bravida as a company and what they can offer the potential customer. Anders Rosengren also states that, in some situations, several visits have to be made to a potential customer to even get the smallest job. At the presentation the Department Manager and other persons who might contribute in some way, likely the Project Manager, represent Bravida.

If the customer accept the offer from Bravida, the main projection starts. This projection includes taking forth thorough solutions regarding technique, material demands, costs, and other needed information. The main projection service is bought from an external consultant company, since Bravida do not have the personnel or computer capability to perform these services. Anders Rosengren though states that the hired consultant company performs the projection after Bravida’s demand, not by Bravida’s customer-demand. In this stage, as soon as the offer is signed by both the Department Manager and the customer, the department manager hands over the project documents to the chosen Project Manager. The Project Manager is now responsible for supervising the projection, and is also held partially financial and technical responsible for the further project until the installation is complete and approved by an external inspector. The main responsibility of the project however is set on the Department Manager, during the whole process.

When the projection is completed, the result is presented to the customer in form of inspection documents. After this presentation the customer has up to two weeks for inspection of the designed solution, and then has to accept the solution or make suggestions for changes. If the customer accept the proposed solution the inspection document will be declared as construction documents. Otherwise, customer requests of changes are made, and a new solution is taken forth by the consultant company. The customer requests are received by either the Department Manager or Project Manager. The Project Manager is responsible for informing the consultant company about the requests and for supervising the new outcomes. When the final solution of design is decided and accepted by both Bravida and the customer an external inspector will examine the solution and accept it, or demand changes. This inspector will further on supervise the construction until the end to make sure it is correctly performed.

During the installation the Project Manager is responsible for almost everything at the construction area. He or she will be in charge of all material purchases, and also of the personnel (i.e., the Fitters). The Project Manager is also responsible for buying external expertise, which is demanded in some work tasks. As an example Anders Rosengren suggests the insulation of pipes. As assistance the Project Manager has a Main Fitter, who functions as a link between the Project Manager and the Fitters, who perform the installation. The Main Fitter is held responsible for distributing the work tasks among the Fitters. During the installation minor changes and additions are made, requested by either Bravida or the customer. These changes are documented in a report and sent to the customer with a complementary cost declaration, and added to
the original designed solution as an enclosed report. In case of changes due to miscalculations in the projection, the costs are though fully covered by Bravida. After the installation is completed, a test run of the system is performed. If everything is in order the external certified inspector approves the installation and the ownership of the system is transferred onto the customer. This inspection is set by law. A documentation of the system is written as a user guide to the customer or user of the system.

The installed system has a warranty time of two years, which include four check-ups of the system performed by Maintenance-Fitters from the maintenance department, through instructions of the Maintenance Manager. During the warranty time the Department Manager or Project Manager strives to sell a maintenance contract of the system. Anders Rosengren points out that there is no meaning with this sales increasing effort if the customer is a municipality of similar kind, since these customers, due to the law of public procurement, has to make a public inquiry among all contractors on the market when purchasing services.

After the sale is closed Bravida still, according to Anders Rosengren, strives to keep the contact with the customer and in that way nurture the relationship. This is mainly performed by lunch meetings, tradeshows, and seminars of new products or branch subjects. The Department Manager is responsible for the relationship maintenance, and is the one who initiates the get-togethers and then socializes with the customers. Anders Rosengren though mentions that when dealing with larger customers it is common that Bravida also is represented on a higher management level.

**Selling Complex Services to Existing Customers**

In this sale situation Anders Rosengren suggests that few stages of the process differ, when compared to selling complex services to new customers. The persons involved in the process are also the same.

Often a complex sales opportunity with an existing customer starts with an inquiry from the customer. If Bravida, through the Department Manager, considers the inquiry to be of interest an offer is made in the same way as when dealing with a new customer. However can the fact that Bravida already is in contact with the customer make it possible for the Department Manager, or some other person within Bravida, to sense a customer need on an earlier stage.

One thing that differs from the previous sales situation is the credit check-up. When Bravida already has a business relationship with the customer, and no negative payment experience exists, the check-up is not necessarily as thorough as when dealing with a new customer. Anders Rosengren though states that when a sale involves as high costs as these complex services, some kind of financial check-up is always performed.

Neither is a company presentation of Bravida needed since the customer is aware of Bravida’s capability, and also has been updated about the company news by participating in business lunches, seminars and similar events.

From this stage the process is the same as when selling complex services to new customers.
**Selling Standardized Services to New Customers**

Since many of the stages in this selling situation is equal to the stages when selling complex services, only the differing stages will be documented. The same persons within Bravida participate in these stages, as in the process of selling complex services if nothing else is suggested.

In cases where the potential customer strives to find a contractor for a standardized service, the contractor market is much larger since several more contractors can carry out these less technical jobs. In these situations the request for an offer likely is found in a newspaper, advertised by the potential customer to reach out to all possible contractors. These potential sales can be found either by the Department Manager, the Administer or one of the Project Managers. However it is also common that the potential customer sends out inquiries to certain contractors, or that someone within Bravida has kept him- or herself attentive for future customer needs.

The greatest difference in these selling situations is that the potential customer, together with the inquiry, attaches already projected documents and a design solution. The only thing inquired by Bravida is an offer of the system installation. This means that no sort of projection is required from Bravida, and therefore no external consultant company is involved in the process.

A minor company presentation are in most cases performed, where Bravida with concerned personnel and services are presented to the potential customer.

