Collaboration between sales and marketing divisions

Linda Veale

A field study submitted to the UFS Business School in the Faculty of Economic and Management Sciences in partial fulfilment of the requirements for the degree of

Magister in Business Administration

at the

UFS Business School

University of the Free State

Bloemfontein

Supervisor: Dr J van Zyl

November 2014

DECLARATION

"I declare that the field study hereby handed in for the qualification of Master's degree in Business Administration at the UFS Business School of the University of the Free State is my own, independent work and that I have not previously submitted the same work, either as a whole or in part, for a qualification at/in another university faculty.

I also hereby cede copyright of this work to the University of the Free State"

Name: Linda Veale

Date: 20 November 2014

ACKNOWLEDGEMENTS

To my family and friends who walked, and sometimes carried me, on this journey towards my MBA, thank you from the bottom of my heart. I could not have done this without you.

A special thanks goes out to my study leader, Dr Johan van Zyl, who provided soft spoken words of encouragement and gentle yet firm nudges in the right direction. I wish that other students will also continue to benefit from your guidance.

ABSTRACT

The issue addressed in this study is the insufficient collaboration between the sales and marketing divisions within a sales organisation. To address this problem, the purpose of this study was to investigate and research the antecedents of collaboration between the sales and marketing divisions and to identify possible recommendations for improving the collaboration.

The study was conducted in a subsidiary of an international organisation in South Africa. This sales company had a dedicated sales and marketing division from which a purposive convenience sample was selected. Participants came from the same population, and sample groups were of equal size for the quantitative and qualitative data analysis. The data was analysed on the basis of being employed in a sales or marketing position.

A mixed methods convergent design was chosen with the intent to merge the results of the quantitative and qualitative data analysis. The researcher believed that quantitative or qualitative research alone would be insufficient to gain an adequate understanding of the research problem in such a small sample size.

A questionnaire consisting of open- and closed-ended questions was developed and structured around the identified antecedents of collaboration gathered from the literature review. The antecedents were cultural and economic in nature with aspects related to information and the sales division's involvement in the marketing strategy process. The qualitative data was integrated with the quantitative data around the existing antecedents of collaboration.

The integrated results showed that, overall, the respondents agreed that collaboration and coordination with regard to their activities are to the sales organisation's advantage. The majority strongly felt that the current collaboration could and should be improved. What appeared to be lacking was a shared frame of reference and the ability to create and maintain a personal rapport with one another based on appreciation of one another's work. Each division expected the other to help it achieve its divisional objective but not one another's objectives.

Despite the apparent conflict and insufficient collaboration, there was an underlying wish by both sales and marketing respondents to collaborate on shared goals.

The change should be driven by senior management since a positive senior management attitude towards collaboration leads to reduced inter-functional conflict. In addition, a culture of organisational learning and transparent information sharing should be encouraged. The development of intra-organisational guidelines on the role allocation of activities during the buying cycle will reduce uncertainty. Open and respectful communication between the sales and marketing divisions can provide a basis for the clarification of misunderstandings and keep the other division up to date in terms of marketing initiatives. Increasing the frequency of co-travelling of the members of the marketing and sales divisions will assist in fostering relationships and increase credibility along with opportunities for further study.

The current market intelligence system needs improvement. Alternative market intelligence systems should be investigated by sales and marketing individuals. The system should promote easy access to all within the sales organisation.

The sales divisions should be more involved throughout the marketing strategy. There was no consensus on when, how or how often and to what degree they should be involved. It is recommended that an intra-organisational survey should be conducted together with the consultation of senior sales and marketing individuals.

Other factors that are important for collaboration were identified. There is a definite need for clear and transparent two-way communication between sales and marketing divisions. Regular, scheduled meetings between sales and marketing divisions are needed where the quality of the exchange is more important than the quantity or duration of meetings. These will help foster a sense of collaboration within the organisation.

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

CHAPTER 1

INTRODUCTION

1.1 INTRODUCTION

The aim of an organisation is to increase shareholder value. A profit can be generated by creating a competitive advantage over its competitors. The Value Chain Analysis by Michael Porter lists the following primary activities leading to a competitive advantage: inbound logistics, operations, outbound logistics, and marketing and sales, followed by service delivery. According to Porter, the goal of these activities is to create a value that is worth more than the actual cost of providing the product or service. Therefore, the Value Chain Analysis can be used as a means to analyse the organisation's internal activities and, consequently, its competitive strength (West, 2010:89).

