Industrial Marketing Management 39 (2010) 183–194

Contents lists available at ScienceDirect

Industrial Marketing Management

Marketing–sales interface configurations in B2B firms

Wim G. Biemans [a,*,1], Maja Makovec Brenčič [b,1,2], Avinash Malshe [c,1,3]

[a] Faculty of Economics and Business, University of Groningen, P.O. Box 800, 9700 AV Groningen, The Netherlands
[b] Faculty of Economics, University of Ljubljana, Kardeljeva ploscad 17, 1000, Ljubljana, Slovenia
[c] Opus College of Business, University of St Thomas, Mail #TMH343, 1000 LaSalles Ave, Minneapolis, MN 55403, USA

ARTICLE INFO

Article history:
Received 3 March 2008
Received in revised form 2 December 2008
Accepted 12 December 2008
Available online 25 January 2009

Keywords:
Marketing–sales interface
Interfunctional relations
Market orientation

ABSTRACT

As the body of knowledge on marketing-sales interface expands, there is a greater need to investigate the specific aspects of marketing–sales configurations in B2B firms. Using a qualitative methodology and interview data collected from over 100 sales and marketing professionals from the US, The Netherlands and Slovenia, this study presents a dynamic, evolutionary spectrum of four B2B marketing–sales interface configurations. These configurations are described in detail in terms of structure, communication patterns, information sharing, collaboration, and strategic outcomes. The findings show that no configuration is inherently superior. Our dynamic configuration spectrum offers managers a toolkit to evaluate their firm's marketing–sales interface in terms of current and desired positions, and contribute to their firm's market orientation and business performance.

1. Introduction

The widely embraced market orientation construct emphasizes the critical role of effective interfunctional interfaces within market-oriented organizations (Kohli & Jaworski, 1990; Slater & Narver, 1994). Smoothly functioning interfaces in such organizations offer many benefits: e.g. timely dissemination of market information, coordination of marketing activities in creating superior customer value, and market responsiveness. One of these interfaces is the marketing–sales interface. A firm's business performance greatly depends on how these two functions work together (Cespedes, 1992, 1993; Guenzi & Troilo, 2007; Smith, Gopalakrishna & Chatterjee, 2006) and how smooth, well-coordinated and conflict free this interface stays (Dewsnap & Jobber, 2000). In contrast to marketing's interface with other departments such as R&D, which represent the vastly different commercial and technical functions in a firm, marketing and sales should be well equipped for effective cooperation. They both serve customers, with marketing entrusted with providing support to salespeople and building consistent brand image in the marketplace, and sales traditionally performing tactical tasks such as contacting customers, executing marketing strategies, and closing the sale in the field (Matthyssens & Johnston, 2006; Rouzies et al., 2005). In recent years, scholars have highlighted the need to reconsider the role the sales force may play in business organizations. LeMeunier-FitzHugh and Piercy (2006) suggest that a sales organization must be valued as a crucial source of critical market intelligence and propose that marketers must demonstrate to salespeople how their market feedback contributes to the firm's strategic activities. Piercy and Lane (2003) put forward that firms must leverage the market intelligence salespeople possess and start viewing the sales force activities as strategic customer management activities. Ingram, LaForge and Leigh (2002) argue that progressive sales organizations are becoming more strategic and are adopting a customer relationship management approach focusing on the initiation, development and enhancement of customer relationships. These recent observations suggest a more strategic role for sales, which further emphasizes the need for an effective and harmonious marketing–sales interface.

A review of the literature suggests that the marketing–sales interface has not been extensively researched, with some notable exceptions (Biemans & Makovec Brenčič, 2007; Homburg, Jensen & Krohmer, 2008; Kotler, Rackham & Krishnaswamy, 2006). Ideally, sales and marketing activities are closely coordinated, with salespeople collecting valuable customer-related information and passing it to their marketing colleagues (Dewsnap & Jobber, 2000; Rouzies et al., 2005), and marketing using the information to create customized products and programs, and thus increasing value for customers. Unfortunately, over the years, several scholars have noted that the marketing–sales interface is not always harmonious and constructive (Beverland, Steel & Dapiran, 2006; Carpenter, 1992; Cespedes, 1993; Dewsnap & Jobber, 2000; Lorge, 1999; Rouzies et al., 2005; Strahle, Spiro & Acito, 1996). Specifically, Kotler et al. (2006, p. 78) conclude

* Corresponding author. Tel.: +31 50 3633834.
E-mail addresses: w.g.biemans@rug.nl (W.G. Biemans), maja.makovec@ef.uni-lj.si (M. Makovec Brenčič), amalshe@stthomas.edu (A. Malshe).
[1] All authors contributed equally to this article. Their names have been listed in alphabetical order.
[2] Tel.: +386 1 5892564.
[3] Tel.: +1 651 962 4287; fax: +1 651 962 4710.

0019-8501/$ – see front matter
doi:10.1016/j.indmarman.2008.12.012

that "senior managers often describe the working relationship between Sales and Marketing as unsatisfactory. The two functions, they say, undercommunicate, underperform, and overcomplain." This interface assumes special importance within B2B firms, where marketing activities are frequently conducted by people in various departments (such as marketing, business development, technical support and development, and sales support) who may lack a formal marketing background and training. In such situations, effectively organizing and managing the marketing–sales interface may be especially challenging.