If changes have to be carried out during the installation, due to miscalculations in the projection, the customer is responsible for these additional costs.

**Selling Standardized Services to Existing Customers**

In this sales situation no new stages was observed that has not already been observed in the process of selling complex services to existing customers or when selling standardized services to new customers. Therefore no new process will be presented here.
6 Analysis

In this chapter will the empirical findings, divided into the two research questions, be analyzed with the frame of reference as a guideline. First a within-case analysis will be performed for each case and research question, followed by a cross-case analysis for each question.

6.1 Selling Situations

All of the four selling situations, (i.e., selling complex services to new customers, selling complex services to existing customers, selling standardized services to new customers and selling standardized services to existing customers), taken in consideration were represented by both Hellmans Rör and Bravida. However the standardized services, chosen as examples by the respondents for the interviews, were not comparable to each other because of their natures. Though, I considered the respondents’ concepts of a standardized service within their companies as the right choice to go by. Moreover might a company have several services considered as standardized, which consequently could have led to the fact that the respondents brought up different types of services.

6.2 Service Selling

The stated characteristics of pure services, (intangibility, inseparability, variability, perishability and ownership), are all were topical within the construction industry.

The intangibility is a much present character since the service provided by the construction companies obviously can not be seen, tasted, touched, heard or smelled. However can the result of the service be accessed by every sense, which not is reality in other service providing trades. One exception is the performance of maintenance-services. The inseparability of construction services is a dominant characteristic since these services can not be produced in one place and transported to another, neither can they be mass-produced. The variability is much present because of the amount of personnel performing the services, this might have an influence on the quality from time to time. The construction market is much affected by the perishability, since the demand of these types of services depend on the present economy on the market. The fact that many of the customers are public organizations does obviously cause fluctuation of the demand. The lack of ownership of a service has made direct sales and intermediaries the used sales methods when selling construction services.

6.3 Research Question One

“How can the industrial selling process, in different selling situations, when selling construction services in Sweden be characterized?”

The selling process found at Hellmans Rör and Bravida will be summarized and analyzed, divided into the four selling situations suggested in the conceptualization. The analysis will end up in one selling process for each case and selling situation, which furthermore will be compared to the presented theories within the area.

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5 During one of the interviews the use of intermediaries was acknowledged, where larger construction companies purchase certain services from the respondent’s company to meet their customer’s need.
6.3.1 Within-case analysis

Case One – Hellmans Rör

The selling process at Hellmans Rör has been analyzed in each specific selling situation, resulting in one process for each situation;

Selling complex services to new customers

Potential Customer Identification
Someone at Hellmans Rör finds information about a new potential sale, and passes this information further to the Branch Manager. In these cases the Branch Manager contact the potential customer to indicate a business interest. It is also likely that the potential customer contact someone at Hellmans Rör to initiate a potential purchase.

Company Presentation
Hellmans Rör is presented on a company and personnel level, and the produced services are presented to the potential customer. Furthermore the potential customer present their needs and demands for the service in question.

Qualifying the Prospect
If a continuous business interest is proved, a credit check-up of the potential customer is performed.

Offer Projection
An offer projection is taken fourth where less details are considered. The projection is then presented to the potential customer.

Main Projection
In this stage Hellmans Rör is the supplier chosen by the customer, and the sale is officially carried through. An extensive projection is taken fourth, including a detailed design solution and cost specification, and then presented to the customer. It is very likely that this stage will repeat itself several times when trying to bring forth a solution acceptable for both Hellmans Rör and the customer.

Installation
The signing of the final projection plan initiate the installation stage, where the final design solution functions as a guideline of the work.

Warranty Time
Since no new sales are made during the warranty time, this stage is much about servicing the customer.

Relationship Maintenance
Through a continuous contact with the customer after a closed sale, Hellmans Rör strives to maintain the position as a possible choice for further business, both maintenance-contracts and future cooperation contracts.
Selling complex services to existing customers

Potential Sale Identification
The way of identifying a potential sales situation is much similar to the situation of selling complex services to new customers, however a customer might also be recognized by someone at the company who has maintained the specific relationship.

Qualifying the Prospect

Offer Projection

Main Projection

Installation

Warranty Time

Continued Relationship Maintenance

Selling standardized services to new customers

Offer Inquiry/Potential Customer Identification
A potential sale can be found in a public ad or report, however it is likely that Hellmans Rör is contacted by a potential customer with an offer inquiry.

Offer Proposal
A minor offer-solution and calculation is taken fourth and presented to the potential customer.

Procurement Meeting/Company Presentation
In this stage the contract is given to Hellmans Rör. The nature of the service and customer demands are discussed on a detailed level. Hellmans Rör is presented as a company together with a presentation of concerned personnel.

Service Performance
Time of the contract including demanded maintenance tasks.

Prolonged Sale
The contract can, if agreed by both sides, be prolonged for another year. This is however not valid when dealing with public organizations.

Relationship Maintenance

Selling standardized services to existing customers

Offer Inquiry/Potential Sale Identification
An offer inquiry can be found in the same way as when selling standardized services to new customers, however a sales opportunity also might be recognized by someone at the company who has maintained contact with the customer.
Analysis

Offer Proposal

Procurement Meeting

Service Performance

Prolonged Sale

Continued Relationship Maintenance

Case Two – Bravida

The selling process at Bravida has been analyzed in each specific selling situation, resulting in one process for each situation;

Selling complex services to new customers

Offer Inquiry/Potential Customer Identification
The department manager is contacted by the potential customer who indicates an interest and leaves an offer inquiry. Another scenario is that the department manager recognizes a potential sale and then contacts the potential customer.

