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How to increase sales performance in a sustainable way?

A research study based on a practical example of Eniro

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Foreword

This master thesis has been written for the University of Karlstad in the subjects of Service Management as well as Marketing. The writing extended over a period from April 2013 until June 2013 under the teaching supervision of Per Norling from Karlstad University. The authors have both participated equally in this thesis.

Intend of this master thesis is to examine how the sales performance can be increased in a sustainable way. The subject was selected in cooperation with Eniro AB who is a leading search company in the media industry that is doing business in Sweden, Norway, Denmark, Finland and Poland.

We would like to thank Philip Schröderheim, sales manager at Eniro, for providing us information and support during the thesis. Furthermore we would like to thank the interviewed sales persons at Eniro who helped us to approach our research question. And of course we are grateful for our supervisors' – Per Norling – guidance and constructive feedback throughout the whole writing period.

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Abstract

For any business it is important to work up a good turnover in order to survive. We have chosen to focus on Eniro AB which is a company whose main business is to sell advertising space on their website. Today many private persons experience that sellers are hard to deal with. They engage in conduct that they just want to sell their products which evoke mistrust and the belief to be belied is high. Sellers are struggling with these prejudices every day to overcome the negativity of the occupation. Combining the high pressure on sellers together with the commission based salary it is hard to decrease the sellers who are selling unethical. These types of sellers push the customers to buy products they either do not want or need. The aim with this thesis is to investigate how to increase sales performance in a sustainable way. To answer this question a qualitative method is applied. Thereby eight sellers at Eniro are surveyed. The interviews have been done through telephone to get honest answers from the sellers. The results of the study showed that many factors can influence the sales performance. A basis for a high motivation is the leadership style. Furthermore it is important to offer necessary trainings that provide not just know how about the products but in addition soft skills and sales methods. Moreover the salary has a greater impact on the sales behavior as assumed.

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1. Introduction

In this chapter we introduce the topic of our master thesis to give the reader an understanding of the subject. We will present the background, purpose and the five research questions; finally, we indicate the thesis boundaries.

1.1. Background

Our focus is on companies doing business in the area of local search on the internet, their problems with intense competition, stagnant sales and declining customer loyalty. High sales numbers are crucial for the success of any company no matter if they do business with goods or services. In other words, the more products a company sells, the higher their profit is. The importance of sales for the success of a business is self-explaining and is emphasized by the fact that many companies implement whole sales and marketing departments in order to achieve the highest possible sales performance. But when the performance does not show the desired results, companies are trying to find a way to counteract this development.

Peppers and Rogers (2004) state that managers become seriously worried about declining customer loyalty as competing companies steal their customers through better offers and purchasing incentives. Furthermore, companies have nowadays to face a totally different situation than in the past: the markets have become liberalized and global and are therefore characterized by high competition (Nguyen & Mutum 2012). In addition to this Nguyen and Mutum (2012) state that technological progress leads to increasing customer knowledge, which calls for a high interaction between the company and their customers. Moreover, the developments into service-orientation, niche-orientation and information-orientation as well as fast changing customer buying patterns make it necessary that companies try to find ways of increasing their sales performance in a sustainable way. Sustainable means thereby not oriented into short term success but rather in recurring turnovers. A further challenge is the increasingly bad reputation of sales people that leads to a lower identity with this profession and results in a decreasing sales performance (McKinnis 2007).

We have chosen to work with Eniro AB as a practical example of sales in this master thesis. Eniro is the leading search company in the media industry operating in the Nordic and the Polish markets (Eniro 2013). The company has a lot of different products and services but we will focus on their business to business segment where advertising space on their main website,

<http://gulasidorna.eniro.se/>, “the Yellow Pages”, is sold to other companies. This page provides information such as location, product range, address and phone numbers of companies. The firms have the possibility to promote their business on the Yellow Pages. Thereby they have the choice between different products at Eniro as for instance banners, contend ads, skyscrapers, wallpapers and many more.

Eniros competitive environment is a huge challenge and leaves no room for the company to be passive. The competition in the area of local search on the internet is intense. Companies like 121.nu, 118100, Proffs as well as the main competitors Google and Hitta.se, make it necessary that Eniro succeeds in offering their customers individual solutions as well as a service that is outstanding. This intense competition has already resulted in stagnating sales results which lead to lower valued stocks (Marketwatch 2013). Furthermore it can be assumed that there are other factors for this unpleasant development which will be subjected to critical scrutiny in the thesis. The challenges described above serve as a basis for the formulation of our purpose and our research questions.

1.2. Purpose

The first purpose of this master thesis is to examine the managerial influences on the sales performance of the sellers. Based on these findings we want to give suggestions on how to increase the company’s sales performance in a sustainable way.

The second purpose is to generalize our results from the case study. We want to give guidance to other actors in the media industry with Eniro as a practical example.

1.3. Research questions

Given our purpose we have extracted the following main research question:

1. How to increase the sales performance in a sustainable way?

We use the following sub questions to further specify our main question:

1. How does leadership within Eniro affect the seller’s motivation to sell?
2. What is the seller’s main focus while selling (customers’ needs, commission, and other influences)?

3. What effect does the seller's identification with the sales profession have on sales?
4. How can we apply our results to other companies within the branch?

The sub questions result from our main research question. We ask those questions in order to gain more knowledge and thereby to be able to answer our main research question. For the purpose of answering the sub questions we are going to conduct a qualitative research which is described in detail in chapter three.

1.4. Boundaries

We limit the paper to the area of media industry in Sweden and thereby regard Eniro as a practical example. Due to time limitations we will interview eight employees in the sales department of Eniro. The answers could be affected by the choice of our interviewees that were selected by the sales manager from Eniro. However, we do not know what effect this choice may have on our results. Furthermore the examined field is so broad that we restrict our theoretical framework to a management perspective.

2. Case Study

We have chosen to cooperate with Eniro to gain knowledge about leadership, sellers, and in a further step about the improvement of sales within the branch of local internet search. The following information is based on internal company material that we received on the 19th of February 2013.

2.1. About Eniro

As mentioned before Eniro is the leading company in the area of media industry in the Nordic and the Polish markets. They possess a unique database that makes it possible to access, search and use relevant information that is usable at any time. Eniro's product range is very broad; however it would be too detailed to explain this in depth. Today, the company has around 3 200 employees (Eniro 2013). Eniro's vision is to become the symbol of local search in the media industry. To get there, Eniro has come up with the company values: dedicated, responsive and reliable. They are implementing these values in everything they do. It is expressed in phone calls, online and during personal meetings. The business concept is rooted in providing local information to help buyers and sellers to meet.

The focus in the paper is on the Yellow Pages, where information on numerous companies can be found. Some 27 % of the population - which is nearly 2 million people - is using the Yellow Pages at least once per month. This high use of the Yellow Pages results in turnover of about 25 billion SEK a year according to Eniro's sales manager. The coverage of the Yellow Pages differs from age groups; for instance the coverage in the age range between 15 and 29 is only 5 %. It is observable that a stable increase in the higher ages is coming. The group which has the highest coverage is those over 50 years of age. The advertising sales revenue in 2010 was over 1 400 000 000 SEK. Eniro has to face an increasing competition on the market. But despite that, their vision is still to be the symbol of local searching.

In the following sections we will present a framework that is used internally by Eniro. This includes leadership as well as sales strategy.

2.2. Eniros Leadership

As the internal material shows, Eniro offers its sellers a sales training of three hours per week divided into 30 % theory and 70 % practice in the form of a workshop. The leaders work with the leadership style coaching because of its

positive effects. The coaching is supposed to lead to a more effective sales meeting between the sellers and the customers and an increase in the quality of the customer dialogue. The sellers will develop greater self-awareness which results in a strengthened trust between the seller and sales manager. Everything together will lead to more and better business for Eniro, but most important the coaching style will increase the motivation among the sellers and reduce the employee's turnover. The coach's basic assumption should be to know that the person who possesses the problems also holds the key to solving them. The coach is supposed to work by actively listening and working with the power of questions. Important to consider is that active listening is more than just hearing what the other says. Active listening is the most important prerequisite for building trust, which requires activity, commitment and presence. A coach is supposed to be positive and see solutions instead of problems and be aware of that one does not need to know the causes of a problem in order to solve it.