Market orientation is conceptualised as having three components: a customer orientation, the competitor orientation and the inter-functional coordination component (Rouzies *et al.*, 2008:113). This study examines the inter-functional coordination component in more detail.

The goal of the marketing strategy, according to West (2010:7), is to enable an organisation to achieve its objectives. This is done through understanding the business environment and making use of resources to meet the needs of the customers. The marketing strategy allocates people and capital to achieve its strategies. Therefore, marketing and sales activities are primarily focussed on getting the customer to buy the end product. The buying cycle is described by Craig Rosenberg as one-third marketing followed by two-thirds sales activities. Thus it is crucial that sales and marketing collaborate to optimise the buying cycle.

The Customer Life Time Value (CLTV) is described as a marketing control variable outcome that leads to customer equity. By viewing customers as assets, both a hard (financial number) and a soft (customer) future-orientated outcome can be

expressed to measure the success of a marketing strategy (West, 2010:505).

The changing business environment is highlighted by business-to-business organisations that are under pressure from company and customer forces which are re-shaping the sales force and the company's operation. The four forces are illustrated in Figure 1 below (Piercy, 2009:351).

Figure 1: Forces driving the sales organisation (Piercy, 2009:351)

In a more marketing-related study, Homburg (2008:134) states that most of the traditional 'marketing activities', specifically pricing and distribution strategy, are, in fact, dominated by sales rather than marketing. This statement is correlated and expanded on by Troilo (2009:872) who describes the increased influence of sales on the following activities: pricing strategies, designing customer service and support, as well as expanding into new geographical markets and developing distribution strategies.

In the study conducted by Liu and Comer (2007:565) on the role of salespeople as information gatherers, the authors remark that salespeople have intimate knowledge of their customers because of the way they interact with them. The sales force is therefore vital to a company involved in research and development, and the manufacturing and selling of products as a source of market information. This rapid strategic response requires up-to-date customer-specific information to be available within the business unit. The challenge is gathering good quality market intelligence, transferring this information to management and communicating an effective strategic response back to the sales force which will then implement it.

In South Africa, the South African Medical Device Industry Association (SAMED) is a non-profit organisation incorporated under the Companies Act of 2008 (About SAMED, 2013). The purpose of SAMED is to promote, represent and safeguard the interests of the South African Medical Device and In-Vitro Diagnostics (VDI) industry (Representing the SA Medical Device Industry, 2013). According to SAMED, Teleflex Medical (Pty) Ltd is classified as a global supplier of medical devices, surgical instruments and disposable medical products (Members, 2013). The company manufactures, produces, distributes and sells medical devices and therefore competes in the upstream and downstream market. Teleflex South Africa is a market-driven organisation importing goods from overseas manufacturing sites within Teleflex (Pty) Ltd and selling them in South Africa (Welcome to Teleflex, 2013).

The researcher is employed by Teleflex Incorporated and holds a position in the sales division. From first-hand observation, the researcher has witnessed the current level of collaboration between the sales and marketing divisions, as well as inter-departmental conflict. An informal discussion with middle management has confirmed this phenomenon.

Inadequate collaboration between sales and marketing divisions can potentially create a situation in which the sales force promotes products that marketing did not plan to support in the long run instead of adequately promoting the products supported by the marketing division (Rouzies *et al.*, 2008:114). This situation has an

impact on the inventory levels and number of back orders for a sales organisation. In addition, new products and services to be designed and launched require coordination and support between sales and marketing divisions.

1.2 PROBLEM STATEMENT

The medical device industry is a highly competitive market with rapidly evolving technological and customer needs. The sales organisation that is able to respond effectively and quickly to market changes is more likely to create a competitive advantage over competitors who do not (Lyus, 2011:39). As a result, business-to-business companies are changing the way they are responding to customer and market pressures for higher service and relational investments (Piercy, 2010:349).

Within a sales organisation, the marketing and sales divisions collaborate in order to achieve set business objectives through a marketing strategy. Poor collaboration places the achievement of these set business objectives in jeopardy and impacts on business performance. This study focuses on the existing collaboration between sales and marketing divisions within a South African subsidiary of an international company.

The sales and marketing divisions within Teleflex Medical South Africa are not collaborating with one another to establish a set of shared goals to deliver the desired customer value and improved business performance. In the past, management arranged meetings between sales and marketing staff on a quarterly basis in an effort to improve collaboration in terms of achieving shared goals. The meetings were held in a training format presented by marketing staff who lectured sales staff on focus products for the upcoming financial quarter. This failed to create lasting collaboration between the sales and marketing staff. Sales and marketing divisions are still focussing on their individual goals.