Qualifying the Prospect
When dealing with a new customer a thorough credit check-up is always performed.

Offer Projection/Company Presentation
A minor projection with fundamental solutions is performed, including a cost specification. The offer projection is presented to the potential customer together with a presentation of Bravida as a company, types of services and concerned personnel.

Main Projection
In this stage Bravida is the company chosen by the customer to perform the service. A main projection is performed, resulting in a detailed design solution and inspection documents. The customer then has two weeks for inspection of the projection.

Installation
The service is performed with the accepted design solution and construction documents as a guideline.

Warranty Time
During the warranty time Bravida is bound to supervise the installed systems and perform reparations due to miscalculations in the main projection or installation.

Relationship Maintenance
By lunch meetings, tradeshows, seminaries etc. a continuous contact is held with the customer.
Selling complex services to existing customers

Offer Inquiry/Potential Sale Identification
A potential sale can be recognized in the same way as when selling complex services to new customers, however it is likely that a customer need can be sensed on an earlier stage due to the close contact between the parties.

Qualifying the Prospect
It is likely that a less thorough credit check-up is performed since earlier experiences has built a certain amount of trust between the parties.

Offer Projection

Main Projection

Installation

Warranty Time

Continued Relationship Maintenance

Selling standardized services to new customers

Offer Inquiry/Potential Customer Identification
An offer inquiry is commonly found in newspapers, however an inquiry can be sent directly to Bravida as well.

Offer Proposal
A minor offer proposal is taken fourth and presented to the potential customer.

Procurement Meeting/Company Presentation
In this stage Bravida officially is chosen as the service contractor. In a meeting a minor presentation of Bravida and concerned personnel is performed, furthermore the demands of the service are discussed on a detailed level.

Installation
All installations are performed in accordance to the assigned design solution and construction documents.

Warranty Time
Bravida is responsible of all defects as a consequence of the installation work.

Relationship Maintenance

Selling standardized services to existing customers

Offer Inquiry/Potential Sale Identification
An offer inquiry can be found in a newspaper or sent directly to Bravida. However, as in the case of selling complex services to existing customers, someone at Bravida can recognize a sales opportunity by maintain contact with the customer.
Analysis

Offer Proposal

Procurement Meeting

Installation

Warranty Time

Continued Relationship Maintenance

6.3.2 Cross-case analysis
Since the selling process differ, both when comparing the two cases and the four different selling situations, one cross-case analysis will be performed for each selling situation.

Selling complex services to new customers
The first stage of the selling process at Hellmans Rör include a potential customer identification, while the same stage at Bravida also can include an offer inquiry by the potential customer. Consequently does Hellmans Rör, in comparison to Bravida, not take fourth an offer suggestion in this initial stage.

Another dissimilarity between the two cases is the chosen time for a company presentation. Hellmans Rör perform their presentation before qualifying the prospect (i.e., credit check-up), while Bravida wait until the qualification of the prospect is completed. The reason for such an early company presentation at Hellmans Rör, might be a way of initiating a relationship and trust between the parties as early as possible. Furthermore might Bravida choose to postpone the presentation to a later stage in the process, and in that way avoid costs and time spent on a non-sales prospect. At this point does Bravida also present their offer projection to the potential customer. Hellmans Rör present their offer projection as soon as the qualification is completed. Due to the fact that the company presentation is performed simultaneously with the offer projection at Bravida, adds an additional stage at the selling process at Hellmans Rör.

The following stages of the selling process are identical between the two cases; main projection, installation, warranty time and relationship maintenance.

Selling complex services to existing customers
As in the situation of selling complex services to new customers, does the initial stage at Hellmans Rör not include an offer inquiry by the customer while it is a possible scenario at Bravida. Furthermore can a sale or potential sale situation be initiated through potential sale identification in both cases. The rest of the processes are similar in the both cases; qualifying the prospect, offer projection, main projection, installation, warranty time, continued relationship maintenance.

Selling standardized services to new customers
In this selling situation does both companies selling process begin in similar versions; offer inquiry/potential customer identification, offer proposal and procurement meeting/company presentation. After these stages does some differences occur, which
Analysis

however can be originated from the dissimilar characteristics of the chosen services. At Hellmans Rör are the following stages service performance and prolonged sale. The corresponding stages at Bravida are installation and warranty time, where the installation stage is similar to the service performance stage at Hellmans Rör since both includes the performance of a sold service. The process then ends up in a relationship maintenance stage in both cases.

**Selling standardized services to existing customers**
As in the case of selling standardized services to new customers, does the process begin in a similar version in both companies; offer inquiry/potential sale identification, offer proposal and procurement meeting. Non of the companies perform any type of presentation, since earlier business and pursued customer contacts keep the customer updated on the selling company. Furthermore, as when selling to new customers, does the following stages differ between the two companies selling processes. The selling process at Hellmans Rör continues through service performance and prolonged sale, while the same process at Bravida pursue by installation and warranty time. Both companies then focus on continued relationship maintenance.

**Empirically Found Sales Processes Compared to Frame of Reference**
When comparing the selling processes found in the two cases to the existing theories presented in chapter two were the following similarities and differences recognized. Due to the multiple presence of several stages within the selling situations, has this comparison not been divided into the four selling situations.

