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Maier, Günther

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Performance in B2B sales: An explanation of how channel management and communication influence a firm's performance

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# Performance in B2B Sales: An Explanation of How Channel Management and Communication Influence a Firm's Performance

#### Maier Günther

PhD Student at the University of Applied Sciences Burgenland, Austria 1919001109@fh-burgenland.at

#### Abstract

Communication between seller and buyer is done through multiple channels. There are multiple ways to use technical media and channel selection to create more information, but does this lead to a better performance of a firm? Research on the impact of different marketing channels in the industry regarding performance factors remains scarce. The performance of a firm is the most significant factor and will be monitored through different attributes. The purpose of this paper is to review the drivers of a sales process in terms of sales cycles, channels and communication in relation to it's effect on performance. Beyond the characteristics of sales the review delineates the changes from the past to the present. The contribution of this review is to understand the various capabilities in channel management and communication that can be adapted to the sales process and increase a firm's performance.

**Keywords:** Channel management, communication, sales performance, sales cycle, industrial marketing

#### Introduction

Business is becoming more complicated. Salespeople who are the figurehead of a company continue to find themselves in a more volatile and fast changing environment (Patterson, 2007).

In the field of Business-to-Business (B2B), salespeople strive to choose the right marketing channels to communicate in an efficient way with the customer. A high number of channels are available, and salespersons must find an efficient way to approach the buyer (Käuferle & Reinartz, 2015).

Within the sales environment, channel management is important to build a sustainable relationship with the customer and maintain a partnership during the whole sales cycle (Holland & Young, 2010).

With respect to the marketing channels and a firm's performance, the way salespeople communicate is of the highest significance. According to Polo and Sese (2016) 90% of customers use multiple channels to communicate with the firm.

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This poses a new challenge for firms to effectively manage the multiple marketing channels. The findings from academic research in this field show that firms must rethink their strategy of how they communicate with the customer. It is important to consider the needs of a customer when deciding marketing channels and to adapt channel management to their own organization. To find out the needs of the customer requires resources and time to analyse the behavior. This could lead to a decline in a firm's performance. In the same vein, Sawhney (2006) argues that in case of complexity in the sales process, the sales cycles in general will be longer.

While existing literature examined channel usage or channel choice (Bilgicer et al. 2015; Ackermann and von Wangenheim, 2014) which brings valuable insight to this topic, there is a lack of research on performance implications. In this regard academics have described and explored the impact of various factors on the buyer-seller relationship in the case of channel management and media selection. Firms must find a balance between resources for communication through multiple channels and factors which influence a firm's performance.

The objective of this paper is threefold: first, to analyze the existing literature in terms of sales cycles since it is of utmost importance to understand the whole sales cycle. Second, this paper seeks to gather information about the actual state-of-the-art marketing channels. Finally, the author will investigate communication in relation to the channel selection and examine the connection to the firm's performance. Put simply, this paper seeks to answer the question:

What are the performance implications of a modern sales cycle?

To avoid uncertainties through the whole sales process this paper also raises additional questions:

Do sales cycles differ between the industry sectors?

What marketing channels have been established and used within the industry?

This comprehensive review focuses on sales cycles, channel management and communication in the context of B2B sales. This paper reviews existing literature from the past till present and derives relations to the actual sales environment. The paper describes the drivers in sales cycles, marketing channels and communication to understand the sales process and the effect on the performance of a firm.

Finally, it offers potential approaches to the findings from the literature and propose theoretical concepts for the industry in respect to the firm performance.

#### Challenges in B2B sales

Sales and related marketing processes have changed dramatically in the last couple of years. The increasingly

complex customer behavior and digitalization innovation have gained new technologies and new ways of communication to connect the buyer and seller (Saura et al., 2019; Schmitz & Ganesan, 2014; Rodriguez et al., 2014).

Technological advancement gives humans the possibility to imagine, produce and support products of high variety (Matzler et al., 2016). New technology has brought huge advantages in respect to information for both the seller and the buyer. The correct notation for this innovation is "Big Data". Regarding the availability of online-based information, platforms have been established which have transformed the sales channels in different ways. With the advent of the Internet, social behavior in B2B sales changed totally. These changes lead companies to rethink their business strategies and business models (Saura et al., 2018). Salespeople were forced to keep up the alliance with the buyer and find new and efficient ways to organize their interactions (Dixon & Tanner, 2012).

