EXAMINING SALES FORCE MOTIVATION TO WIN BACK LOST CUSTOMERS: A FRAMEWORK FOR B2B CUSTOMER REACQUISITION

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Purpose of the paper and relevant literature

B2B organizations constantly search for opportunities to acquire, retain, and grow business opportunities for their firms. Yet no matter how effective a company's CRM program or sales process is, inevitably, some customers will defect and switch to other suppliers. Although there are well-established sales processes to acquire new accounts and maintain customer relationships, few firms have formal win back strategies: procedures to diagnose loses and identify determinants in order to guide and train salespersons for regaining valuable lost customers. This gap in sale process and training reflects the relatively sparse literature in B2B customer reacquisition models. The purpose of this study is to propose a B2B reacquisition framework that addresses the sales force's perceptions, motivations and intentions to win back.

The current research integrates prior literature in relationship marketing, B2B sales, and motivation theory to develop a conceptual framework for B2B customer reacquisition. Using critical incident techniques (CIT), our pretest study with fifty-three B2B sales executives provides anecdotal evidence that helps develop hypotheses and refine the proposed framework for the current study.

Past studies on salesperson characteristics indicate that certain personality traits such as self-efficacy and emotional control/intelligence are important indicators of motivations and efforts (Sujan et al., 1994; Kuhl and Koch, 1984). Research on promotion (vs. prevention), orientation and narcissism (Lockwood et al., 2002; Raskin and Terry, 1988) suggests that salespeople with these personality traits may believe reacquisition will be easy and, therefore, are more motivated to win back lost customers. (see Figure -- *Salesperson Characteristics*).

Past research also suggests that the reasons the defected customers left the relationship may impact the salesperson's confidence and motivation to initiate reacquisition (Stauss and Friege, 1999). These diminishing factors include the relationship fading process (Akerlund, 2005), the relationship phase at defection (Jap and Ganesan, 2000), the "relationship energy" with buying center members (Pick, 2010; Havila and Wilkinson, 2002), and customer's switching back costs (Liu et al., 2005) (see Figure -- *Customer Relationship*).

Additional motivators in this process include sales firms' incentive structure (e.g., what sales goals are rewarded; Sujan et al., 1994). Similarly, the organizations' supportive offers to win back lost customers (e.g., customization efforts, repositioning supply chain resources) will enhance salespeople's intention to engage in reacquisition activities (Liu and Leach, 2012). All these impact sales force perceptions and motivations to reacquire lost customers. (see Figure -- *Organization Characteristics*).

Research method

To gain initial insights and identify key determinants to win back lost customers, we conducted 53 in-depth interviews with sales executives using critical incident technique (CIT) (Bitner et al., 1990). We asked the respondents to describe in as much detail as possible an incident where they successfully won back a lost customer, an incident where they were unsuccessful, and the key differences between them. We then content analyzed their specific stories to uncover emergent categories and patterns. The pretest findings provided anecdotal evidence to the proposed framework and helped develop hypotheses.

To further confirm the proposed conceptual framework and hypotheses, we intend to use key informant sampling technique to survey approximately 2,000 respondents on-line. Respondents will be randomly selected from a database consisting of B2B salespeople and screen criteria will be applied to pre-qualify the key informant. Each key informant will receive an email with cover letter asking for their participation, and a link for the questionnaire. A reminder email will be sent after 2 weeks. Respondents completing the survey will be entered in for lotteries for $50 gift cards.

Measurement scales and propositions will be developed and refined from personal interviews with sales executives and from relevant literature. Then, the questionnaire will be pretested with marketing executives and academics to ensure face validity. Non-response bias will be tested comparing early and late response using t-test. To measure the constructs in the proposed conceptual model, multiple-item scales will be adopted from previous established scales when applicable. New measures will be developed following standard psychometric scale development procedures prescribed by Anderson and Gerbing (1988). Scale reliabilities will be computed using Cronbach alpha.