The process the coach goes through with the seller is:

- Prepare: Focus on the individual, look at past performance and together make a plan for the future.
- Create trust and confidence between both parts.
- Create a dialogue and a sense of self-awareness for the seller: Use open-ended questions and be an active listener.
- Give feedback: Give examples from their work. Look at weaknesses and strengths.
- Agree on commitment and actions: Be clear about expectations, what to improve, the goals and how the coach can be good support.
- Follow-up.

This process serves as a guideline for a good coaching process and ensures that all employees are taught in the same way. Through this coaching Eniro creates the prerequisites to keep the employees motivated.

2.3. Sales strategy

Eniro makes use of a well-analyzed and finished model to develop their sales. According to their information they always put the customers in the center and help the customer along the way to make the right decisions for their company.

The sale strategy is based on a simple model that includes:

- Introduction
- Need
- Solution

- Decision

The initial contact with the potential customer is always via phone. Firstly the seller should present himself and the purpose of the call. The seller will try to create a relationship with the customer in an early stage. It is important to be aware that the resistance of the customer is the highest at this stage; it is therefore important just to build up a relationship with the customer. The seller has to take the initiative from the very beginning. When they have gone through this first phase with the client, where both parts are aware of what is happening and what the purpose of this conversation is, the seller can proceed to the next phase.

Here the seller is trying to make a move away from the current situation to the required position. In this phase it is important to start with a needs analysis for the client. The seller will, together with the customer, find the company's needs. It is important that the seller listens carefully to the client in order to adapt the sales as much as possible to the customer's needs. First, the seller must determine the client's current state; this helps the seller to create an image for the customer of the desired position. Furthermore, it is now time for the seller to inform the customer of the opportunities the customer has. The seller will not work with any closed questions that could lead to a "yes" or "no" from the client, because it may lead to the termination of the call. The seller shall instead present the wishful certainty for the customer by asking open questions, such as "What do you want to sell more of within your operation?" or "What kind of clients do you want more of?"

Then the seller should explain what the consequences might be if they choose to go ahead with the presented idea to achieve the aimed state, making it clear by asking rhetorical questions such as "What would it mean for your company if you could sell more of this product" or "How would it affect the company if you had more of that kind of customer that you want." The call is continued by a summary of the customer's problems, the customer's opportunities and what the customer will achieve if he/she decides to cooperate with Eniro.

Summarize it can be said that Eniro has a good and worked out leadership style and training opportunities to keep the employees motivated as well as educated. Their strategy is to focus on the customer's needs. Therefore the sales persons shall win the customer's trust and build a relationship. The leadership style will be seized in the theoretical framework. Furthermore

through the conducted interviews it will be examined how Eniro's guidelines are transformed in the daily business life.

3. Method

In this chapter we will present the reasons for the used method and describe how we are going to do the research step by step.

3.1. Selection of method

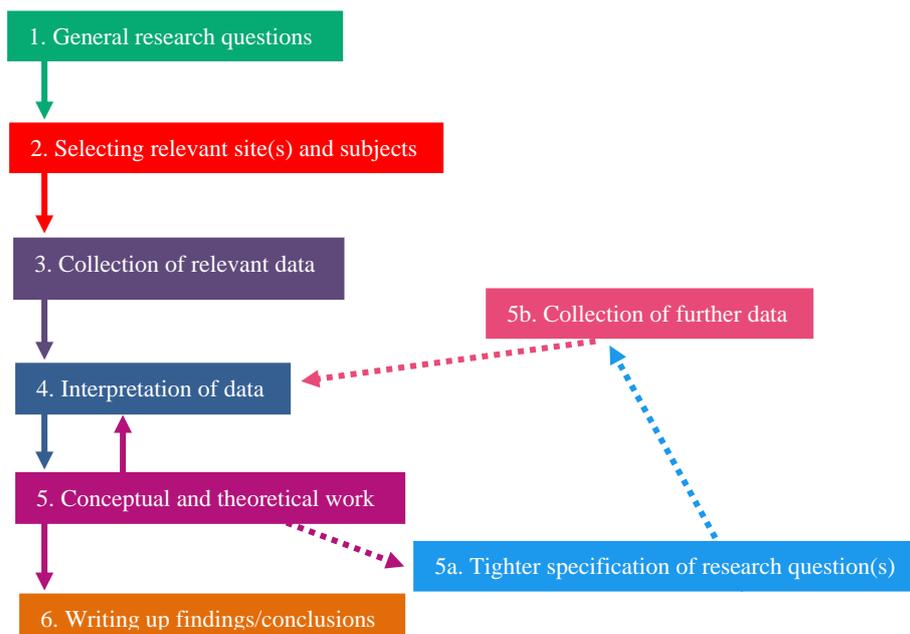
The survey in this master thesis could have been conducted through a quantitative as well a qualitative method. A quantitative anonymous survey was taken into consideration in order to achieve a higher number of responses as well as a probably higher honesty. But as the employees receive already a lot of internal surveys, according to the sales manager at Eniro, the load would be too high and could result in the opposite. According to Jacobsen (2002) better results can be achieved through relating to a qualitative approach rather than using a questionnaire. In a qualitative research the respondents are investigated at a deeper level and the respondents have the chance to explain their thoughts in a better way (Jacobsen 2002) as well as we have the opportunity to react spontaneously with further questions. Furthermore the problem is exploratory and needs more in-depth data which is another backing for a qualitative research method. In this case it is often best to examine only a few units which are called upon in an intensive approach (Jacobsen 2002).

Through balancing the pros and cons of a qualitative as well as a quantitative study we have decided to conduct the survey through a qualitative research method. Based on the chosen definition of the problem, we chose telephone interviews which can be related to the traditional one to one interview. One argument why we have chosen this method is because the interviewed persons were in another city and it was thus easier to interview them by phone. This was a cost effective way for us and still maintain a survey with a high quality. According to Bryman (2012) it is furthermore effective to use telephone interviews when you are going to ask something sensitive, as in our case about their salary, see appendix 1 for the interview questions. They will feel less stressed about answering since the interviewer is not participating physically. The critical part about phone interviews is that it is not possible to analyze the body language while interviewing. The aim of the qualitative study was to identify characteristics that were previously unknown to us. The interviewed employees were chosen by the sales manager of Eniro.

Figure 1 by Bryman and Bell (2011) is a visualization of a sequence of how a qualitative research can be processed. First a general research question was

formulated on the basis of a semi-structured interview with eight sellers from Eniro. To answer the main research question a few sub-questions were formulated in order to guide towards a result in a second step. This led to subjects that we had to investigate and include in our interview. In the third step relevant data was collected. This process includes secondary data as well as primary data that will be explained in more detail in chapter 3.3. After collecting all relevant data by phone interviews, an interpretation was conducted. As the topic is very broad, we have chosen the management perspective, which was necessary in order to continue with the fifth step, the theoretical work. The model suggests furthermore a tighter specification of the research question but it was not necessary in our case to narrow our research question further. As a last step the findings of our research were written up as well as a conclusion drawn.

Figure 1: An outline of the main steps of qualitative research (Bryman & Bell 2011)



3.2. Selection of research questions

The chosen research field is to examine how to increase sales performance in a sustainable way. We believe that this issue is of high importance, as there are today many competitors on the market which compete for customers. Furthermore it is easy to break into the market which makes it even more important to know how to ensure satisfying sales results on a long run. In

order to get a result it was also planned to find out how the leadership affects the sellers motivation, what the sellers main focus is, what affects the seller's identity and how these suggestions can be applied on other companies in the branch.

3.3. Data collection

Bryman and Bell (2011) describe two different ways of data collection: primary and secondary. As it is not sufficient just to rely on our conducted interviews, secondary data collection was necessary. There is a lot of research done about sales performance, but more on that later on.