1.3 AIM AND OBJECTIVES

1.3.1 Aim

The aim of this research study was to investigate existing collaborative practices between the sales and marketing divisions and to make recommendations with regard to increased collaboration.

This study employed a post-positivistic constructivist research method. The post-positivistic approach was chosen due the researcher's employment with Teleflex South Africa and a degree of bias was anticipated.

The research commenced with a preliminary literature review to identify possible antecedents of collaboration between sales and marketing divisions. This led to the development of a semi-structured questionnaire which was completed anonymously by members of the sales and marketing divisions.

1.3.2 Objectives

1.3.2.1 Primary objective

The primary objective was to investigate and research the antecedents of collaboration between sales and marketing divisions.

1.3.2.2 Secondary objective

The secondary objectives of this study were to:

- investigate the key variables that have an influence on collaboration between sales and marketing divisions;
- understand what other important factors are needed to enhance collaboration;
- identify the steps for increased collaboration within a sales organisation; and
- develop possible recommendations for achieving greater collaboration

between sales and marketing divisions.

1.4 THEORETICAL FRAMEWORK

The interface between sales and marketing has garnered attention in the research community of sales and marketing management.

A research study suggested that organisations are simplifying their organisational structure and breaking barriers between functions to increase their ability to adapt and build competitive advantage. This was attributed to increasing competitive pressures, shorter product life cycles and increased customer demands (Rouzies *et al.*, 2005:113). A proposed framework for sales and marketing integration was then developed by Rouzies *et al.* (2005:113) in which the authors conceptualised structural, procedural, cultural and people-based integration mechanisms for marketing and sales divisions.

In 2006, Matthyssens and Johnston (2006:338) conducted a qualitative study in Belgium in which they interviewed twenty-one managers from different industries. The aim of the study was to establish the importance of good coordination between the sales and marketing divisions of a company. They found that both sales and marketing did not realise the importance of cooperation in certain areas.

Subsequently, Kotler *et al.* (2006:70-72) identified best practices that could improve team effort and total contribution. Two categories that are economic and cultural in origin and which caused strain between sales and marketing were identified. Afterwards, Kotler *et al* identified four types of relationships between sales and marketing that change as the relationship grows. In addition, they developed a questionnaire that scores the current relationship status. The status is listed in a progressive order as undefined, defined, aligned and integrated. This proved useful to management in terms of helping them to determine where they are and where they would like to be.

A further review of the literature shows that five important antecedents are necessary for effective collaboration between sales and marketing divisions. Firstly, a positive senior management attitude towards collaboration between sales and marketing is required, communication and a reduction in inter-departmental conflict is necessary. The two remaining antecedents include the establishment of organisational learning and effective market intelligence systems (Le Meunier-Fitzhugh & Piercy, 2010:613).

This was followed by a cross-industry study of 337 European Union-based companies by Homburg *et al.* (2008:133). They developed a multi-dimensional model of the sales and marketing interface and found that the interface between sales and marketing varies to a large extent between companies and across industries. Since then follow-up studies have been undertaken to investigate the relationship between sales and marketing (Malshe, 2011), as well as to explore the interface between sales and marketing (Mollenkopf, 2011). All of the above-mentioned studies were conducted in Europe with senior management staff members serving as participants.

Teleflex Incorporated is a pure play medical device company committed to providing long-term value to its shareholders (Welcome to Teleflex: 2013). In working towards shared goals through collaboration, the sales and marketing divisions will optimise working output and efficiency. Munn (quoted in Le Meunier-Fitzhugh *et al.*, 2007:207) argues that 'there is a long standing contention that sales and marketing activities should be coordinated because their functions are interrelated'.

The theory therefore suggests that increased collaboration between the sales and marketing divisions has a positive correlation with improved business performance and holds value for business research.

To summarise, the preliminary literature review suggests that the interface between sales and marketing divisions can be described and analysed by means of interviews and questionnaires.

1.5 RESEARCH DESIGN

This study employed the mixed method methodology to investigate and describe the current collaboration between sales and marketing divisions within Teleflex Medical South Africa.

Permission was obtained from the Teleflex South Africa Managing Director prior to the commencement of the study.

A secondary data analysis of available published documents was used to assist in constructing and refining the measurement questions. The questionnaire included questions that reveal deviations from the researcher's viewpoint with the purpose of increasing the reliability of the instrument. The selected respondents were then contacted telephonically to explain the purpose of the study, obtain consent and explain the questionnaire. The questionnaire was emailed or faxed to the respondents due to their geographic dispersion and limitations on the researcher's time and funds. The completed questionnaires were returned via fax or email.