Wilson (1975) open his Dyadic sale process model with source legitimization, this stage can be recognized in the empirically found stages company presentation and procurement meeting where the companies meet their customer or potential customer face to face. However should also contact over the phone and by mail be included. During these meetings are information about the need presented by the buying side of the dyad and therefore is the information exchange/problem identification stage suggested by Wilson (1975) also applicable within this stage.

The offer projection/offer proposal stages found in the empirical processes are much similar to the attribute delineation suggested by the author, and furthermore is the attribute value negotiation stage similar to the empirical main projection stage. However will the attribute value negotiation stage never be reached if the offer projection/offer proposal suggested by the selling company not end up in a sale. The relationship maintenance stage is suggested as the final stage in the Dyadic sale process, which also is a stage empirically recognized. Though do the empirical findings when selling construction services suggest that this stage rather is a separate stage which exist parallel to every other stage of the processes.

When it comes to Shapiro and Posner’s (1976) strategic selling process can the empirically found potential customer identification stage be comparable to the suggested opening the selling process, however only when dealing with new customers. Furthermore does this theory not include the possibility of the customer as initiator of a sale. Qualifying the prospect is another stage that can be found both in the empirical findings and the authors selling process, yet does theory suggest that a seller can chose which customers to do business with, and furthermore that a relationship is a criteria with strong influence when choosing supplier of a service.
This assumption is not very likely in the construction trade, due to the sensitivity of price. Developing the sales strategy, organizing justification and making the presentation are three other stages suggested by Shapiro and Posner (1976), these stages can to some extent be recognized in the found stages; offer projection/offer proposal, procurement meeting/company presentation and also main projection. The authors propose coordinating resource and personnel as a individual stage, however is this stage performed during the whole process, which also is observed empirically. The closing of the sale is also considered as a individual stage by the authors, while the empirical findings together with the characteristics of the trade indicate that the selling company has little influence of the closing of a sale. As already suggested can the relationship maintenance/continued relationship maintenance stage be considered as a parallel stage performed during the entire process, however do Shapiro and Posner (1976) suggest nurturing the account relationship as the final stage of the process.

The first part of the Organizational selling model by Plank and Dempsey (1980), setting the stage, is mainly present in the empirically found stages; company presentation and procurement meeting. The Determining Buyer(s)’ Needs stage suggests that it is crucial to recognize the different needs within the customer organization. Though this is important when selling constructional services, it is not likely that focus will be put on these needs until a sale is performed. This can be interpreted as a result of the emphasis on price present within the construction trade. In the presentation stage the authors suggest that the product should be demonstrated, which is next to impossible when selling services. However, in the two cases are possible design solutions and documents presented to the customer or potential customer. Moreover do the authors advocate that the seller has to overcome the customers’ doubts, which in the construction trade only can be done through a price reduction. The second dimension of the Organizational selling model is almost exclusively controlled by public laws. The influence pattern identification is also public when dealing with public organization, where the choice of supplier depends on the factors; price, competence and quality/environmental. Consequently do the empirical findings not suggest that much research on the potential customer is performed since the price is such a crucial factor.

In suggestion to Persson’s (1999) Sales Process in an Existing Long-Term Relationship can an existing customer relationship trigger future sales without an outspoken need from the customer, through continuous contact with the customer. Furthermore might the empirical offer projection/offer proposal stage be considered as the problem identification, technical proposal and offering stages suggested by Persson (1999), and the main projection as technical and commercial negotiation and instructions for production. The installation/service performance and warranty time is obviously found in the installation and service stage found in Persson’s (1999) process. The only stage which not was recognized in Persson’s (1999) sales process is qualifying the prospect, likely is this an additional stage existing only when sales involve such large costs that in fact are involved when selling complex services within the construction trade. Furthermore, in accordance to the author’s suggestion, is it also likely that the process will enter a number of loops. The suggested
relationship maintenance stage is existing during the whole process, which also is observed empirically.

In the evolved seven steps of selling do Moncrief and Marshall (2004), in the customer retention and deletion stage, suggests that a company must delete unprofitable customers. This suggestion does not seem to be realistic in the construction trade since both companies in this thesis maintain contact to their customers in spite of the fact that no new sale opportunities are recognized in the near future. The database and knowledgement stage brings up the importance of filing information regarding earlier sales and future potential sales. Since every complex sale made to a customer, according to the empirical findings, is unique does this information be relevant when selling standardized services in the case of Hellmans Röör since these maintenance-contracts might be prolonged. Moncrief and Marshall (2004), unanimous to the other presented theories, propose nurturing the relationship and customer relationship maintenance as separate stages. Marketing the product can be compared to the empirical stages company presentation, procurement meeting and furthermore to minor presentations performed during the offer projection and main projection. Problem solving and adding value/satisfying needs are also found within several stages in the empirical findings.

6.4 Research Question Two

“How can the roles of the individuals involved in the industrial selling process, in different selling situations, when selling construction services in Sweden be characterized?”