Structural Equation Modeling technique integrating factor analysis and simultaneous multiple regression analysis will be used to model the result and test the hypothesized relationships. The model will be specified so that items loaded on only the construct they are developed to represent. Similar procedures for two-group analysis will be performed for long vs. short relation, and for long vs. short lapse time. Specifically, a four-step approach will be employed to analyze the data (James et al., 2006).

Contribution

Contributing to the B2B sales and CRM literature, this study will develop a B2B customer reacquisition framework that addresses the key actors in the drama of regaining lost customers: the sales force, the organization and the defected customers. We believe this research is one of the first to empirically investigate sales force motivation to reacquire B2B customers and to propose a framework for identifying key determinants to win back valuable lost customers. The final results of this paper will provide new information to aid sales executives to: (1) identify critical salesperson characteristics for reacquisition efforts that can

be integrated in training and selection programs; (2) evaluate customer relationship to win back lost valuable customers; and (3) identify supportive organizational characteristics to regain profitable business. Adding to a more comprehensive and strategic understanding of CRM, the proposed conceptual framework can enable sales organizations to actively motivate and support salespersons to regain valuable customers for profitable long-term relationships.

Figure 1
B2B Sales Force Motivation to Reacquire Lost Customers
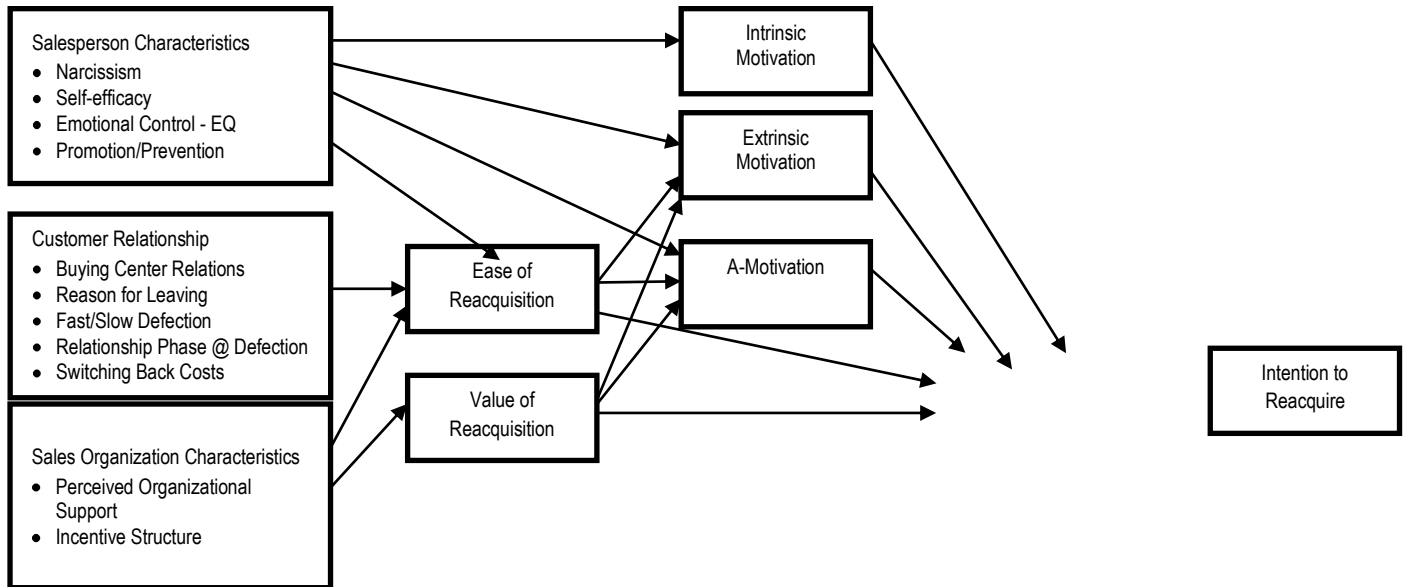
References

References available upon request