Customers have increased their expectations. The buying or decision-making process is becoming more complex, products have gained more diversity and internal and external organizational factors have changed in shorter cycles than in the past (Ingram, 2004).

The changing complexity in sales, especially in B2B sales was also recognized by academics. A review of sales literature from 1998 to 2013 of Rodrigues et al. (2014) showed that in case of interactive marketing most scientific articles deal with terms like Technology, Customer Relationship Management (CRM), Internet and social media. Very little addressed the traditional selling methods like direct marketing (Rodriguez et al., 2014).

The findings above were the starting point for the author to conduct a systematic literature review to reveal the relationship between sales related processes and a firm's performance.

#### Methodology

Marketing channels proliferated in the last decades thanks to technological advancement as well as mass information on products or services which became available. Firms which are product centered are struggling to keep or establish a connection to the customer. The problem for these firms is to find an efficient way to communicate the right amount of information within the possible marketing channels.

The objective of this paper is to analyze the sales process on the characteristics which have an impact on a firm's performance. The author carried out a systematic literature review and focused on sales cycles, marketing channels as well as communication through these channels.

The first step is an online search of the general literature in the field of B2B sales. This is necessary to understand sales in different fields of activity and their processes. Afterwards the correlated marketing channels used for communicating with the customer will be examined. The next step is to find out more about the communication usage through the evolved channels. This investigation offers insights on the effectiveness and differentiation through management. Finally. the interconnection between performance and channel management will be evaluated. The findings will be discussed in the following paragraphs.

For the literature review the following scientific online sources were utilized: Google Scholar, ELSEVIER, SAGE, EMERALD, SPRINGER, and ABI/Inform. In the first step the author used the terms "B2B sales", "international business", business development", manufacturing industry" and engineered products". In the second step the author refined the research and combined the terms in step one with the following:

- channel management
- channel strategy
- channel distribution
- marketing management
- sales cycle
- business cycle
- efficacy
- efficiency
- performance
- adaptive
- profit
- communication
- organization

Regarding the search process it was noted that some of the terms did not provide relevant input for the present article. This was expected in case the initial search process was on a broader concept to gain an in-depth insight into the sales process.

The research yielded 48 scientific articles or books that were relevant based on keywords, title and abstract. The articles on marketing and sales cycles are more theoretically based. Empirical articles on the topic of "performance" combined with "sales", "output", "firm" etc. were relevant in terms of combining theoretical findings with practical experiences.

Figure 1. Literature research and analysis strategy



Source: Author's own design

There are also limitations on the above literature review which were taken into consideration. The present article was not constructed to cover a qualitative meta-analysis. Furthermore, the review focused on the industrial B2B activity fields and, therefore, did not express a valid general perspective. This means that there is not a universally permissible statement in the total sales environment.

#### **Literature Review**

#### **Definitions**

Kotler and Keller (2012) argued that the definition of marketing could be interpreted to identify customer needs, design the product or service accordingly and meet the expectations of the customer. In literature there are many theoretical definitions of marketing. One of the most famous definitions is that of Peter Drucker who holds that marketing is the process of knowing the customer so well that there is no need for selling. If you know the needs of the customer in depth, the products will sell themselves (Kotler, 2009).

The communication between firms and their customers require specific resources and capabilities. In literature these capabilities are called channels. The author found a variety of possible notations for channels in the existing literature. The common terms found in academic literature are marketing channel, media channel, distribution channel as well as sales channel (Polo and Sese, 2016; Anders et al. (2020); Käuferl & Reinartz (2015); Lapule & Colla, 2016). In the present article the author uses the term "marketing channel" which are for example: www (Internet), social platforms, phone, face to face (F2F), printed magazines, among others.

The term "performance" is also well researched in literature. Therefore, the author examined different terms related to firm performance. Through the research of this article the author found the following relevant terms like sales performance, channel performance, firm performance, or financial performance. For this present article the author is committed to using "firm's performance" to describe the efficacy of the processes and the efficiency of the organization.