This study made use of the convenience non-probability sampling method as a means of selecting 20 respondents who were relevant to the research issue. The research population, which was made up of approximately 20 respondents, was limited to current employees of Teleflex South Africa who are employed in a managerial-, sales- or marketing-related position.

The questionnaire consisted of a five-point Likert-Type Scale with responses ranging from Strongly Agree to Strongly Disagree. The parametric *t*-test was used for analysis since the data came from a single, specified population and the statistical significance between a sample distribution mean and a parameter needed to be determined (Cooper & Schindler, 2011:468). The results were validated against a non-parametric correlation analysis due to the non-random sampling limitation of the study. The Partial Least Square Test (PLS) was used due to the small sample size. Furthermore, the PLS is a predictive technique that is able to incorporate many independent variables (Rollins *et al.*, 2012:988).

1.6 ETHICAL CONSIDERATIONS

Cooper and Schindler (2011:32) assert that 'The goal of ethics in research is to ensure that no one is harmed or suffers adverse consequences from research activities'. In accordance, the following ethical considerations applied while conducting this research:

- Objectivity: The researcher is employed by Teleflex South Africa and a degree of bias was anticipated. The study was therefore conducted from a post-positivistic constructivist viewpoint and took the above mentioned into account. Bias was further avoided by data analysis and data interpretation by means of parametric analysis.

- Voluntary participation: Participation in this study was voluntarily and measures were taken to ensure that respondents were not forced to participate or misled as to the reason for the study.

- Informed consent: The respondents were informed of their rights, the research process and the proposed benefits of the research prior to the start of the study.

- Confidentiality and respect: The nature of the study lent itself towards the exposure of potentially sensitive information regarding the competitive abilities of Teleflex South Africa. An agreement with Teleflex South Africa regarding the notion that the results would be made known to them prior to publication was reached. The researcher ensured that the participants' responses remained confidential (i.e. unknown to the management of Teleflex South Africa) to encourage participation and honest responses.

- Data integrity: The ethical protection of the data collected during and after the research was ensured with an offline data management system and kept in a secure storage area.

1.7 DEMARCATION OF THE FIELD STUDY

This study investigates and describes the collaboration between the sales and marketing divisions in a South African Medical Device Company to improve business

performance. The target population consists of current employees at Teleflex South Africa employed in a marketing or sales capacity.

This study combines the fields of Strategic Management, Marketing and Sales Management. For an organisation such as Teleflex South Africa, which manufactures and sells products, the internal alignment of divisions is crucial to positive business performance. Poor collaboration between the sales and marketing divisions impacts negatively on business performance. Therefore, it is vital to optimise sales and marketing collaboration.

Due to time and financial constraints, the researcher mostly communicated with the respondents via telephone, fax or email.

1.8 DEFINING TERMINOLOGY

The following quotation provides an operational definition of sales and marketing integration for the purpose of this study:

> The degrees to which the departments engage in collaborative activities – the degree to which they work together as a team and share resources to make strategic decisions, develop implementation plans, and assess performance of these strategies and plans. (Rouzies *et al.*, 2008:115).

1.9 CHAPTER LAYOUT OF THE STUDY

Chapter One demarcates the problem and the aim of the study within a particular research area.

Chapter Two deals with a thorough literature review of the sales and marketing interface, sales and marketing collaboration and variables influencing the degree of collaboration.

Chapter Three will be devoted to the methodology which includes information gathered from the questionnaire.

Chapter Four integrates and discusses the results of the quantitative and qualitative data from the questionnaire.

Chapter Five synthesises the data analysis findings and possible recommendations for improved collaboration between the sales and marketing divisions at Teleflex South Africa.

CHAPTER 2

COLLABORATION BETWEEN SALES AND MARKETING

2.1 INTRODUCTION

This chapter will discuss the outcome of the literature review. The importance of collaboration between the Sales and Marketing divisions of an organisation will be highlighted and additional insights and recommendations from previous studies on the subject will be examined.

2.2 THE IMPORTANCE OF COLLABORATION

The creation of marketing strategy and the execution thereof require Sales and Marketing divisions to collaborate and coordinate processes due to their interdependency. This enables the organisation to improve business performance (Malshe, 2009; Guenzi & Troilo, 2006; Kotler *et al.*, 2006). The organisation's ability to create customer value is also dependent on its internal coordination of the various departments. The internal resources and abilities are consequently utilised to effect a competitive advantage. Sales and Marketing interaction therefore has the potential to inhibit or promote this process (Hughes *et al.*, 2013:57). A sub-optimal relationship will exhibit conflict, mutual stereotyping and non-cooperation. Physical separation and different outlooks also contribute to a sub-optimal interface (Malshe, 2010:13).