Since both companies observed in this thesis have relatively small sales departments, research has proven that the roles presented in the theory chapter commonly are held by the same post in all four conceptualized selling situations, at each company. Therefore the analysis of existing team roles, in each company, will be presented only once when trying to answer the research question; "How can the roles of the individuals active in the industrial sales process when selling construction services be characterized?”. However are the found roles applicable on each researched selling situation. The team roles analyzed in this thesis are the roles found in Deeter-Schmelz and Ramsey’s (1995) Core Selling Team;

- Selling Team Leader
- Seller
- Internal Coordinator (IC)
- Customer Service Representative (CSR)

Together with Moon and Armstrong’s (1994) roles in the Selling Center;

- Initiator
- Coordinator
- Resource
- Approver
- Implementer
6.4.1 **Within-case analysis**

**Case One – Hellmans Rör**
The branch manager at Hellmans Rör is assigned the role as *selling team leader*, since he has the main responsibility throughout a sale. In some situations the branch manager also has to get approvals from higher management within NVS. The branch manager does though not work directly with the CSR, this contact is handled by the project manager which therefore also can be considered as the selling team leader according to the theory.

The role as the *seller* is also assigned to the branch manager since he is the primary source of future developments and customer information. The branch manager likely is the one to recognize a need for an additional member in the selling team. In most cases he is the one recognizing a sales opportunity, or being contacted, when selling complex services, however it is also likely that someone else within the core team might recognize both complex and standardized sales opportunities and pass the information further to the branch manager.

An *internal coordinator (IC)* is responsible of the extended selling team (i.e., expertise found outside the core team). The branch manager is responsible of external expertise during the projection stage, and the project manager from the installation stage and forward. Consequently both persons must be considered internal coordinators.

The main-fitter, together with the fitters, provides installation and maintenance and are therefore considered to be *customer service representatives (CSR)*. However theory suggests that a CSR might take over the seller’s role as a customer contact when the seller is unavailable, which is a task in most cases set on the project manager. Furthermore a CSR will provide information about customer complaints and requirements. Consequently, the project manager might also to some level be considered a CSR.

According to the branch manager, anyone within the selling center might be assigned the role as *initiator* since they all keep themselves updated on the market by reading newspapers or the weekly report, and in that way might come across a potential sales opportunity. In some cases the customer or potential customer might also be assigned the role as initiator, since they initiate a potential sale by sending an offer inquiry to Hellmans Rör.

A *coordinator* coordinates all selling center members to work together in an effective way. The main responsibility of this task is set on the branch manager, however are the project manager and main-fitter also assigned roles as coordinators during the installation stage.

The *resource* provides information or expertise to the rest of the selling center members. This type of expertise is found within NVS and through the calculator, nevertheless does both the branch manager and project manager hold crucial information about customers and the construction market.
Since approvals of sales decisions are made mainly by the branch manager, he is considered as an approver. Though, according to theory, the number of managerial representatives in the selling center influence how many approvers that are present. This suggestion advocate that the project manager also should be assigned a role as approver, and also managers within NVS who are involved when dealing with larger complex sales.

The members of the selling center who simply carry out their normal job assignments are, by Moon and Armstrong (1994), considered as implementers. In accordance to this statement both the main-fitter and the fitters at Hellmans Rör could be considered as implementers.

Case Two – Bravida
At Bravida the department manager holds the role as selling team leader, this due to the main responsibility he has throughout the whole sales process. Furthermore the department manager might have to get an approval from higher management within Bravida in some sales situations. However does the selling team leader not work directly with the CSR which is suggested in theory, this role can therefore also be set on the project manager who work closely with the main-fitter (i.e., the CSR).

The seller’s work tasks are also found at the department manager since he possess knowledge about the marketplace, service developments and in most cases also the need of external expertise. He is also the person who likely will recognize a sales opportunity when selling complex services. Though the project manager might recognize customer needs of standardize services. Furthermore the department manager distribute crucial information further to the IC.

The project manager is responsible of the extended selling team composition and coordination during the installation stage and is therefore assigned the role as internal coordinator (IC). However is the department manger responsible of external expertise in the projection stage, and must also be considered as an internal coordinator.

A customer service representant (CSR) provide installation, maintenance and other services to the customer. In accordance to this suggestion, the main-fitter is assigned this role together with the fitters. However it is also suggested that the CSR can take the seller’s role when needed and function as a customer contact providing information. When the department manager is absent it is though likely that the project manager take over the customer contact, and therefore also can be assigned the role as CSR.

The initiator is the person who first identifies a sales opportunity, therefore the department manager is considered to be the initiator when selling complex services. However, when dealing with existing customers, it is also likely that someone else within the selling center might initiate a sale, commonly the project manager. The customer or potential customer might also be assigned the role as initiator since they in some situations initiate a sale by sending out an offer inquiry to Bravida.

The task of coordinating the selling center is mainly assigned to the department manager, however the project manager takes over much of the department managers responsibilities during the installation stage and can therefore also be considered as a
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coordinator. The main-fitter might also, in some sense, be assigned the role as coordinator since he is responsible of coordinating the work performed by the fitters during the installation.

A resource provides information or expertise to other members within the selling center. Therefore several persons within Bravida might be assigned the role as resource; the department manager provides information about the customer on several levels, the project manager provides information about the installation and the offer-calculator provide expertise within cost-specifications. It is also likely that several more persons within Bravida can provide information and expertise crucial for the sale.

Since there exist several managerial levels within he selling center, the role as approver is set on various persons. The department manager has the main responsibility from the initiation of a sale throughout the whole process, and is therefore one of the approvers. The project manager functions as an approver during the installation stage. Moreover, higher management within Bravida might be involved when approving larger sales.