We have collected our primary data through phone interviews with eight sales employees from Eniro. Eniro's sales manager provided us with e-mail addresses of 22 sales persons. These persons were contacted in a first step through e-mails. In those mails the reasons for our interview were explained as well as appointments for our telephone interviews requested. Of the 22 persons we received eight replies. The interviewed persons sell their products by phone. Those employees are both male and female and in the age range between 20 and 34. We called the sales persons at the appointed time on their business phones. Some of the persons wanted us to call them on their private phones instead. For the conducted interviews we used a guideline to make sure that we have the same conditions for every surveyed person. Furthermore we followed our formulated questions and adjust them slightly when it was necessary.

We found our secondary data through searching for material in the library's database. Thereby we focused on peer reviewed articles as well as books such as *Business Research Methods*. Furthermore we have used internal information that was provided by Eniro.

3.4. Selection of interview questions

The purpose of the survey was to find out how we can increase sales in a sustainable way and thereby find an answer for our main research question. The initial questions were not delicate and aimed to have a good start in the interview. Furthermore, we asked some deeper questions about their satisfaction with their salary, what they think of commission based pay and if they are satisfied with the leadership conducted at Eniro. After having evaluated the issues a number of times we felt that the chosen research questions were able to cover our main research question.

The precise interview questions can be found in appendix 1. Since it is easier to answer and express oneself in the mother tongue we decided to translate these questions into Swedish and conducted the interviews in the Swedish language. Afterwards the employees' answers were translated again into English.

4. Theoretical framework

This chapter deals with theoretical information on the subject examined from a management perspective. This includes leadership as well as sellers with their identity and strategy.

4.1. Leadership

Here we will present different types of leadership and describe their impact on the sales performance.

4.1.1. Leadership: Transformational and Transactional Leadership

Leadership can be shown in different ways and has been studied in several methods during the years. Bass (1985) and Burns (1978) identified different characteristics of leadership which they later on classified as transactional leadership or transformational leadership.

Transactional leadership means a clear division of roles, i.e. superior and subordinate. There is a high visibility of structure in the transactional leadership and it basically relies on the distribution of rewards and punishments according to how good or how bad the subordinate performs (Bass 1985).

The transformational leadership has been primarily studied at the individual level (Judge and Piccolo, 2004 and Judge et al., 2006) and perceptions of the transformational leadership are particularly related to job satisfaction (Judge & Piccolo 2004, Podsakoff et al. 1996 and Podsakoff et al. 1990). Coad and Berry (1998) claim that transformational leadership is a leadership style that is constantly trying to develop the subordinate to the better. The leader wants to create a high amount of awareness among the employees so that they will have the capacity to develop their own potential and maintain motivation. The transformational leaders are focusing on the individual consideration, intellectual stimulation, inspirational motivation and idealized influence to achieve better results. This means that the leader gives attention to each individual and the leader will focus on that particular person's individual needs (Coad & Berry 1998) and because the leaders are focusing on individualized treatment, it is easier to supervise and respond to each individual's needs (Walumbwa et. al. 2005). The leader should provide opportunities for the employee to develop competence. When the employee have more competence and can make his/hers own decisions the leader will along the way respect and

trust the employee (Braun et al. 2013). The intellectual stimulation the employees get, encourages the employees to dare to try out new things (Coad & Berry 1998 and Liu et al. 2010). The leader adjusts the inspirational motivation to inspire the individual to want themselves to achieve their goals (Chun et al. 2009). The leaders also continually motivate the employees with visions for the future. The leaders are acting as role models for the employees. The image should show that great persistence and the determination to achieve the objectives and should demonstrate that ethical and moral behavior is good. The employees identify themselves with great leaders and try to ultimately emulate them (Avolio et al. 1991). Based on this theory Coad and Berry (1998) claim that the value of the learning increases if the leaders are working to improve and develop their employees. Providing their employees with ongoing feedback and letting them try out new things on their own in order to learn from their mistakes, encourages personal development. And the development in the context of human resources has an impact on motivation (e.g. Donaldson & Scannell 1986; Nadler & Nadler 1989), this means that leaders possess the power to increase the motivation of the employees (Argyris 1993; Kofman & Senge 1993; Senge 1990). Similarly, Braun et al. (2013) claim that transformational leaders increase the motivation and satisfaction in the workplace. This is due to the higher confidence in addition to trust in the leader.

4.1.2. Leadership: Coaching

Coaching is usually defined as a relationship between an employee and the coach. The coach's main role is to support the employee becoming more effective (Douglas & Morley 2000, Kilburg 1996, Peterson & Hicks 1999 and Witherspoon & White 1997). Coaching is implemented at the individual level and is designed for that reason (Elya et al. 2010). Since coaching is designed in this way, it is possible that the coaching process can vary from person to person, as each individual is different. The coaching process is different, compared to other leadership styles, and has therefore special challenges, leadership coaching reflects a changing dynamic between the coach and employee that progresses throughout the process. It is therefore important to be active as a coach. The coaching leadership differs from traditional leadership styles in several ways. The coaches focus on the specific needs that the individual exhibits. The coach looks over which unique characteristics the individual possesses and from that decides how much help and support the employee needs. The relationship between the employee and the coach requires high flexibility in order to achieve the desired goals (Elya et al. 2010).

Coaching style can be seen as very positive; but a critical aspect of the coaching process is the relationship between the coach and the employee. Boyce et al. (2010) suggest four characteristics that are of great importance for this relationship. These are report, trust, commitment, and collaboration. Similar to Boyce et al. (2010) Ting and Hart (2004) suggest three of these characteristics: report, collaboration and commitment. Report can be described as mutual understanding between the different parties. It is essentially about respecting each other as a coach and as an employee. It is a kind of contract between the two parts (Ting & Hart 2004). This agreement is designed to reduce the gap between the coach and the employee and to build the relationship on similarities between them (Boyce 2010). Coaches shall actively work to understand their employee; it must be built on coordination, mutual attentiveness (Tickle-Degnen & Rosenthal 1990) and a genuine interest (Ting & Riddle 2006). Is there a relationship with an existing and strong report so it is expected that increasing the satisfaction and the report is considered essential for success in the coaching process (Gyllensten & Palmer 2007).

The second characteristic which is important when building the relationship between the two parts is mutual trust. The trust will encourage employees to be open, honest and it helps the coach to be more supportive. The employee does not feel judged by the coach and the confidence helps to develop a good dialogue between the different parties. Confidence creates a secure environment and helps personal development through the elaboration period. When confidence exists between the parties, the employee is more likely to evolve and accept help from the coach by sharing sensitive and personal information (Boyce 2010). The third characteristic, commitment, is about how much time and willingness both parties dedicate to the coaching process. Commitment includes the responsibility to fulfill the tasks, both for the coach and for the employees. These tasks include attending the meetings, prepare for the meetings, being available and showing an interest in completing the tasks. This entails a great responsibility in the relationship between the parties. If there is a strong commitment existing there can be also found a strong behavioral performance. The fourth characteristic, collaboration, means to cooperate with each other. Collaboration is needed to drive the employee forward in the coaching processes (Elya 2010).

Having a good match between the employee and the coach is important to get the relationship to last and to be honest. A requirement is to identify a good coach who can modify this particular individual's needs (Wycherley & Cox 2008). Having a good match means that the support becomes better which is the key to a good motivation of the employee. The critical point with coaching

is that there is no formal accreditation or training to become a coach. Many companies use internal coaches because it is often cheaper and they are more familiar with the organization. It means that they can be considered better at integrating the employee's development through the organization, which they already are familiar with (Hall et al. 1999 and the Society for Industrial and Organizational Psychology 2008). There are of course indications of how a coach should be and what qualities the coach should possess, such as analytical ability, judgment, being able to provide feedback and plan targets for example. But these qualities of being a good coach continue to be debated (e.g., Brotman et al. 1998, Feldman & Lankau 2005, Kampa & White 2002 and Poteet & Kudisch 2006).