Table 1. Empirical findings on performance

Performance Category	Topic	Author
Firm Performance	Impact of Marketing on Firm Performance	Krasnikov & Jayachandran, (2008)
Sales Performance	Communication Adaptiveness	Boorom et al., (1998)
Sales Performance	Self-efficacy in sales education	Knight et al., (2014)
Sales Performance	Framework to measure performance	Hulthén et al., (2016)
Channel Performance	Customer channel choice	Polo & Sese, (2016)
Channel performance	Distributing through multiple channels	Käuferle & Reinartz, (2015)
Financial Performance	Customer focused marketing	Vorhies et al., (2011)

Source: Author's research results

#### Pattern of sales cycles and their evolution

To get a holistic picture of the sales process the author investigated the sales cycles. Other researchers draw the same conclusion that it is necessary to know the sales cycle to determine the possible impact on performance. The more a salesperson knows about the detailed steps in a sales cycle the less uncertainty there is (Polo & Sese, 2016; Damerow, 2017; Holland & Young, 2010).

Before the detailed steps of a sales cycle are highlighted it would be interesting to explore how it could influence the performance of a firm. Neely (1995) suggests performance measurement to accentuate it from two different point of views. On the one hand the effectiveness of a process shall be measured and on the other hand the process itself shall be efficient. That means efficiency is one characteristic which shall be measured. Not only in sales but also in other business processes, effectiveness refers to requirements which must be met whereas efficiency means the economical aspect of what salespeople do to satisfy the customer. The complex relation of the two perspectives in performance is also described by other researchers. Delpechitre et al. (2019) confirms that sales performance has two different sides. One is the administrative performance, and the other is the firm's performance.

The different perspectives of a sales process offer a close connection to the firm's performance. Scholars recommend investigating the sales process to determine the necessary steps. To envision a holistic view the author described the emergence of the industrial sales cycle.

Sales cycles could have heterogeneous, individual or intermediate steps. Viio (2011) described that in the early 19th century the persuasion model AIDA (Awareness, Interest, Desire and Action) was commonly used in sales. Later, when sales and trade were well established in the economy this model was developed further to manage the sales process more professionally. Dubinsky (1980) established, referring to the former AIDA model, a seven-step model which was more precise and reduced uncertainty for salespeople.

Diversity in customers' expectations is the most common trend in the B2B sales that scholars examine in current research (Schmitz & Ganesan, 2014). This is also confirmed by other academics, for example, Sauer et al. (2018) who described that the social behavior of customers has changed and is changing continuously.

According to these findings and the general situation of technology and customer behavior, one can argue that it would be necessary to adapt the sales cycle from time to time. The author found various sales cycles which are available in literature. The main differences are the intermediate steps which are more or less dependent on the product or service. To ensure the agility of a sales cycles it could be more important to include adaptation steps.

A possible approach to adapt a sales cycle (shown in Figure 2 below) was described by Bickebanck and Elste (2016). They argued, that through all the intermediate steps it shall be proven if the process is in line with the expectations of the customer. From the authors view this cycle could fit firms in the industry sector which have to continuously check their sales processes. The crucial point of this proposed cycle is that in each phase there is the bilateral exchange of information which keeps the process agile and adjustable at any time.

Figure 2. Sales life cycle



Source: Adapted from Binckebanck & Elste, 2016

The scientific enhancement on sales cycles shows that there could be one driving factor in terms of a firm's performance. This concludes that there could be an effect on the sales performance.

#### Marketing channels

Sales in the B2B context as well as the environment around sales have changed their external processes (Zoltners et al., 2004). The marketing channels play a crucial role within these external channels to facilitate exchange of information between buyer and seller. Research articles in the field of channel management are interesting for practioners as well as for academics.

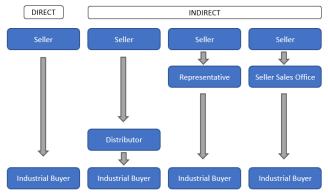
As described in the paragraph before, the aim of such marketing channels is to connect the buyer and the seller so they can exchange information. Kotler and Keller (2012) defined a marketing channel from a wider perspective and described it as passing on information, work or service from the producer to the customer. In the authors perspective these channels could also transport empathy and strengthen a relationship with the customer.