The implementers are argued to simply carry out their normal job assignments, these roles are therefore assigned to the main-fitter and the fitters.

6.4.2 Cross-case analysis
Both companies included in this study has at least one representant of each role in the selling team and selling center suggested by Deeter-Schmelz and Ramsey (1995) and Moon and Armstrong (1994).

At Hellmans Rör, the branch manager principally holds the role as selling team leader, with minor assistance by the project manager. The same pattern can be observed at Bravida where the department manager, with minor exceptions by the project manager, is in charge of the assignments set on the selling team leader.

The role as the seller is in both cases primary set on the branch manager/department manager. However at Hellmans Rör, the branch manager might be assisted by several persons within the company when locating prospects and future needs of existing customers; the project manager, calculator and administrator. At Bravida the department manager is assisted solely by the project manager, however only when dealing with existing customers.

At Hellmans Rör the branch manager is responsible for the extended selling team (i.e., external expertise) during the projection stage, and is therefore considered as an internal coordinator. In comparison, the department manager at Bravida is also considered as an internal coordinator. At both Hellmans Rör and Bravida are the project managers are responsible of the extended selling team during the installation stage and the rest of the process and are therefore also considered as internal coordinators.

In both cases are the main-fitter and fitters considered as customer service representants. However do some of the tasks, subscribed on the CSR, suggest that the project manager at both companies might be assigned roles as a CSR.
The role as *initiator* is much similar to the selling team role as seller, however does the initiator not necessarily handle any contact with the customer or potential customer. Rather the person identifies a sales opportunity and passes the information further to a suitable person within the selling center. By this suggestion, anyone within Hellmans Rör can be assigned the role as initiator, and furthermore also the customer or potential customer who sends out an offer inquiry. At Bravida, the role as initiator is set on the department manager when selling complex services. However several persons within the center can initiate a sale when dealing with existing customers, though commonly it will be the project manager who identify these potential sales opportunities. As in the case of Hellmans Rör, the customer or potential customer can also function as an initiator at Bravida.

Since a *coordinator* is responsible of coordination the work of the selling center, several coordinators could be found both at Hellmans Rör and Bravida. The number of coordinators and posts within the companies are identical. The branch manager/department manager has the main responsibility for the selling center during the whole process. The project manager takes over much of the tasks when the projection is performed and installation begins. Furthermore does the main-fitter coordinate the installation performed by the fitters at the construction area.

At Hellmans Rör crucial information of the market can be found within NVS, however can the branch manager, project manager and calculator contribute with demanded information. Consequently can they all be considered as *resources*. Several persons at Bravida can also be assigned roles as resources; the department manager, project manager, offer-calculator and personnel from other department within the organization.

There are several *approvers* at Hellmans Rör, however does the branch manager hold the main responsibility throughout the process. Furthermore can the project manager and higher managers within NVS also be considered as approvers, since some decisions are made in consent between the branch manager and personnel at these positions. Several managerial levels are also found at Bravida, suggesting that both the department manager, project manager and higher management might be assigned roles as approvers.

At both Hellmans Rör and Bravida are the roles as *implementers* set on the main-fitter and fitters.
7 Conclusions

In this chapter the found answers of the research questions will be presented (i.e., the conclusions), furthermore managerial implications and suggestions for future research within the area will be given.

7.1 Overall Findings

7.1.1 Selling Situations
All types of selling situations presented in the conceptual framework were identified in each of the two cases. Some of the situations were more common, as an example both companies were considering a customer as an existing customer independent on the time passed since the last sale was performed. As a result of this, only a minor percentage of all customers were considered as new to the companies.

The respondents from the two cases considered similar services as complex, however they chose different types of standardized services. Due to this fact the outcomes of selling standardized services might not be fully comparable, which in turn might question the results of the cross-case analysis suggested in the analysis chapter.

7.1.2 Service Selling
Kotler and Keller (2006) suggest that a service might be considered as an instrument of producing material outputs. Within the construction industry this is a proper suggestion since output of a major contract is highly visible. The maintenance services performed during a maintenance-period, do not likely end up in any material results.

The intangibility of a construction service can partially be reduced by the use of pamphlets or presentations of earlier performed services, where the result can be presented by photos etc.

Kotler and Keller (2006) suggest that the inseparability of services can be partly adjusted by some modifications of the service performance. For instance might several customers be serviced at the same time, moreover might the seller perform the service in a more rapid pace. Due to the characteristics of the construction industry the multiple-customer service is not an option, however might the seller succeed in performing the service faster.

According to Palmer (1998) the variability can be stabilized by the use of blueprints, which also is a common instrument when performing larger contracts in the construction industry, however not brought up in this thesis.

Another characteristic brought up by Palmer (1998) is the lack of ownership of a service. In accordance to this he suggests direct sales and the use of intermediaries as common sales methods. The findings of this research advocate this suggestion, since both sales methods were observed. In addition might both companies within this thesis be considered as intermediaries since some services are purchased externally. Furthermore it does, to some extent, exist a swap of ownership when a service is performed. Though, this ownership is not bound to the service, but rather to the outcome of the service (i.e., the installed system).
Conclusions

Since some of the construction services must be performed during a certain time of the year or the day (i.e., maintenance of heating systems should likely not be performed during the winter and water systems preferably during the night), the perishability of construction services is acknowledged. Consequently, this is a characteristic, which is difficult to adjust. The intangibility is another characteristic, which is difficult to adjust when selling construction services. Nevertheless most construction services will be judged, however by their outcomes (i.e., quality and appearance of the system etc.).