Sales and marketing integration is a dynamic process. Two divisions can create more value by working together than by working independently. This requires consistency (same goal), coordination (timing of activities) and congruency with each other (Rouzies *et al.*, 2005:115). This holds true, especially with marketing strategy creation, implementation and execution.

Sales buy-in of marketers' marketing strategy is defined by Malshe and Sohi (2009:207) as the sales department's belief that marketing's proposed strategy or

initiative has merit and is appropriate (Malshe & Sohi, 2009:207). Sales buy-in can be viewed as a potential outcome of internal marketing activities and can, therefore, facilitate improvement of the sales-marketing interface (Malshe & Sohi, 2009:208).

Research has shown that, when marketing follows an independent approach from the sales division, there are downstream consequences, such as low to little sales buy-in of marketing strategy with poor execution, implementation and execution.

The sales force is viewed by Rouzies *et al.* (2005) as an important marketing tool with which to communicate and influence customer relationships since the effectiveness of marketing activities increases with the coordination of sales and marketing activities (Rouzies *et al.*, 2005:113). Figure 2 below depicts the need for the integration of sales and marketing activities by listing the common activities of marketing, sales and the interface. Marketing activities receive input from the sales division and the sales department's activities, in turn, receive input from the marketing division. The area where the circles overlap highlights the activities that must be coordinated for them to be effectively and successfully performed. Therefore, all the activities need a level of integration between sales and marketing (Rouzies *et al.*, 2008:114).

Marketing

Sales to Marketing inputs

Sales

Competitive analysis
Market research
Market segmentation
Product development
Product positioning
Pricing
Packaging
Advertising

Target marketing
Sales forecasting
Customer account selection
Value proposition development /
Customer messaging
Promotions

Competitive market
intelligence
Personal selling
Distributor management
Account management
Merchandising
Installation
After-sales service

Marketing to Sales inputs

Figure 2: Zoltners (2004) quoted in Rouzies *et al.* (2008:114)

2.3 THE MARKETING-SALES INTERFACE

The sales and marketing departments attract two different kinds of people who spend their time in different ways (Kotler, 2006:71). The person working in the marketing department is highly analytical and focussed on data and projects. The work is mostly done behind a desk and is not seen by sales people. Sales people, by

14

contrast, spend most of their time talking and communicating to existing and potential customers in the field and are skilled relationship builders. Due to the nature of their job profile, they are used to rejection and keep on moving forward to close the sale (Kotler, 2006:72).

The bases on which they are judged are also different. The sales force is focussed on closing sales to reach a quantity or revenue target within a specific timeframe. In comparison, the marketing programmes are designed to create a long-term competitive advantage and are not as easily judged to be successful or not (Kotler, 2006:72).

The relationship between the sales and marketing functions and/or departments is a source of organisational conflict. The two primary sources of conflict have been identified as cultural and economic in nature (Kotler, 2006:70). This causes negative stereotyping with regard to the perceived role, activity importance, timeline focus and the sources of knowledge in sales and marketing departments with a resultant undervaluing of each contribution (Hughes *et al*., 2013:57).

Traditionally, sales and marketing divisions have operated separately. However, there are certain domains in which activities overlap, function concurrently or consequentially. These domains were identified in 2008 as information sharing between sales and marketing, structural organisational linkages, distribution of power, orientation towards the market, and knowledge of sales and marketing (Homburg *et al.*, 2008:133).

Information sharing refers to the degree of spreading and circulating information from sales and marketing divisions across the organisation (Homburg, Jensen, Krohmer, 2008:138).

Structural linkages are the degree to which vertical and horizontal interaction channels have been established or created to facilitate interdepartmental activities. Within this context, teamwork refers to a specific market-related project where the activities are developed and implemented by members of the sales and marketing

divisions (Homburg *et al.*, 2008:138). An example of this could be the joint planning for an industry tradeshow by managers from sales and marketing with the stand manned by members of the sales and marketing divisions. Joint planning, in particular, refers to the degree to which the budget, objectives and activities were co-developed (Homburg *et al.*, 2008:138).

Power refers to the degree to which the sales divisions have an influence on market-related activities as compared to the marketing division. This varies across industries and between companies (Homburg etc., 2008:139).