Beside the wide range of available marketing channels which in general have a positive impact, and provide information and availability, there are also risks. Customers behaviour varies and use my specific channels others uses multiple channels and will be overloaded with information. These risks could also create uncertainty for the customer. Dixon and Tanner (2012) also argued that salespeople have to find the right marketing channel to be efficient in their interaction. Their research showed that sales is not a standardized process, and that sales will be guided by the customer and therefore no generalization is possible.

To understand the complex topic of marketing channels the author examined the existing marketing channels in detail. To simplify such a complex topic, there are only two ways to communicate between the seller and buyer: direct communication and indirect communication (Gabrielsson et al., 2002).

Kotler and Keller (2012) carried out wide research on marketing channels and established an overview, which is highlighted in figure 3, of commonly used channels in industrial firms. This paper selected the most commonly used channels for the industry and addresses their advantage and disadvantages.

Figure 3. Industrial marketing channel



Source: Adapted from Kotler & Keller, 2012

#### Direct or single channel

It is self-explanatory that in the past mostly only direct channels were available. This direct communication is also important nowadays to receive emotional feedback from each other. Anders et al. (2020) confirmed in their survey that direct marketing channels are of the utmost importance and mainly use phone calls and F2F meetings to communicate with the salesperson. In times of a pandemic, the author assumes that also online F2F meetings should count for direct channels, where you can see your customer or buyer and conclude on a more personal note. Beside the positive adaptive properties, the direct channel is limited by the capacity for information exchange.

#### **Indirect channel**

In recent years e-commerce has grown tremendously, and communication has irrevocably changed. Nowadays, everyone ubiquitously accesses and searches the internet on an increasing number of mobile devices. Lawrence et al. (2019) reported that in 2014, 68% of buyers made online purchase and 94% conducted online search for products. In a pandemic the author assumes that this figure will rise again due to restrictions on making personal purchases and online e-commerce will proliferate.

The author revealed different indirect and online channels terms from the literature. The most popular ones are Dual-, Hybrid-, Omni-, Multi- and Cross-Channel. These channels are well known; hence, the wording "Multi-Channel" is the one most used in academic research (Picot-Coupey et al., 2016).

#### **Challenges and drivers**

According to the examined literature it is not easy to decide as to which channel is the most efficient. There are many attributes that have an influence. Firms and organizations must find or adapt their channel management according to the request and behavior of the market. These market or customer requests change over time and are also driven by the available technologies at that time. To establish the right structures and fulfil customer requirements, companies must focus on their efficiency and the value added which they want to offer the customer.

So, what are the drivers in channel selection? Gabrielsson et al. (2002) revealed in their qualitative study on the personal computer industry in Europe that cost, and efficiency are the driving forces for selecting the right sales channel. That would have been right for standardized products like personal computers at that time. However, the research did not consider e-commerce. So, the given attributes cannot be generalized for standardized products. Therefore, this paper systematically looks for answers in the literature.

Picot-Coupey et al. (2016) carried out important research on different marketing channels and channel management. He conducted a longitudinal research through qualitative interviews and participant observation of French retailers. He demonstrated that there is no consensus on the definition of "Multi-Cross or Omni-Channel". However, one of the contributions of his research is that it provides a distinction between these channels. Furthermore, through observation and interviews it was possible to evolve the following drivers.

- Organizational
- Cultural
- Managerial
- Marketing
- Financial

The results show that there are two major challenges which firms have to manage when approaching from an omnichannel perspective. First, there is the organizational and managerial challenge. Second, there is the information system and CRM challenge.

The impact on the efficiency of channel management is ubiquitous within the given literature. The weighting factors has been moved from former cultural and organizational to information and the CRM. So, the customers have to consider the information they have to communicate and the CRM. If products require an additional explanation, it is necessary to provide personal support besides online data sheets and drawings. Both channels have to be synchronized so that there are no uncertainties will appear. This paper indicates that management as well as organizational structures must match with the request of a customer. Therefore, instruments for feedback loops would be necessary to monitor if the salespeople as well as the organization is well structured.