7.1.3 Research Question One

“How can the industrial selling process, in different selling situations, when selling construction services in Sweden be characterized?”

Several of the authors referred to in the literature review, suggest that the stages in a sales process might overlap each other and are carried on simultaneously. The findings of the two cases put further emphasis on this suggestion, since some stages were found to overlap each other. The relationship maintenance stage were furthermore found to be performed simultaneously to every other stage, and moreover in every type of selling situation at both cases. Persson (1999) also suggest that a sales process might enter a number of loops, which also is recognized in the construction trade where offers and solutions might be negotiated several times before a consensus is reached.

Another suggestion by Persson (1999) is that a sale might be reduced to the second phase of his presented sales process when dealing with less complex selling situations. The empirical findings when selling standardized services are in line with this suggestion, since many of the more time demanding tasks are reduced.

Because of the account size when selling complex services must the relationship, and furthermore the trust, be initiated as early in the process as possible. Due to this fact I consider the relationship maintenance stage as existing parallel to the other stages in the process, and not as one single stage existing solely at the end of the process. This is a consideration, which get support in Persson’s (1999) presented sales process.

All proposed theories within this thesis stress the importance of close customer-relationships, however this is a rather delicate matter in the construction industry. The law of public procurement makes the relationship maintenance with public organizations a bit more difficult. Both companies strive to keep a close relationship with their customers, however the two respondents are much aware of the fact that efforts to maintain contact can not be exaggerated in costs. Exaggerations of this kind, might both be bad publicity for the company and furthermore an unnecessary expense since the price of a contract is the primary decisive factor.

Due to the high costs and time spent when selling complex services, is it quite understandable that the process do not differs much when comparing selling complex services to new and existing customers. Each new sale has to be carefully considered and business decisions can not likely be made on earlier sales experiences of the customer in question.
When comparing the empirical findings to theories regarding sales processes the outcome was diverse. As suggested in the analysis, many of the identified stages in the empirical selling processes could be recognized in the presented literature, however not necessarily in the order or extent suggested. Furthermore might some activities within the suggested stages in theory differ due to the fact that this thesis puts focus on service selling. Moreover might the activities differ due to different types of management and characteristics of the construction industry. However, the Sales process in an existing long-term relationship suggested by Persson (1999) were found to match the findings of existing relationships in most stages and characteristics, which consequently suggests this process to be useful when performing research within the construction business and perhaps other industries within the service sector. Besides this selling situation, the comparison of empirical findings and the frame of reference could neither detect that any of the theories were more or less applicable depending on the type of selling situation.

7.1.4 Research Question Two
“How can the roles of the individuals involved in the industrial selling process, in different selling situations, when selling construction services in Sweden be characterized?”

All of the roles suggested by Moon and Armstrong (1994) and Deeter-Schmelz and Ramsey (1995) were recognized at both Hellmans Rör and Bravida, and furthermore were no additional roles found. Though might not the same person perform every task ascribed to the role in question. Consequently, this leads to the conclusion that one certain role can be ascribed to several persons within a company, moreover do the empirical findings imply that this is the most common result.

Another observation is that the same personnel is involved in almost every selling situation, however might they be more or less active depending on the selling situation in focus. One distinction does however exist at Hellmans Rör, where the complex and standardized services partly are performed by different sections of the company.

7.2 Managerial Implications
Here follows some managerial implications for the area of this thesis.

7.2.1 The Sales Process
The results of this thesis, when compared to other researches within the area, evidently proves that one sale process exist for each trade, and moreover when selling goods versus services. Consequently sale processes from presented theories can not likely be applied on trades which not were in focus of the research, and furthermore might different sales strategies also distinguish companies within the same trade. These conclusions suggest that much research yet have to be performed within industrial selling.

Since the results of this thesis evidently proves that a sale process is unique for each branch it is important for a company to thoroughly document their sales process in each selling situation. These documents would without any doubt assist new team members when being introduced into the company. On today’s labor-market new employees are recruited from other trades, as an example might a seller of products be
Conclusions

recruited by a service company. A shift from one market to another would be simplified by access to such documents. Furthermore might this type of document simplify a situation were someone immediately, in case of illness or other unexpected occurrences, would have to take over a higher management role.

The enormous costs involved in the sales process makes it crucial for the selling organization to get a reasonable return of the money spent. To ensure that the financial return is optimal should an estimation of quality of the processes be performed. This can preferably be done by sending out a customer questionnaire to reach as much customers as possible, and furthermore simplify anonymity for the respondents. The results of the survey will likely attract attention to those areas of the process, which might be improved, by changes both in activities and team roles.

To adjust the *inseparability* if the construction services the performance of a service can be accomplished in less time if the seller, and furthermore all team members, are aware of the sale process and moreover their own responsibilities and commitments. This will likely decrease the *variability* of the sold services as well.

7.2.2 Team Selling

As an assurance of all team members’ comprehension of their fields of responsibility it is crucial for an organization to document these obligations. This is likely done by many, perhaps most organizations, however these document are not very efficient since they in many cases are handed out to the personnel without further explanation. If all members of an organization or team would be fully aware of his or her role, as well as other members’ responsibilities, within the team would the sale process become more clear and understandable. A member would be aware of where his or her responsibility begin and end, and furthermore the importance of his or her contribution to the end product or service. I believe that this awareness would make the personnel more committed to their work.