The *orientation* of sales and marketing units refers to the time orientation (short-term with immediate action versus long-term where extensive planning is needed), as well as goal orientation (customer versus product) to which their activities relate (Homburg *et al.*, 2008:139).

Knowledge refers to the expertise within a division secondary to knowledge acquisition and experience gained. This relates to customers' and competitors' knowledge, as well as to employees' knowledge of products and internal processes (Homburg *et al.*, 2008:139).

These domains are not hierarchical in nature and one is not a functional prerequisite for another (Homburg *et al.*, 2008:137). Within each domain there are constructs. Early research studies show that the most successful models of sales and marketing interface have strong cultural links between sales and marketing, as well as high market knowledge by the marketing division. But the sales and marketing interface varies across industries and companies within an industry (Homburg *et al.*, 2008:133).

2.4 CULTURAL SOURCES OF CONFLICT

The subcultural component of cultural frames was investigated by Beverland *et al.* in 2006 with the aim of investigating what keeps sales and marketing from integrating. They found that the conflict between Sales and Marketing is driven by differences in

beliefs regarding the following aspects: the validity of the activity's scope and focus, timeframe, sources of valid information and knowledge, difference in status, and the perceived relationship to the business environment (Beverland *et al.*, 2006:386).

The Sales department has a customer scope and focus while marketing focuses on market position. Marketing is of the opinion that sales people focus too much on individual customers' needs, increase costs and change the brand perception in the market place, sacrificing the bigger picture (Beverland *et al.*, 2006:390). Often Sales fails to comment on marketing strategies that they believe will fail (Beverland *et al.*, 2006:388). In addition, the Sales department has a short-term, historically-based timeframe whereas Marketing is more long-term and future based (Beverland *et al.*, 2006:390).

According to Sabnis *et al.* (2013), the sales force has three primary responsibilities: firstly, customer retention via relationship management and growing revenues through cross selling or upselling; secondly, growing the customer base by acquiring new customers through lead follow up on marketing as well as leads generated by themselves; and, thirdly, to engage in non-selling activities such as administration and training (Sabnis *et al.*, 2013: 53).

The sales force allocates proportions of its time between marketing leads, leads generated by itself and administrative, non-acquisition activities. The motivation and reasoning behind the chosen proportion of time allocated per activity group is of importance (Sabnis *et al.*, 2013: 53). The abilities of individual members of the sales force, such as experience and historical performance, as well as the organisation's marketing and sales processes, play a role in marketing lead follow-up. An increase in the perceived quality of prequalified leads, the volume of marketing leads, and the amount of sales management tracking of lead follow-up, has a negative influence (Sabnis *et al.*, 2013: 64).

Perhaps one of the biggest sources of conflict arises from the source of information and the validity of knowledge. Marketing views sales people as valid sources of short-term, individual, customer-based information. Sales people provide a constant

flow of information and ideas from their focussed contact with customers. Therefore, sales people are viewed as a potential source of new innovations and insights with the micro information to be linked to macro marketing approaches by Marketing (Beverland *et al.,* 2006:390).

Often, however, Sales people are frustrated by their market information not being taken seriously by Marketing. The Sales department has an experienced, applied basis for information and knowledge, while Marketing has training and theoretical bases (Beverland *et al.,* 2006:388).

Moreover, marketers are viewed as being out of touch with customers' needs and expectations (Kotler, 2006:70). This is because salespeople view marketing as having considerably less direct contact with customers and question the credibility of information relayed by marketing since it often directly contradicts their own direct experience and is not adequately explained. Salespeople also view knowledge obtained directly from the market and experience as being more valid than knowledge gained from large-scale studies and training. They believe that marketing should supplement its information with information from more direct sources (Beverland *et al.,* 2006:390).

Individuals in sales and marketing divisions have different mind-sets pertaining to perspectives on issues and problem solving. Two examples of different mind-sets include customer versus product and personal relationships versus analysis (Rouzies *et al.,* 2005:113).

Customer versus product: salespeople are typically responsible for a geographical region or customer group and promote to sell a wide range of product groups and products. By contrast, marketers focus on a specific product group or brands to the exclusion of all other product groups offered by the organisation.

Personal relationships versus analysis: salespeople aim to build relationships with their individual customers and to develop individualised sales strategies. Marketers have a more abstract understanding of customers by their analysis of market

research data.