4.1.3. Leadership: Customer Relationship Management

According to Nguyen and Mutum (2012) it is sustainable to have a strategy which is resting upon a relationship with the customer that is anon based on quality, dialogue, innovation and learning. But it has to be pointed out that this is in large parts imitable by the competitors. For that reason it is important to focus on customer relationship management (CRM) and loyalty approaches. Thereby the emphasis is more on involving and engaging the customers in long term relations with the aim to study the customers' individual needs (Payne et al. 2009; Peppers & Roger 2010). Galbreath and Rogers (1999) describe customer relationship management as a management concept or method in order to manage customers. They define (p. 162) it as: "Activities a business performs to identify, qualify, acquire, develop and retain increasingly loyal and profitable customers by delivering the right product or service, to the right customer, through the right channel, at the right time and the right cost." It includes the management of technology, processes, information resources as well as the needed employees to create conditions, which make it possible to have an overall view of the customers. In order to create those conditions it is not sufficient to just manage the customers in a right way. Instead it requires in addition a new form of leadership. This new leadership style can be described as customer relationship leadership (CRL) and aims to encourage a culture that makes it possible to adopt and implement the principles of CRM. After all, the implementation of such a new approach requires a lot of changes in the processes, technologies and thinking of the employees. Galbreath and Rogers (1999) recommend CRL as an approach to bridge the gap between a CRM vision and its reality. Their new model of leadership suggests that there are three components in the CRL that are necessary in order to adjust the organization to better achieve their aim on an effective CRM. These are firstly technology, secondly the organizational environment and thirdly an

atmosphere of innovation. The former includes that the customer relationship leader has to be a champion of technology. This is a prerequisite to enable their frontline employees with information technology to manage customer relationships effectively. The second contains aspects such as a demand for a more decentralized decision-making process as the business nowadays is characterized by speed. And as a third aspect the customer relationship leader should be forward-thinking and able to create an atmosphere in which employees are encouraged to take away obstacles that hamper effective CRM.

Furthermore Galbreath and Rogers (1999) state that motivation plays a key role in the CRL. All the three key principles cannot work successful and move the company forward without motivated customers. Does the company manage to implement CRM, they lay the foundation of increasing the firm's profitability. According Nguyen and Mutum (2012) repeat purchases, increased purchases, cross-sales, up-selling, reduced costs, employee retention and less price sensitivity are counted among CRM's benefits.

4.2. Sellers

Here we are researching the seller's identity, what motivates them and the strategy for sales. This is to get a holistic view of the sellers.

4.2.1. Sellers: Sales identity

McKinnis (2007) defines sales identity as a benchmark of a sales person's pride of the sales profession. If the selling is regarded by the persons as something good, they are classified with a strong sales identity. Vice versa, persons who see selling as something negative, have a low sales identity. Furthermore he states that the society perceives selling often negatively due to bad experiences. Because of the strength of the society's misleading view, some sales persons feel ashamed of their profession. It is self-explanatory that a low sales identity results in a worse performance compared to a high sales identity. Steward et al. (2009) deal with this topic in more detail and examine the performance differences of sales people based on their role identities and attributions. They focus thereby on the two roles of a sales consultant identity and a technical specialist identity. Although the studied sales people had the same job title and responsibilities, they still regarded their roles differently. Steward et al. (2009) found that those sales people who saw themselves as sales consultants had higher performance scores compared to the technical specialists. The reason therefore is the sales consultants' mentality which is related with a comprehensive view of the company's relationship with the client. In contrast to that, the other role has a more narrow view of how a certain product works.

Furthermore the sales consultants tend more to search for solutions to solve their customer's problems. Connected to this they make recourse on the organization's collective knowledge if they are stuck. Thereby the customers' expectations are met and value is created.

Findings show that leaders would do well to understand how their sales employees see their role and adjust this approach with the customers' needs and sales objectives. Furthermore the results contain opportunities in changing the recruiting or sales training of the employees. The finding that sales people with a consultant role perform higher leads to the issue that firms may benefit from hiring sales employees with this identity.

4.2.2. Sellers: What motivates the sellers

The motivation of the workers in the office is an important issue for leaders and it has been a much studied issue for quite some time (Bock et al. 2005, Hung et al. 2011a and Wasko and Faraj 2005). One reason why motivation is a big issue is because without an individual's motivation the progress of exchanging knowledge is not taking place (Stenmark 2001) and it is important because it has been shown that the knowledge sharing provides great benefit to the company (Vera-Muñoz et al. 2006). According to Rabey (2001) the conditions for creating motivation in all individuals, different situations and or circumstances will be crucial factors in generating motivation that will take us forward or in the worst case, backwards. Various actions at the workplace leads to a social interaction, such as knowledge sharing as above mentioned. The benefits that employees can take advantage of in the social exchange are different forms of monetary or non-monetary rewards (Scott 2000 and Lin 2007a). The companies are offering these social interactions to the employee to make it easier to achieve the goals that the supervisor sets (Rabey 2001).

There are both external and internal motivation (Kankanhalli et al. 2005 and Ryan & Deci 2000). If the leaders wants to motivate their employees it is important to know that the employee is driven by different rewards and benefits that arise when one reaches their goals (Deci & Ryan 1980). The rewards are based on an exchange between employer and employee (Seba et al. 2012). The motivation of the employees can be connected to how the employees decide to achieve their goals. Individuals can be divided into two groups based on how they achieve their goals (Coad & Berry 1988). The individuals can focus on either learning goals or performance goals. The characters of the learning goals are to increase the competence of the individual and the main characteristics of the performance goals are to achieve

positive evaluations from managers or superiors. The employees who go for learning goals keep a high interest in their work, the individuals are curious and the employees take every chance they get to learn from their mistakes, because that is the learning process. The learning-focused individuals have a high belief in their qualities having the ability to change for the company's best. The performance-focused are, in comparison, focused on being very successful. There is no room for failure. The performance-focused avoid challenging situations and try to reach success with as little effort as possible (Coad & Berry 1988).

Herzberg's dual-factor theory is one of the most famous theories about motivation in a workplace. House and Wigdor (1967) describe that Herzberg found two separate and independent dimensions that have an effect on job satisfaction. The first dimension is related to job satisfaction whereas the second to job dissatisfaction. A high job satisfaction cannot be simply achieved through the lack of the factors that cause dissatisfaction. The determining factors for a high satisfaction rather encourage self-actualization and self-realization at the workplace. Factors that can cause dissatisfaction are for instance working conditions, interpersonal relations with supervisors and the salary. The described factors can be divided into motivators which were described in the first place and hygiene factors in the latter case. The motivators influence the motivation and performance of the employees whereas the hygiene factors just avoid dissatisfaction when they are fulfilled. The hygiene factors are taken for granted and do not motivate the employees (Herzberg 1968).

If an employer wants to increase the motivation of the employee, they should provide the employee with the opportunity to contribute something meaningful within the workplace. The leader must assume that the employee can take charge and let him or her do their share. They must be good at maintaining good communication so that employees are familiar with the company and what is happening both internally and externally. The leader must provide the employee with training and education so he or she is up-to-date and receives internal stimuli. It is also important to promote group cohesion, so that the team works well together. Although the value of a well-functioning group is a proven concept, nevertheless, this team-centered activity is still an objective rather than a reality (Rabey 2001).

4.2.3. Sellers: Sales strategy

Snow and Hambrick (1989) define strategy in general as a plan in an organization which includes the allocation of resources that are necessary to achieve the company's goals. Thereby it is important to mention that strategy exists at various levels in a company (Venkatraman 1989). As noted by Panagopoulos and Avlonitis (2010) the literature about sales strategy is very limited. But it can be stated that in general two perspectives of sales strategy are dominant. Firstly at an individual sales person level and secondly regarded from a company level. Ingram et al. (2002) describe sales strategy as something by how a company chooses to relate to and act together with its clients within a market segment to achieve the marketing objectives. Sales strategy involves companies dealing in fields like customer segmentation, prioritization and multiple sales channels (Panagopoulos & Avlonitis 2010). Panagopoulos and Avlonitis (2010) explain prioritization deeper and mention that it enables allocating resources effectively and efficiently among different customers and thereby increasing performance. Similarly, determining detailed relationship objectives enables concentrating on the customer's needs and developing long-term relationships with them. This in turn leads to a high sales performance. Summarized, the purpose of sales strategy is to allocate the sales resources in an efficient way so that the employees can interact effectively with their customers. Furthermore Panagopoulos and Avlonitis (2010) hypothesize that sales strategy is positively associated with a firm's performance. To corroborate this hypothesis they conducted research which revealed that sales strategy is significantly related to the three dimensions of sales force performance (i. e. sales force behavior performance, sales force CRM performance and sales force outcome performance) as well as to the company's financial performance. Those findings illustrate that managers do well if they determine which customers should be targeted on the basis of their aimed revenues and profits. This implicates that it is beneficiary to have different sales channels as well as sets of activities in order to reach different types of customers. Moreover Panagopoulos and Avlonitis (2010) state that companies should allocate their resources wisely after determining the essential activities like for instance selling, servicing and providing technical support. An effective sales strategy would thus mean that the sales employees can improve their productivity by bringing together their customers' needs with their selling models. In addition a firm which is aware of customers who should be addressed through cost intensive channels like for instance a key account structure and who should be addressed through more reasonable

channels like inside sales teams, has the potential to optimize their resource allocation and thereby improve their financial performance.

