Sales Force Automation Use and Salesperson Performance

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Abstract

Understanding how technology investments create business value is a research priority in today's technology-intensive world. Drawing on a literature review as well as a qualitative study in the pharmaceutical industry, this research suggests that sales technology can support both: externally focused tasks towards managing customer relationships and internal administrative tasks. Building on this distinction, our quantitative analysis reveals that sales technology impacts salesperson performance directly when used as a customer relationship tool. In contrast, it has a perfectly mediated impact when used for internal coordination purposes. To unleash its real potential, sales technology should be designed to enable customer relationships rather than being perceived as a cost cutting tool. In addition, the motivational structure for using sales technology differs between two SFA-use dimensions. While the customer relationship dimension is driven by factors that trigger voluntary usage, the internal coordination dimension is predominantly explained by factors imposed from outside. Management should not impose technology usage. Rather, they should support self-initiating factors that stimulate technology usage for improving customer relationships. Combining upstream research focusing on the drivers of SFA-usage with downstream research shedding light on its performance impact, the study offers important implications for maximizing the pay-back from SFA-technology investments.