By examining the different sales and marketing mind-sets characteristic to each function, two cultures are identified at a subcultural and organisational level. In turn, each subculture has a different value allocated to knowledge on what is important, valuable and useful to achieve its target in relation to the environment (Beverland *et al.*, 2006:386). Therefore, subcultures moderate strategy and the implementation thereof in the sales and marketing interface.

Organisations are made of multiple cultures and to achieve objectives, specialised cultures in marketing and sales are necessary and inevitable. Marketing is dependent on the sales division as a boundary-spanning activity to achieve its performance targets such as customer retention, brand communication, sales and profit, as well as acquisition. In return, the sales division requires the assistance of marketing in changing what the firm is offering. The challenge lies in creating a broader, shared frame of reference. This is needed since an independent frame of reference can hinder cross-cultural integration. An example of this is the political barrier involving lack of leadership support in cross-functional teams leading to failure (Beverland *et al.*, 2006:388).

2.4 ECONOMIC SOURCES OF CONFLICT

If sales and marketing share a budget, both parties criticise the amount as well as what the money is spent on. For example, friction can arise from disagreements regarding product, pricing and promotion. The sales division tends to prefer lower prices, leaving more room for negotiation.

Marketing, on the other hand, establishes   retail pricing, special promotional pricing and tender price submission. But the sales department has the final say with regard to transactional pricing. When special low pricing is needed, marketing is usually not consulted by the sales department, resulting in conflict (Kotler, 2006:71).

The sales department perceives marketing as using more than its share of the shared budget for marketing purposes. Instead, the sales division would prefer the money to be spent on having extra salespeople in the field (Kotler, 2006:68).

2.5 MARKETERS' CREDIBILITY WITHIN THE SALES-MARKETING INTERFACE

The inherent differences between sales and marketing departments may lead to salespeople assessing marketers' level of credibility. The three components of credibility, i.e. expertise, trust and interpersonal proximity, are used on a micro level to explain the probable cause of problems in the interface (Malshe, 2010:13).

Research indicates that trustworthiness and expertise are important components with regard to the concept of credibility. Trust relates to confidence in a partner's reliability and integrity. The partner's dependability, competence and responsiveness are also included. Expertise relates to the level of relevant (contextual) knowledge by the partner pertaining to the situation (Malshe, 2010:14).

The ability of individual salespeople and marketers to create and maintain a personal rapport with one another, based on an appreciation of one another's work, emerged as the third component of credibility. This refers to the interpersonal proximity themes of social distinction and reverence with understanding. Social distinction relates to the perceived and real differences in status between sales and marketing. If marketing views salespeople as being of a lower social level, the psychological distance increases and marketing's credibility is adversely affected (Malshe, 2010:16).

The differences between salespeople and marketers may lead to a sense of local rationality, causing sales and marketing to lose their objectivity and empathy towards the other departments. This relates to reverence and understanding. An example is if the marketing department admits that it made a mistake and appreciates how failure on its part can create challenges for the sales force at customer level. This could enhance its credibility by bringing it closer to the sales force (Malshe, 2010:17). Therefore, contextual, conditional variables of inter-functional communication and

recurrence relate to the phenomena of marketing's credibility in the sales and marketing interface (Malshe, 2010:17).

Open and respectful communication between the sales and marketing departments can provide a basis for clarification of misunderstandings and keep one another up to date with regard to sales and marketing initiatives. In addition, this can provide an opportunity for feedback and asking for help when needed. This transparent flow of information contributes to a sense of transparency and promoting trustworthiness. By communicating activities across the interface, marketing has the opportunity to highlight its knowledge of sales activities and business savvy (Malshe, 2010:17).

Recurrence relates to data that shows salespeople are not quick to pass judgement on marketing's abilities. However, if the same mistakes, such as breaking promises and treating salespeople differently, are repeated, marketing loses credibility (Malshe, 2010:17). Figure 3 below depicts the emergent themes discussed above.

Figure 3: Depiction of emergent themes (Malshe, 2010:15)