4.3. Summary

As previously mentioned, we regarded the research topic from a management perspective. The presented theoretical framework clarifies which factors can influence the sales performance. Following these factors will be shortly summarized:

- Transformational leadership has a positive effect on job satisfaction and motivation.
- Coaching supports personal development.
- CRM helps to build a sustainable relationship between company and customers.
- CRL lays the foundation for a good working CRM.
- Low identity with the sales profession results in low performance.
- Sales people who see themselves as sales consultants have higher performance scores compared to technical specialists.
- Employees are motivated by different factors. A good method is to give the employee the opportunity to contribute something meaningful within the workplace.
- A good sales strategy helps to allocate the resources effectively and efficiently among different customers and thereby to increase the performance.

Through these findings it would be already possible to answer our main research question and draw a conclusion. But as this would be just based on secondary data, a primary research will be conducted. The aim of that is to investigate critically if the theoretical findings can be really adopted into practice or if there are actually different influences on the employees' sales performance. The results of our research will be presented in the next chapter.

5. Results and Analysis

The following chapter is an exposition of the results of the conducted interviews. Thereby it is important to emphasize that the anonymity of the interviewees is particularly important and will be preserved. The internal analysis at Eniro shall furnish information about the company's employee's actual impact factors of their sales performance. Moreover the results shall provide evidence of what steps have to be taken in order to increase sales performance.

5.1. Sellers

The age of the interviewed sellers varied from 20 to 34 years and they have been employed at Eniro for between four month and ten years. Five of the sellers were men and three were women. All of the respondents are working in a department, which is called "Prospekt", which belongs to the sales department and sells the company's products to new customers via telephone. Therefore the seller's main task is to call potential customers and sell advertising space on Eniro's website. Although the task was the same for all of the respondents, the answers to how they see their assignment varied markedly. Some of the sellers said that they sell the brand Eniro, some said that their work is to help customer becoming more successful, others said that they worked with service and some said they were just a telephone seller. In addition we asked what the sellers had been doing before starting their employment at Eniro and if the work as a sales person had been their first choice. All of the respondents had been working in different service professions, some as salesmen, and some in stores or restaurants. Most of the respondents answered that it was their first choice to work as a sales person. Some said that they do not want be in this business forever because of the intense pressure. Furthermore some respondents said that it is simple to get a sales job and others said that they do not want to do anything else but sales. One of the respondents said that he/she felt that he/she is very good in the field of sales, so that it is easy for him/her to earn a reasonable amount of money every month.

5.2. Sales strategies

According to the respondents the hardest part while selling a product is to lose the negative label of being a "telephone sales man". All of the interviewed persons agreed that the customers have a negative attitude towards telephone

sellers and are not keen on having a conversation when they realize that it is a sales call. As mentioned before, one of the hardest parts in the work as a telephone sales person is to turn the negative view around. Many customers are very inconsistent at the beginning of the call and do not even want to discuss or hear what the sellers have to offer. One seller mentioned that the hardest part of the job is to know that the available time is so low and one reason for the high time pressure is the commission system. He/she mentioned that this leads to sales in a way that is not honest or genuine; the focus is more on how to earn enough money to make it through the month. The respondent said that the system makes you feel that you cannot put down enough effort and time on every customer. He/she assumes that this is probably the reason why the sellers in the end have a bad reputation. Their predecessors have made negative impressions on the customers and it is quite difficult to make the customer feel secure again and make them feel trust for the sellers. One of the respondents said that the most time spent during a sales call is on trying to save their reputation and they may not even get the chance to sell. A high ratio of the interviewees brought up that Eniro's sales persons have a bad reputation among the potential customers. They believed the reason is because customers have the impression that they call them all the time and that there are different sellers who are calling them over and over again. In contrast to that some respondents said that Eniro's sellers' reputation is becoming better, even though it takes time to change and save a reputation. One seller said that if a company has a high staff turnover it reflects the company and its bad coworkers. The seller added that now when Eniro recruits, they are more careful and that is why the staff turnover is decreasing.

One of the interviewed said that a lot of calls they do are on the verge of selling unethically. One of the interviewed sellers said that every seller in the world has at least one sale that was not done correctly. Some of the respondents spoke out similarly to this statement and some said that there is no unethical selling at Eniro. The respondent who disagreed to the statement said furthermore that they do not want any customer complaints; therefore it is better to be honest right away. Some of the sellers thought Eniro's reputation is really good because the company has been in this branch for a long time. One respondent said that everyone knows who they are and what they do and that makes it much easier to sell, especially compared to other companies in the same area.

One of the respondents said that the high tempo was the hardest thing while selling. It takes a lot effort by every individual to achieve both their tough

targets and consequently to get a good salary. The respondent said it is really hard to keep up the fast tempo every day and every month. Many of the respondents mentioned this as well. One of the interviewed said that the selling requires a lot of social work and service from day to day which sometimes takes all their energy. The respondent mentioned that once the goals for the month are achieved, there is no chance to catch a breath because they have to start over again.

Some of the respondents were very positive towards their work and said that it was not tough at all. One respondent said that it is easy to sell the “small” products. But he/she mentioned as well that these kinds of products do not contribute much to their salary and this lowers the motivation. One of the interviewed said that the hardest part is to sell the “big stuff”, but at the same time this is also the most fun and challenging part in their work. He/she said that selling these solutions creates often value for the customers.

We asked the sellers in what way the more difficult aspects of selling could be changed and therefore make it easier to sell. One answer was that it is necessary to listen and build up trust in the very beginning of the relationship with the customer. One of the respondents said that customers always try to find the catch, that everyone thinks exist. To eliminate this impression, the seller always sends out printed material via (e-) mail to the customers so that they can convince themselves that there is no catch. The respondent said furthermore that they were selling just win-win solutions. One of the sellers states that being simply natural and not sounding like a typical seller with a rehearsed speech is beneficial. Another respondent said that it is essential to believe in the product that shall be sold. Only if the seller believes in it, can others be convinced about it as well. He/she explained that the best part about their work is talking about their awesome products because the whole range of their products is good for their customers. The respondent also said that they learn to believe in the products through education and sales training. As another aspect one of the interviewed mentioned that if their target wasn't so hard to reach it would be easier to sell and probably result in a higher level of honesty.

One respondent has difficulties in believing in the products that are sold. Another seller said that the product is easy to explain and the utility is simple and it is also easy to see the benefits for the customer, but it is all about the seller being able to believe and care for the customer. Another respondent said that the customers are more aware of what they can buy for promotion and

they know that they can go their own way. Most people feel that they can handle their advertisements by themselves without the help of Eniro. They would rather rely on media agencies or do the research themselves on Internet instead of someone at Eniro calling them and telling them what to do. The respondent argues that customers do not need someone who tells them what “Google” can tell them. Due to this development, he/she mentioned, the whole telephone selling industry is moving downwards.