The preceding discussion suggests a need for greater inquiry into the marketing–sales interface. First, marketing and sales may not always exist as separate functions in an organization and their roles and responsibilities may depend on a firm's size, growth rate, products, industry and organizational structure (Biemans & Makovec Brenčič, 2007; Homburg et al., 2008; Kotler et al., 2006). This suggests that firms may exist on a continuum with firms on one end lacking a separate marketing function and firms at the other end of the continuum having sales and marketing as integrated functions with shared objectives. In addition, it is likely that depending on the intra-organizational and external variables, the marketing–sales configuration in a given firm may change over time and firms may move along the continuum. Existing studies have neither adequately addressed the relevant interface configurations for B2B firms nor paid attention to how they may change over time. Second, previous studies have looked at issues such as communication, collaboration and information sharing between the two separate marketing and sales functions (Cespedes, 1993; Ingram, 2004; LeMeunier-FitzHugh & Piercy, 2007). Since marketing may not always be a clearly defined function in B2B firms, we may see different patterns with respect to communication, collaboration and information sharing between the two functions. Further, these patterns may change as firms move along the continuum. Last, while researchers have investigated the strategic outcomes of an effective marketing–sales interface (Guenzi & Troilo, 2007), we do not know (a) whether (and how) different marketing–sales configurations may impact a firm's marketing proficiency and (b) the advantages and disadvantages of different configurations.

Our investigation of the marketing–sales interface in B2B firms addresses these gaps in the literature. The paper is organized as follows. First, we review the relevant literature about the marketing–sales interface. We then discuss our methodology and present a series of dynamic marketing–sales configurations and their related strategic outcomes. We conclude by discussing the theoretical contribution of this study, its managerial implications, limitations, as well as suggestions for future research in this area.

2. Literature review

Research on the marketing–sales interface has begun to expand in recent time. Scholars have focused their attention on elements of structure such as how these two functions are organized within the firm, their degree of formalization and decentralization (Dewsnap & Jobber, 2000; Krohmer, Homburg and Workman, 2002), and processes such as interfunctional communication, information sharing, coordination of activities and collaboration between these two functions (Dawes & Massey, 2005; Matthyssens & Johnson, 2006; Oliva, 2006; Rouzies et al., 2005). In addition, scholars have also identified how structure and process dimensions of this interface, along with other interface characteristics, may affect a firm's strategic outcomes such as market performance or creation of customer value (Guenzi & Troilo, 2006; LeMeunier-FitzHugh & Piercy, 2007).

From a structure standpoint, scholars have noted that marketing and sales functions may exist as separate units (Homburg et al., 2008; Workman, Homburg & Gruner, 1998) or a single entity (Kotler et al., 2006) within a firm depending on factors such as firm size and nature of the industry. Interestingly, current research on the marketing–sales interface has always studied this phenomenon in firms where these two functions exist as separate and clearly-defined units. These studies have unequivocally indicated that this interface is frequently rocky, conflict-laden and adversarial (Beverland et al., 2006; Carpenter, 1992; Cespedes, 1992, 1993; Dewsnap & Jobber, 2000, 2002; Lorge, 1999; Strahle et al., 1996). A decade ago, a Marketing Science Institute workshop on interfunctional interfaces identified the conflict between marketing and sales as one of the critical areas that need to be addressed (Montgomery & Webster, 1997). A recent study by the Aberdeen Group (2002, p. 2) confirms the problematic nature of the marketing–sales interface by highlighting: "In many companies as much as 80% of marketing expenditures on lead generation and sales collateral are wasted — ignored as irrelevant and unhelpful by sales."

Researchers have attributed the frictions, animosity and mutual lack of respect between these two separate departments to various factors such as goal differences (Strahle et al., 1996), different perspectives toward the business environment (Beverland et al., 2006; Cespedes, 1993), cultural (Beverland et al., 2006) and thought world differences (Homburg & Jensen, 2007), lack of interfunctional integration (Rouzies et al., 2005), physical separation and poor communication (Lorge, 1999) and poor coordination during planning and goal setting (Colletti & Chonko, 1997). Problems may also arise because the sales organization feels that it owns the customer relationships and resists all efforts from other departments to contact their customers (Hulbert & Pitt, 1996). They may also question the value and costs of marketing. Donath (2004, p. 5) suggests that in B2B firms, these fundamental job differences also contribute to the divide between marketing and sales: "Marketing people talk to … business end-users, while salespeople typically spend their time with distributors and purchasing agents. Marketers deal with market segments and specific product groups. Sales, however, sees the world account by account." Many B2B firms also exacerbate the problem by creating separate marketing and sales functions, with the sales vice president often outranking the senior marketing manager.

Scholars studying the process elements of this interface have focused on (a) interfunctional communication, (b) information sharing, (c) information systems, and (d) collaboration between the two functions (Dewsnap & Jobber, 2000; Rouzies et al., 2005); among others. Ruekert & Walker (1987) treat interfunctional communication, both face-to-face and impersonal communication, as an important element affecting interfunctional integration and thus a healthy, productive interface. The marketing strategy literature emphasizes that communication of market and customer-related information across the organization is a key factor in determining an organization's responsiveness to changing customer needs (Kirca, Jayachandran & Bearden, 2005). Homburg & Jensen (2007), while studying the thought world differences between sales and marketing, indicate that differences in product knowledge and interpersonal skills between the two functions may hinder interfunctional communication. This may create an interpretive barrier that precludes the exchange, absorption and interpretation of information across the functional boundaries and prevent them from reaching agreements on contentious issues. Relatedly, they find that the differences between these two functions in short vs. long-term orientations and customer vs. product advocacy trigger greater interaction and dialog between sales and marketing thereby leading to a positive market performance. Rouzies et al. (2005), using an integration perspective, suggest that firms may appoint certain individuals as integrators, who are able to facilitate communication between the two functions. They caution against indiscriminately increasing communication frequency and further note that strategic and frequently exchanged information is best routed through formal communication channels whereas information about unstructured problems is best communicated through informal communication channels. Maltz & Kohli (1996) suggest that it is necessary to achieve an optimal level of communication frequency and also note that an equal mix of formal and