7.3 Suggestions for future research

This thesis was based on two companies within the same geographical market and with similarly sized sales departments, this to get a general picture of the trade. It is much likely that the resulting sale processes would differ if companies from separate markets (i.e., geographical areas) were in focus. Moreover is it likely that the recognized team roles in a company with a smaller sales department would distinguish, both in number and division, when comparing to a larger sales department. Another comparison, which probably would result in diverse outcomes, is the comparization of companies with different pricing strategies. However is it not likely to find appreciable differences in pricing within the construction industry.

When comparing found theories of selling processes to the empirical findings the outcomes were clear. The need of more research within the area of industrial selling, divided into separate industries is obvious since sales processes seems to be strongly bounded to a certain industry, and therefore only to a certain degree applicable amongst other businesses.

The final price is demonstrably the characteristic that will settle a fight between construction companies competing against each other. The company, which can come up with the lowest offer, will in most cases win the sale. However does this pricing battle often end up in less or non-profitable sales for the selected service distributor.
With this knowledge I suggest that future research must be performed within the industry, where a solution of this pricing battle might be found.
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[www.ne.se](http://www.ne.se) – Nationalencyklopedin
APPENDIX I
Intervjuguide – Svensk Version

Generell information

Respondentens namn:
Respondentens befattning:
Respondentens enhet (stationering) på företaget:
Antal år på företaget:

Företagets namn:
Företagets hemsida:
Företagets affärsidé:
Företaget grundades år:
Bransch:
Tjänster/Produkter:

Geografisk kundmarknad (för företag samt denna enhet):
Antal anställda (totalt samt denna enhet):
Organisationsschema (mottages gärna som bilaga):
Huvudkonkurrenter:

Vald tjänst för forskningsområdet:
Den valda tjänstens procentuella andel av företagets försäljning:

Frågor rörande försäljningen av vald tjänst

1. Hur ser försäljningsavdelningen ut för vald tjänst (denna enhet)?
2. Kan den valda tjänsten i något fall anses komplex (mer resurskrävande vid försäljning)? Ge ett exempel:
3. Kan den valda tjänsten i något fall anses standardiserad (mindre resurskrävande vid försäljning)? Ge ett exempel:
4. Hur stor procentuell del av försäljningen kan anses komplex/standardiserad?
5. Hur många kunder totalt per år har företaget (enheten) i snitt?

Frågor rörande försäljningsprocessen och personer involverade i processen

Försäljning av komplex tjänst till ny kund

7. Beskriv de steg i en processen som leder till försäljning av komplex tjänst till ny kund. Ange även avdelningar/befattningar som är involverade i varje steg:

Försäljning av komplex tjänst till befintlig kund

8. Beskriv de steg i en processen som leder till försäljning av komplex tjänst till befintlig kund. Ange även avdelningar/befattningar som är involverade i varje steg:
Försäljning av standardiserad tjänst till ny kund

9. Beskriv de steg i en processen som leder till försäljning av standardiserad tjänst till ny kund. Ange även avdelningar/befattningar som är involverade i varje steg:

Försäljning av standardiserad tjänst till befintlig kund

10. Beskriv de steg i en processen som leder till försäljning av standardiserad tjänst till befintlig kund. Ange även avdelningar/befattningar som är involverade i varje steg:

Övriga frågor

Vid behov, kan ni svara på eventuella följdrågor via telefon eller mail? Har ni någon fråga eller något att tillägga?

Tack för att ni tagit er tid och på så sätt hjälpt mig att genomföra mitt examensarbete!

Elin Fjällborg
Questionnaire – English Version

General information

Name of the respondents:
Title of the respondent:
Stationing of the respondent:
Number of years of employment at the company:

Company name:
Company homepage:
Company business concept:
Year of company foundation:
Trade:
Services/Products:

Geographical customer market (total and for the unit in question):
Number of employees (total and for this unit):
Organizational structure (received as a enclosure):
Main competitors (for this unit):

Chosen type of service for this thesis:
The chosen service’s percentage of the company’s total sales:

Questions regarding the sale of the service chosen

1. Describe the sales department of the chosen service (in this unit):
2. Can the chosen service in some sense be considered as complex (i.e., more resource demanding when selling)? Suggest one example:
3. Can the chosen service in some sense be considered as standardized (i.e., less resource demanding when selling)? Suggest one example:
4. What is the division of sales between complex and standradized sales (percentage)?
5. How many customer do the company have in one year (in average)?
6. What is the division of sales to new and existing customer respectively?
7. How do you define a new respectively existing customer?

Questions regarding the sales process and persons active within the process

Selling complex services to new customer

8. Describe the process which lead to a sale of a complex service to a new customer. Also describe which departments and persons who are active within the process.

Selling complex services to existing customers

9. Describe the process which lead to a sale of a complex service to an existing customer. Also describe which departments and persons who are active within the process.
Selling standardized services to new customers

10. Describe the process which lead to a sale of a standardized service to a new customer. Also describe which departments and persons who are active within the process.

Selling standardized services to existing customers

11. Describe the process which lead to a sale of a standardized service to an existing customer. Also describe which departments and persons who are active within the process.

Additional Questions

If required, would you consider to answer any additional questions over the phone or by e-mail? 

Do you have any questions or something to add to this interview?

Thank you for your time!
You have made a great contribution to my Master’s Thesis!

Elin Fjällborg