5.3. Motivation

5.3.1. The salary

In order to find out how the salary is related to the motivation of the sellers, we asked about the satisfaction level of the pay. Around half of the interviewed persons answered very quickly that they were happy with the salary and then inserted that they were not pleased by the fixed part but they were happy about the fact that they can change their salary if they are working harder. One of the respondents said that they have incredibly high opportunities to influence their own salary. One of the interviewed even said that it is up to the seller himself if he/she wants a good or a bad salary. The respondent said moreover that he/she has a good salary every month because he/she wants it. Some of the sellers responded directly that they are not satisfied with the salary and the fix part of it is embarrassingly low and one person said that especially for beginners it is too low. After being employed as a sales person at Eniro for a while it is easier to sell because the employees are more comfortable in their role of a sales person and then the commission is better as well.

We continued by asking if the sellers thought that commission based salary is fair. Everyone except one person replied that this is a fair way of setting the salary. Some even said that there is probably no fairer way to base the salary than commission. Most of the respondents said that it is fair because everyone has the same chance to raise their salary. One said that those who do not endeavor to achieve good results should be paid less than those who are struggling every day. They should be rewarded for their hard work. Some other respondents said it was a fair way but the target they have is really tough and when it is not achieved, it is not fun to work. Another person stated that it is almost impossible to achieve the target and thereby the final salary is really low compared to the market. One respondent remarked that this kind of payment would be fair if everyone got the same material and thereby equal chances. Some of the workers are not getting adequate customer material

which makes it difficult to sell. Due to this insufficient material the sales person has to work harder and put more effort and time in the selling process. This respondent commented furthermore that it is easier to do business with customers that they know from former sales.

One of the respondents thought that a commission based salary is not good at all. Even though everyone has the same chances to succeed, it leads to unethical sales just to ensure a high (-er) salary. The respondent said that the commission results in a pushy selling behavior, which again results in a bad reputation for Eniro among the customers. Although this is known in the management, no one prevents this behavior. The respondent suggested that employees should not get rewarded for selling unethically and only short-term oriented, which is probably hard to evaluate for the leaders.

5.3.2. What motivates the seller

When we further asked if the motivation is within helping a customer or increasing their commission the answers showed that it is a combination of both factors. One respondent said that he/she always considers the value for the customer but at the same time their own value which means an increase of the commission. Every respondent held the same opinion. Some of the respondents leaned more towards the opinion that the salary was the most important factor. They wanted to sell their products to a customer but the outcome for the customer was not very important. Some said that they care more for the customer when they bought something “big” and expensive. In these cases the sellers were ambitious and interested in the customer’s success. One respondent said that if the customers just bought something really “small” and cheap it did not really matter for them because the customer himself probably does not see the value. One other said that it all depends on what the conversation with the customer is like. For instance if he/she has to fight to get the customers listening and if the customers are unwilling to buy in the beginning but in the end convinced about the product so that they buy it, the seller is really proud of this achievement. In these cases the commission is secondary and the feeling of being a good sales person is primary. Similarly another respondent said that the conversation in the call is the most important thing. If the customers are positive and can see the value due to the sellers’ advice and the sold product, the seller is genuinely happy. Almost every respondent mentions that if they have “a good call” they are more pleased by helping a customer than by increasing their salary. One of the sellers said that he/she has to think about the money as a motivation if he/she wants a normal salary. Many agreed to that. Another seller said to become a good seller it is

necessary to have a commitment to the customer; those who lack this commitment become bad sellers. He/she explained that the hardest part is to make clear to the customers what value they receive by buying the offered products. It has to be explained that the investment they do will be paid out in the long term. If it works out convincing the customers, the commission feels only like a nice bonus.

Asked for the sellers motivation and reasons that keep them selling and doing a good job, they all mentioned that the salary as well as the leadership were big parts. One of the sellers said that the biggest motivation is to compete with the other sellers and try to be the best in the group. One other said that the atmosphere in the group is important so that they can have a good time between “crappy” calls. Most of the respondents were satisfied with their groups and said that there is good group cohesion. Nevertheless one of the respondents said that everyone in the group is very humbled by the tasks and works against each other.

Some respondents said that the leadership is the most important factor in keeping everything fair and ensuring that everyone has the same chances to develop him or herself if they so desire. One of the respondents said that the high employee turnover rates make it really hard to find any stability in the workplace. The respondent said that the high pressure makes people quit after a short time. This is depressing because often when you just have gotten used to someone and like the person, they leave the company.

Some of the respondents said that the high competition between the sellers leads to slander behind their backs in the sales department. One respondent said there is no real team; he/she feels that he/she has to work always on their own without any support by a team. To get a good motivation at work one of the respondents said that mainly it is a holistic view of good coworkers, how the leadership is handled and the salary. It is not enough with just one part, to get a good combination you have to combine all of this. But in the end everyone claimed that that it is the commission that keeps the motivation going.

5.4. Leadership

We asked the sellers if they are satisfied with the leadership in their department and most of the respondents agreed. They said that they have regular sales training sessions, coaching conversations and co-listening of calls. Some of the respondents thought that everything was completely perfect and others said that there is a big gap between the top managers and the sellers.

Some of the respondents said that it feels like the top managers have no idea what the sellers are doing or what goals are realistic and achievable. One of the sellers said that the CEO has visited their department but the others did not mention this. The respondents thought it would be good if the CEO would visit their departments more often in order to be closer to their reality.

One of the respondents said that he/she feels a high sense of belonging to the company even though he/she is not on a high hierarchical level. The respondent described a high level of harmony among the employees. He/she said that everyone “loves” each other and the leaders are concerned about the individuals and try to support everyone individually with what they need. The respondent continued with saying that the coaching is perfect and they have all the opportunities in the world to develop themselves, if they just want to. In contrast to these thoroughly positive statements another respondent said that there is no use in talking to the leader because nothing is going to happen anyway. A further respondent said that the managers should examine the reasons for the high employee turnover rate and try to change that. The respondent states that there are many reasons for why people quit so fast. It is not because they are not born to be sellers; it is because the top managers are not sufficiently versed in the daily work.

Almost all of the respondents feel like they got enough support to do a good job. They enjoy the sales training sessions and think that they need them. The sellers said that it is necessary to get good training when a new product appears so that they can represent it. Some of them said that it would be nice to have more internal competitions.

5.5. Limitations

Although some of the responses were thoroughly critical, it is uncertain at which point they are honest. Although assured that the anonymity of the interviewees would be preserved it can be assumed that not all their doubts could be eliminated. The fact that some people wanted to be called back on their private phones is indicative of their suspicions. It can be stated that the answers of those persons who did not want to talk on their business phones were more critical. The responses made on the business phones tended to be more positive about selling.

Furthermore the sales manager had chosen the interviewees for us. Thereby he tried to build a representative cross section of the sales representatives. He has chosen sales persons with very good as well as weak performances. But it is

unclear to what extent the selection is a realistic picture of the sales staff. It can be assumed that only those persons replied to our request that thought that they have something important to say. That means only the people with extreme tendencies; either a very positive or weak performance. In addition it is unclear if a quantity of eight interviewed people is sufficient to draw a reliable conclusion.

6. Discussion

In this chapter we return to our purpose and our research questions. As mentioned initially the main research question, how to increase the sales performance in a sustainable way, should be answered with help of the following sub questions:

1. How does leadership within Eniro affect the seller`s motivation to sell?
2. What is the seller`s main focus while selling (customers` needs, commission, and other influences)?
3. What effect does the seller`s identification with the sales profession have on sales?
4. How can we apply our results to other companies within the branch?

These questions serve as a guideline for the following discussion. Furthermore a short external analysis as well as some remarks about the customers is included.

6.1. External analysis

There are various factors that have an impact on the sales performance of a company. This master thesis focuses on the sales persons from a management perspective. Nevertheless it should be kept in mind that there are external evolutions such as the changes in the way of making advertisements in the future. It is not possible to describe the management practices of competing companies and thereby have a comparison. In order to illustrate that a company should be aware of the changes that occur in this fast moving business, the results of a research conducted in the field of online advertising will be shortly described.