To verify if weighting factors have changed, this paper investigated further empirical research. Common approaches for channel selection, which are mentioned in the literature, show that channel selection rely either on internal and/or on external sales environment. Käuferle and Reinartz (2015) explored the field of industry wholesaling from an empirical point of view. They asserted that the drivers vary based on the degree of usage. Various channels have different levels of performance, cost and searching convenience. To select their sales channel, they decided on the following factors:

- Diversity of products
- Share of key accounts
- Sellers resource capabilities
- Level of technological turbulences

The main findings of Käuferle and Reinartz (2015) is that their weighting factor is the usage of information through different channels. In their research they maintained that the complexity of the product is dependent on the usage of the channels. That means if it is a standard product and requires no explanation, the majority will use online channels to gather information. If the product is rather complex, they will need both online and personal support.

Depending on the above characteristic, it is necessary to consider the impact of channel management in a firm. Modification in a firm influence the firm's performance. That is why firms struggle to transfer their channel management. Most important is that the management provides a clear analysis of customer needs.

A common finding on the review of different empirical analysis shows that the product complexity as well as the preference of customer usage has the most influence on the firm's performance.

#### Communication

Information is one of the drivers which influences the performance of a firm in the context of channel management. Depending on the complexity and variety of a product, it is necessary to hand over to the customer as much information as is possible. While marketing and communication in general is well researched (Rodriguez et al. 2014), there is a lack of research on communication within the setting of B2B.

In general, there are only two ways to communicate: direct or indirect (Wills, 1990). Both communications play an important role but in the present research the focus is on direct communication.

Technologies for communication have changed in the last years and have also influenced the sales environment to increase efficiency and get better performance. Dixon and Tanner (2012) pointed out that new communication technologies have brought advantages to both the seller and the buyer. Beside these positive characteristics, the complex sales environment has increased the information flow between the customer and buyer. Damerow (2017) argued

that not only the interchanging of information is a challenge, administration is also important. His research submits that companies must adopt a "shared funnel" approach. That means that marketing and sales departments must work together and share as much information as possible. Within such an approach it is necessary that the common database used is not outdated, otherwise it will be inefficient and decrease the firm's performance.

Many companies have amassed data from their customers but have failed to analyse their needs. Both seller and buyer have changed their preferences in communication over time, which has affected the marketing channel in sales. This change in media and communication technology has been recognized by academics and researched in several ways.

Anders et al. (2020) has shown that in historical sales (which means the time before internet was available), salespeople communicated directly. Sellers and buyers used phone-based or face-to-face (F2F) communication which enabled the salespeople to know their buyers and their behavior. It was easy to create empathy for the buyer and adopt a selling strategy. As time went on additional methods of communicating with the buyer increased. Kotler (2009) confirms that the traditional communication methods consisted of F2F meetings, letters or fax, seminars, magazines, phone calls and trade fairs.

Later, with the availability of internet, electronic communication like email became one of the most common methods of communication and it is still today. With email communication, the amount of information and data increases nonlinearly (Kotler, 2009).

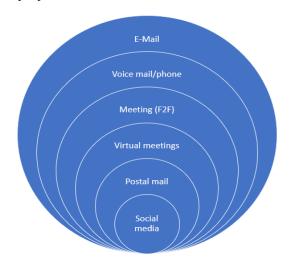
- Personal or F2F meetings
- E-mail
- Company Website
- Banners & Pop-Ups in Websites
- Blogs
- Podcasts
- Mobile marketing
- Social network sites (Facebook, LinkedIn...)
- Webinars
- Virtual trade shows

The above mentioned possibilities are the main digital communication methods in the industrial B2B. Scholars confirm that communication methods are transferred from traditional ways to digital ones (Anders et al., 2020; Kotler, 2009; Holland & Young, 2010).

Anders et al. (2020) have determined, with their qualitative research, the media preferences between the buyer and seller. The empirical research addressed buyers from different sectors of manufacturing, mining, healthcare, construction, and others. More than 30% of the attendees of this survey are from the manufacturing industry. This contributes to the present review in regard to the industrial business perspective. Figure 4 shows the general preferences for

communication with salespeople. The author assumes that this survey would reveal other findings if it were to be repeated. The actual crisis will lower the number of F2F meetings and will bring virtual meetings to the second place. In the case of a firm's performance such a crisis shows that virtual meetings can be rather effective. There is nearly no need to travel. It is possible to see each other face to face and empathize while discussing the content. Communication behaviors have changed through this crisis whereby the industry sectors have improved in firm performance.

**Figure 4.** Media preference for communication with salespeople



Source: Adapted from Anders et al., 2020

#### **Discussion**

The scientific sections explored above have been used to answer the research question: What are the implications of modern sales cycle on performance? To answer this question, it was necessary to review the relevant literature as well as empirical research. From the practical approach it is self-explanatory that the sales channel management and the communication style have an influence on the performance of a firm. To understand the connection from the scientific perspective the author examined performance from different perspectives. On the one hand there is administrative performance and on the other hand there is the total firm performance (Delpechitre et al., 2019).

However, Lawrence et al. (2019) investigated multichannel strategies and their profitability in a B2B environment. They confirm that each channel has its advantages, and the customer has the chance to utilize it in their own manner. This is a common finding which other academics agree on. Lawrence et al. (2019) focused on the net profit depending on whether the customer purchased online or in close contact with a salesperson. His experimental research clearly outlined that for products which need extra explanation it is of the utmost important to have direct contact with a salesperson. This additional feature will reduce the

uncertainty on the customer's side. They also argue that the net profit increases with the buyer.

In contrast, Lapoule and Colla (2016) carried out an empirical experiment in the beauty industry where the salesforce plays a crucial role. In their research they argue that in the past most beauty products were sold in stores or salons where salespeople promoted their products. Even if there was no great complexity to the products or much to explain, the traditional way of selling the products was through salespeople. In the experiment they showed that through multichannel advertisement and online purchasing it was possible to increase the firm's performance. However, this effect could also lead to a decline in the salesforce which then could have an influence on the firm's performance.

Industrial products, especially engineered products require extra explanations. For such products it is comfortable to use online channels for detailed product information. But online and internet channels are not enough for complex engineered products; therefore, the personal sales channel support is needed to avoid insufficient product choice (Käuferle & Reinartz, 2015). Findings in the B2B context demonstrate that if buyers only use online channel for their buying process, it may be counterproductive. From these findings it could be derived that in addition to the online channel a direct channel should exist. Each channel has its own advantage and will lead finally to a higher performance (Lawrence et al., 2019).

In general, the author found out, that if the buyer uses more than one channel the sales performance will increase (Joshi, 2009, Mohr & Nevin, 1990). There are several theories that agree that different channels can contribute to the effectiveness of communication in two dimensions, fulfilling needs and in parallel, reducing risks (Lawrence et al., 2019; Polo & Sese, 2016; Damerow, 2017). Research on channel management articles show that buyers tend to use more than one channel to get information about a product or service.

Within the academic industry there seems to be a common understanding that a multichannel approach should be used. Lawrence et al. (2019) claims that the richness and bidirectionality of communication in the salesperson channel also increases efficiency. Even when there other capabilities for communicating with the buyer, the personal contact should be continued in case the richness and experience of the salesperson contributes towards increasing the sales performance (Polo & Sese, 2016). The substitution of salespeople through online channels will not be possible for all industries and all products. For complex products as well as for products where you need explanations an experienced salesperson could help increase the firm's performance in the long run.

To explain products or share information, media tools must be used in an efficient way to hand over the right information at the right time. The existing literature describes a lot of capabilities to communicate between seller and buyer. Through the communication capabilities a lot of information is transferred from the seller to buyer and vice versa. In case of huge information and easy ways of communication, firms have to be careful that the sales process doesn't become inefficient.

Boorom et al. (1998) approached the sales performance from the interaction perspective. The authors claimed that communication apprehension and interaction with the customer influence the performance. Their study was based on the hypothesis that salespeople who are by nature motivated and more communicative will have more success in the sales process. Based on qualitative interviews and empirical data, they produced evidence that the communication process has to be adaptive. Given the vast variety of sales environment they deduct that there isn't a common set of communication rules that will guarantee higher sales performance.

With a multichannel approach it is necessary to rethink the statement of Boorom et al. (1998). In general, the hypothesis is valid, but firms have to consider that less salespeople are needed to communicate with the customer. The main information will be transferred through online communication.