According to the research “The future of advertising 2105” which was conducted by Eco (2013), internet is going to be the most important advertising medium in the next years and the advertising industry has to face fundamental changes. The experts expect that the investments for advertising will increase slightly in total. But there will be immense shifts in the allocation of the budget. In 2015 an estimated 30 % of the entire media use will be in the internet and the amount of smartphones will decrease to 70 %. Therefore it is probable that companies will invest a higher budget in digital media and corresponding especially in the segments of internet and mobile. The whole

print segment has to face declines. The field of online advertisement used to consist – and partially still does – of simple banners and content ads that were sold in cost per mille. This will change in regards to the form of advertising, remuneration model and targeting. The processes will occur thereby in real time. Furthermore innovative models like “branded content” or “in-game-advertising” will take a greater significance. Furthermore mobile and social media advertising are expected to grow significantly.

These results do not just show that a company should adopt and develop their business according to the changes in the field of online marketing but it is also important to develop the employees according to these evolutions. Thereby it is necessary to have a good change management as well as employees that are open to these changes. Companies should think about a realignment to compensate losses in the main business and through new business models.

6.2. Customers

Eniro’s aspiration is to always put the customer in the center of every action. The sellers should find through a mutual interaction the customer’s needs, and based on that find a solution. But the interviews show that this is not always achievable because of various factors. First of all the sales profession has a bad reputation and a lot of customers have difficulties in trusting them. They have foremost in mind that there must be a disadvantage for them in the transaction. Furthermore the customers are now more independent and do not rely on advice given by sales people. Rather, they have started to inform themselves via the internet and trying to find solutions by themselves. This topic will be deepened in the following chapters. It can be stated that it would be interesting to investigate the customer’s view on this topic in separate interviews. But due to time as well as space limitations it is not possible to examine their perspective within this master thesis.

6.3. Leadership

According to Eniro’s internal material coaching is used as a method to lead and develop their employees. The literature shows that this type of leadership gains a lot of popularity in the business world but it is not clear if the coaches are qualified to carry out the task in a beneficial way. Hiring a professional coach is very expensive and to develop employees into coaches is expensive as well as time-consuming. This leads companies to engage insufficiently educated coaches or to simply assign this function to leaders. The aim of coaching is to cultivate an open culture as well as to stimulate the progress and

development of every single identity in order to ensure a high performance. The majority of the respondents perceives the coaching at Eniro as very positive and has an affirmative view of the leadership in the company. Nevertheless it was at the same time mentioned that the management seems to be too far away from the frontline employees and the everyday business. Some of the sales persons have never seen any of the managers. This evokes the feeling that the defined targets are unrealistic and too tough. Furthermore it can be stated that the perception of the leadership is different from team to team. Although most employees were satisfied there were also employees that could not agree to that. They do not have the feeling that their leaders pay no attention to what they have to say. They rather have the feeling of not being listened to which causes some kind of resignation. The given feedback seems to be not important and does not lead to any kind of improvement or change. Although the interviews were conducted in one company and even in one and the same department it can be noted that the realization of leadership values is highly dependent on the individuals.

Furthermore it was mentioned that a certain degree of competition among the workforce is positive and motivating. But at the same time a good atmosphere and group cohesion are essential for the job satisfaction and related to the performance as the job of a sales person can be often very tough and demotivating due to negative attitudes towards their profession. The leaders have to be empathic and rescue their employees from negative moods. Moreover the leaders should create a basis for a good atmosphere in the teams.

6.4. Sales strategy

As stated before sales strategy can be described as something by how a company choses to relate and act together with its clients within a market segment (Ingram et al. 2002). Prioritizing and segmenting the customers enables an effective allocation of resources and thereby increasing the performance (Panagopoulos & Avlonitis 2010). The interviews showed that most of the respondents do this prioritization by instinct. They invest a lot of time and effort in the sales conversations with clients that show promise which means clients that have already bought “big products” or have signalized being willing to invest a lot of money. It can be questioned if their focus and criteria for this prioritizing is always right. It is conceivable that clients that have a great potential are neglected in order to achieve short term

related successes. As eight respondents mentioned that the commission is the most important factor while selling it can lead to ineffectual behavior. This means that they do not see that even if there is no deal realized now, it can be a deal in the future if the customer has had a good impression and felt honestly and competently counseled. Through the too-tough targets the sellers felt unable to show a greater interest in the customers' needs and to see them and their needs as the focal point.

To sell, the sellers need a high degree of knowledge. They should be able to advise the customers in such a way that the customer feels it is beneficial for him/her and not that they could find this information easily on their own. Some of the sellers were quite comfortable in themselves and some were not. We believe that the sellers become better sellers if they believe in the product they sell. Many of the sellers actually said that belief in the product is essential. Leaders should spend more time making the sellers believe. The material we got from Eniro mention that they have a lot of sales training for the sellers, but the sellers tended to think that it was not enough. It is of course expensive to have training because then you aren't working and then you don't sell. The managers probably feel that they would lose money that the company could be generating and the sellers perhaps are too stressed to feel relaxed in the sales training moment because of the tough budget they mention all the time. They want to spend all their time achieving the budget so that they can work on their commission.

6.5. Motivation

The sellers' motivation is an essential influencing factor on the sales performance. Of course every employee is an individual and therefore driven by different factors. The responses of Eniro's employees illustrate this by the variety of answers. It was for instance mentioned that the biggest motivator is the competition among the respondent's co-workers. Another person mentioned that he/she is motivated by a good atmosphere and relationship among the colleagues. But it could be observed that the salary or more precisely the commission was mentioned regularly by every respondent. As stated by Herzberg (1968) the salary is just a hygiene factor that can prevent dissatisfaction in the job but not motivate the employees. But during the interviews it could be observed that the commission was mentioned several times even if it was not questioned directly. This leads to assumption that the salary has a high impact on the sales performance. In general most of the

respondents mentioned that they think the commission based salary is a good and fair remuneration model. But they demand lower targets set by the management and the same chances for every employee. It was mentioned that some employees have more information and better sales material so that it is easier for them to sell the products. This evokes a negative feeling among the workforce. When it was directly questioned if the commission has an impact on the sales most of the respondents said that it is rather a combination of the commission and satisfied customers. But in the course of the interviews it could be noted that the commission is very important for the sales persons just for the reason that the basic salary is so low that it is not possible to make a living. The need to raise this amount puts a high pressure on the sales persons and leads sometimes to a pushy selling behavior. Pushy sellers lead to a bad reputation in the business, as some of the seller's also mentioned. The majority of the respondents thought that if a higher fixed salary existed the motivation would be higher and the pushy sales, and in some cases unethical sales, would disappear. In the short term we believe that many companies can accept pushy sellers for a while just to make fast profits. But it is not a sustainable strategy and will lead to a bad brand reputation through the pushy sellers. As the commission system itself is highly accepted by the workforce it would probably not be beneficial to change the compensation system in total. Furthermore it can be stated that it is a hard balancing act for the managers to set realistic targets that lead to the aimed sales and not overworked employees at the same time. In general it is important to focus on the employees needs and use their feedback for improvements. Only satisfied and motivated sellers can ensure a long term success for the company.

6.6. Identity

The findings in the literature were proved by the conducted interviews. The society perceives selling often negatively due to bad experiences (McKinnis 2007) and the sellers have to face this negative label. When they call people for the first time they mainly have to face negative attitudes towards their profession. The sellers have to invest a lot of time in building trust. In the first step it seems to be even more important than having a superior expert knowledge. That means that they need to learn during their training how to be authentic and how to build that trust. Different employees from Eniro with varying responsibilities sometimes call the same (potential) customers in a short period of time. This evokes a feeling of being hassled by the sales people which does not influence the image of the sales people in a positive way and

makes their work even harder. A better communication between the employees in the different departments could reduce at least the basis for Eniros' sales peoples' negative image. Furthermore it can be stated that for the majority of the interviewed persons this job was their first choice and their statements show that they feel a high need to see themselves as good sales people. They get a high level satisfaction from counseling the customers in a good way so as to result in a business transaction. Steward et al. (2009) detected in his studies that these kinds of sales people who saw themselves as sales consultants had higher performance scores compared to technical specialists. The answers showed that most of the sales people really want to be consultants and find the best solutions for their customer which is a good basis for the company to work on. But often the sales people cannot act in this way because they have their high targets and their commissions in mind. This can lead to short term oriented sales which in turn lead to pushy selling and therefore support again the negative image of sales people. Moreover it has to be considered that it is not good for the self-image to face always these negative attitudes towards their profession. This could have negative effects on the motivation and sales performance.

In addition it is not just the identification with the profession that has an impact but also the identification with the company and more important with the products they sell. If the sellers do not believe that there is a value created for their customers by the products, then it is harder to sell them. Therefore it is important that the employees have regular training sessions and are informed about the products. Furthermore it could be a good way to involve the employees in developing new products for example through an idea and innovation management that includes the workforce.

6.7. Summary

Bringing together the theoretical framework as well as the results from the conducted interviews provide us answers to the commencing questions.

The findings show that leadership has a high impact on the motivation of the sellers. Through a suitable leadership style a basis for an open culture and individual development of every employee can be formed. Especially coaching as a leadership style does not just raise the motivation but improves the ability of the employees to sell. It reveals the employee's strengths and boosts their self-confidence. Furthermore leaders that are closer to the frontline employees

as well as the daily business enhance the acceptance of management decisions. These points in turn lead to a higher sales performance.

It was often mentioned that the commission has a high influence and is always kept in mind during a sales conversation. The reason for that are low basic salaries and the need to raise them in order to make a living. Furthermore tough targets have to be accomplished which can lead to a pushy selling behavior. But it can be also pointed out that the sales people have a high personal claim on their profession. Beside the commission and tough targets they want to satisfy their customers and deliver them suitable solutions for their needs. It is a big reward for them to get a positive feedback from their clients.

The identification of the seller as well as the perception of their profession by the clients has a big impact on the performance. It takes the sellers a lot of time and effort to adjust their image. During that, for the sellers, expensive time no business was transacted but a first basis of trust created. In the course of the conversations they have to face suspicion again and again and therefore need to deliver all information to their clients in written form. The existing negative image in the society can lead to a negative self-image and thereby to a low motivation and concomitant a low sales performance. But despite these facts it can be stated that the respondents had a high identity with their job and aim for being good sales people. It can be discerned that they want to sell ethically and counsel the customers in a good way. This type of sales consultants go with higher sales performances. Furthermore a high identification with the sales profession as well as the company and products leads to lower employee turnover rates. This in turn prevents short term oriented sellers that seek only for fast business that leads to pushy selling. This behavior causes the described negative image and makes it harder for the other sellers to sell in a sustainable way.

How these findings can be transferred into direct instruments and actions in the daily business life will be described in the final chapter, the conclusion. Thereby it will not just be described how Eniro can implement the suggested improvements but furthermore how these can be adopted for other companies in the same branch. Thereby the main purpose of this master thesis will be answered.

7. Conclusion

The purpose of this master thesis was to examine how sales performance can be increased in a sustainable way. Therefore Eniro was chosen as a practical example. To answer the purpose of this thesis sub questions were formulated and responded to in the previous chapter. In making this possible it was necessary to gain basic internal knowledge about the company. Afterwards a theoretical framework supported us with key elements in this research field. To verify these theoretical findings, interviews with Eniro's sales people were conducted. The outcomes were presented and discussed in chapter six.

It can be stated that Eniro is already putting a lot of effort in providing their employees good working conditions so that they can perform in the best possible way. Regular training sessions have a high importance and the modified company values shall increase the motivation. The stagnating sales figures are not just accounted for by a decreasing performance but also due to the highly-competitive environment in the field of local search. Where Eniro had something like a monopoly position with their yellow pages, they now have to struggle with gigantic competitors like Google. This requires being state-of-the-art and aiming to offer the best possible solutions on the market. Nevertheless areas of improvement can be located in regards to a management perspective.

Based on the interviews it can be advised that Eniro continues to educate its sales people in a broad way. The training should include of course information about the products and sales arguments but additionally be a help to develop the sales people's soft skills. This means for instance to train them how to establish a feeling of trust with the customers and how to erase the existing prejudices. Furthermore it is important to provide the employees with the same information and material so that the feeling of being treated in a disadvantageous way is erased. But training sessions are not just important for employees but moreover also for the leaders. Leadership style has a high impact on sales performance. Therefore it is necessary to have leaders that act in accordance with the company values and serve as role models for their employees. If they act as coaches it is important to educate them and provide them with the necessary management tools. As described before the sales employees have to face often a negative image in the society. To avoid a negative self-image the leaders should strengthen their employees' self-confidence. Feedback should not just be given when something goes wrong but rather even when the employee did a good job. Furthermore the managers

should be more visible to the frontline employees. The set targets are perceived as too high and unrealistic. The managers would have an easier job to back up their decisions if they would be closer to the everyday business.

It is difficult to give advice on how to eliminate the negative image that sales people have in the society. Rather every individual sales person is responsible for the image. Eniro can support the employees through better communication in the different departments. Thereby could double calls to one and the same customer on the same day be eliminated. In addition it is beneficiary to recruit people that have a high identification with and passion for the sales profession and a high commitment to Eniro. They should act in an entrepreneurial way which means to behave as if Eniro was their own company. This supports long term goals and not just short term oriented successes.

A professional and computer based relationship management affects the sales performance in a positive way. The employee's limited resources could thereby be allocated in an efficient way. The sales people already allocate their resources according to their feeling but it is questionable how efficient this way really is. It can be assumed that a realistic focus on long term customer relationships as well as profitability will have a positive effect on sales performance.

In contradiction to the theory stated, the interviews show that salary has a higher impact on the motivation and sales performance than expected. Therefore it is recommendable that Eniro rethinks their reward system. The commission system itself was largely seen as fair as it rewards the hard working sales people. But the low fixed salary increases the pressure to sell a lot of products in order to raise it and be able to make a living. This pressure tempts the employees into pushy and sometimes even unethical selling which has a negative effect on the sustainability of the sales performance. Moreover it was mentioned that it is for new sellers especially difficult to reach the high targets in the beginning phase. Therefore it could be beneficial to have a higher fixed salary the first six month so that the sellers can concentrate on their education without any pressure. After six month the salary can be adjusted to the other colleague's remuneration model.

Based on the recommendations for Eniro the following advice can be summarized for both, Eniro as well as other actors in the branch of local search:

- Regular training sessions for the sales people to ensure a high knowledge of and identification with the products as well as to develop the soft skills.
- Regular training sessions for the leaders to provide them with the necessary management tools. Coaching has positive effects on the sales performance but to be a coach requires a profound education.
- Managers should be more visible to the frontline employees in order to raise the acceptance of their decisions.
- A better collaboration between different departments provides information and avoids double work or double calls.
- Recruitment of people that have a high identification with and commitment to the sales profession as well as to the company to avoid high employee turnover rates.
- Implementation of a relationship management strategy with focus on long term relationships and profitability.
- Development of an effective reward system.

7.1. Continue research

The results show that the impact of the salary or remuneration model is high. The theory of reward systems is quite broad and can be seen as a research field itself. Especially for companies that work with commissions it is beneficial to consider the possibilities they have and decide on the most supporting system. Furthermore coaching has become very prominent in business life. The theory raises the point that the majority of companies use an internal employee to be a coach; it is cheaper and the person is already familiar with the company. It would be interesting to examine if a professional (external) coach has a higher impact on the employee's sales performance than an internal coach.

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9. Appendix

Interview questions

1. In which department do you work?
2. What are your main tasks? (mention max 2)
3. How long have you been employed at Eniro?
4. What was your previous job (or if you came straight from a training course, which one)?
5. Are you satisfied with the salary you get today?
6. How do you feel about commission based salary as compared to permanent salary? Benefits? Disadvantages?
7. Was it your first choice to work as a salesman?
8. What are the biggest challenges / difficulties when you sell advertising?
9. Once you have sold a product, are you happier that you helped a customer or that you increased your commission? Anything else?
10. Are you satisfied with the leadership at Eniro?
11. Are you satisfied with the leadership of your department (or equivalent)?
12. Do you think you get enough support to be able to do your job well (e.g., coaching, seminars, information, etc.)?
13. If not, what do you think is missing?