Within the channel selection and business strategy the topic of communication could massively influence the firm's performance. Communication is one key performance parameter to check to determine if the sales channel will be effective. Empiric research on different industries have shown that the salesperson spends one third of their time on sales related activities. The remaining time is needed to provide service to other departments in the organization or is spent on administrative work (Zoltners et al., 2004). Research from Zoltners et al. (2004) has shown that when there is a decline in the salesforce there will be an increase in administrative work. This must be considered in relation to performance of the firm.

Furthermore, relying on the arguments of Zoltners et al. (2004) the author found that through the multichannel approach there is a more frequent request for communication. Given the information exchange and availability at any time both buyer and seller must be careful with the information flow. Too much information could lead to overflow and inefficiency. This will increase the amount of information and could adversely affect the firm's performance (Delpechitre et al., 2019). In this case Anders et al (2020) suggest controlling the media synchronicity. It is important that the information on different channels is synchronized which could also increase the administrative workload.

The author revealed that the general statement that the usage of multiple channels will improve a firm's performance may not apply to all sections of the industry. Firms must be careful when restructuring their business strategy in terms of channel selection. Of course, there are big advantages nowadays and firms have to adapt their strategies from time to time. However, the author emphasizes that the administration, and communication of channels and information, have an

influence on the firm's performance that should not be neglected.

#### **Limitations and Future Research**

The present research is subject to several limitations and suggestions for further research. First, the present literature review examined empirical studies regarding firm performance. In these empirical studies the management, firm or organization perspectives were mentioned. Along the lines of communication capabilities and preferred communication tools used in B2B sales it would be interesting to know in which way the actual crisis has influenced the preferred communication media. After one year of the pandemic and home officing, it seems that virtual online meetings like Skype or Teams could have big influence on the communication style. It should be verified if the media preferences of Anders et al. (2020) are still valid. So, a further research question could be: Which are the preferred media communication tools in B2B sales? Second, the finding that salespeople can improve the richness of a customer relationship is well known in literature. In empirical studies the positive effect of such customer - salesperson interaction is underestimated. In many B2B sales situation in the industry, especially in complex sales situation, this interaction between a salesperson and the customer is crucial for performance. A research question could be: What are the determinants for a long-term customer – salesperson interaction? Third, future research should investigate the authors findings to determine if they can be proven for different industries and regions.

#### Conclusion

A vast variety of products, high diversity of communication channels as well as technological advancement have influenced the sales environment. These changes have motivated scholars to research in depth the field of sales, communication, and performance (Saura et al., 2019, Schmitz & Ganesan, 2014, Rodriguez et al., 2014).

The author reflected on the sales cycles in the context of B2B sales. In addition, he suggested an adaptive sales cycle from Bickebanck and Elste (2016) which could be used for adaptive industrial processes. In the next step the existing marketing channels were examined. The author explored the most important challenges and drivers which influence the performance of a firm.

Finally, the impact of the most important drivers like communication and information were investigated. The author discussed the preferred communication style in the industry during "normal" times. Communication is changing as a result of the pandemic. Online meetings could be the new preferred communication tool and show a positive effect on the firm's performance.

This is one of the first papers which explored the driving factors in regard to sales cycles, channel selection and communication in relation to a firm's performance.

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## Uspešnost pri prodaji B2B: kako upravljanje kanalov in komunikacija vplivata na uspešnost podjetja

#### Izvleček

Komunikacija med prodajalcem in kupcem poteka po več kanalih. Več načinov uporabe tehničnih medijev in izbira kanala ustvarja več informacij, vendar ali to vodi do boljše uspešnosti podjetja? Raziskav o vplivu različnih tržnih kanalov v industriji na dejavnike uspešnosti ni veliko. Uspešnost podjetja je najpomembnejši dejavnik in spremljali ga bomo z različnimi atributi. Namen te študije je pregledati gonilnike prodajnega procesa v smislu prodajnih ciklov, kanalov in komunikacije glede vpliva na uspešnost. Poleg prodajnih značilnosti pregled razčlenjuje spremembe med preteklostjo in sedanjostjo. Namen pregleda je razumevanje različnih zmogljivosti pri upravljanju kanalov in komunikaciji za prilagoditev prodajnega procesa ter povečanje uspešnosti podjetja.

Ključne besede: upravljanje kanalov, komunikacija, uspešnost prodaje, prodajni cikel, industrijsko trženje