2.6 MARKETING-SALES COLLABORATION

In 2007, an exploratory case study, primarily conceptual in design by Ken Le Meunier-FitzHugh and Nigel Piercy, was used to explore the antecedents and consequences of collaboration between the sales and marketing divisions. They found that there are three influencing factors with regard to collaboration, namely integrators, facilitators and management attitudes pertaining to collaboration between sales and marketing divisions (Le Meunier-FitzHugh & Piercy, 2007:939). Figure 4 below illustrates the visual relationship between these three factors.
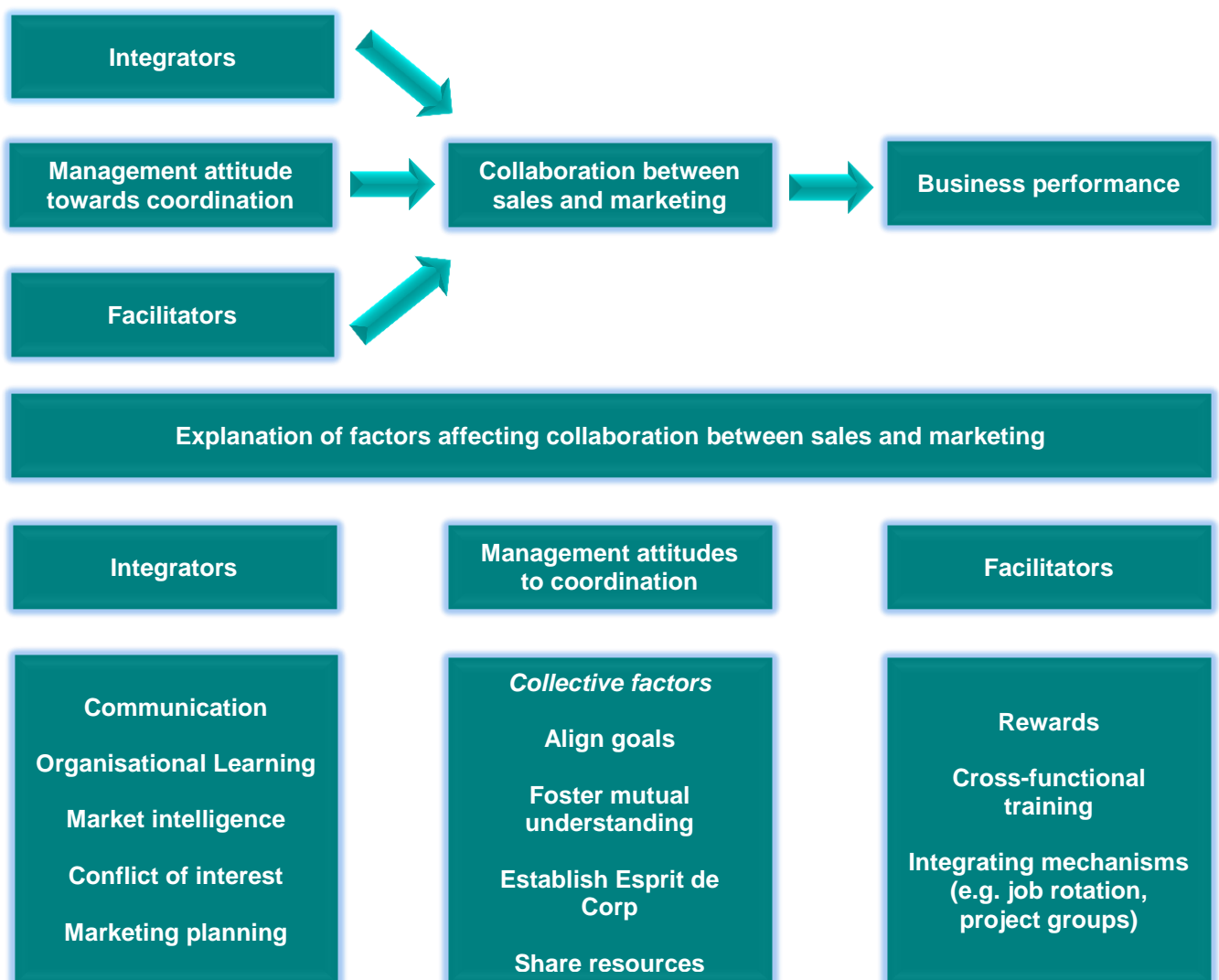
Figure 4: Antecedents and consequences of collaboration between sales and marketing (Le Meunier-FitzHugh & Piercy, 2007:944)

A follow-up study on the drivers of sales and marketing collaboration, focussing on the need for collaboration rather than integration to improve business performance was conducted in 2009 (Le Meunier-FitzHugh & Piercy, 2010:611). The study identified the following collaborative drivers: management attitudes towards coordination, communication, interdepartmental conflict, organisational learning and market intelligence (Le Meunier-FitzHugh & Piercy, 2010:613).

In 2013, a study by Hughes *et al.* (2013:57) investigated the ways in which the sales-marketing interface affects and is affected by other departments to achieve organisational capabilities. They introduced a holistic framework that identified key levers that should be integrated via cooperation and cross-functional collaboration.
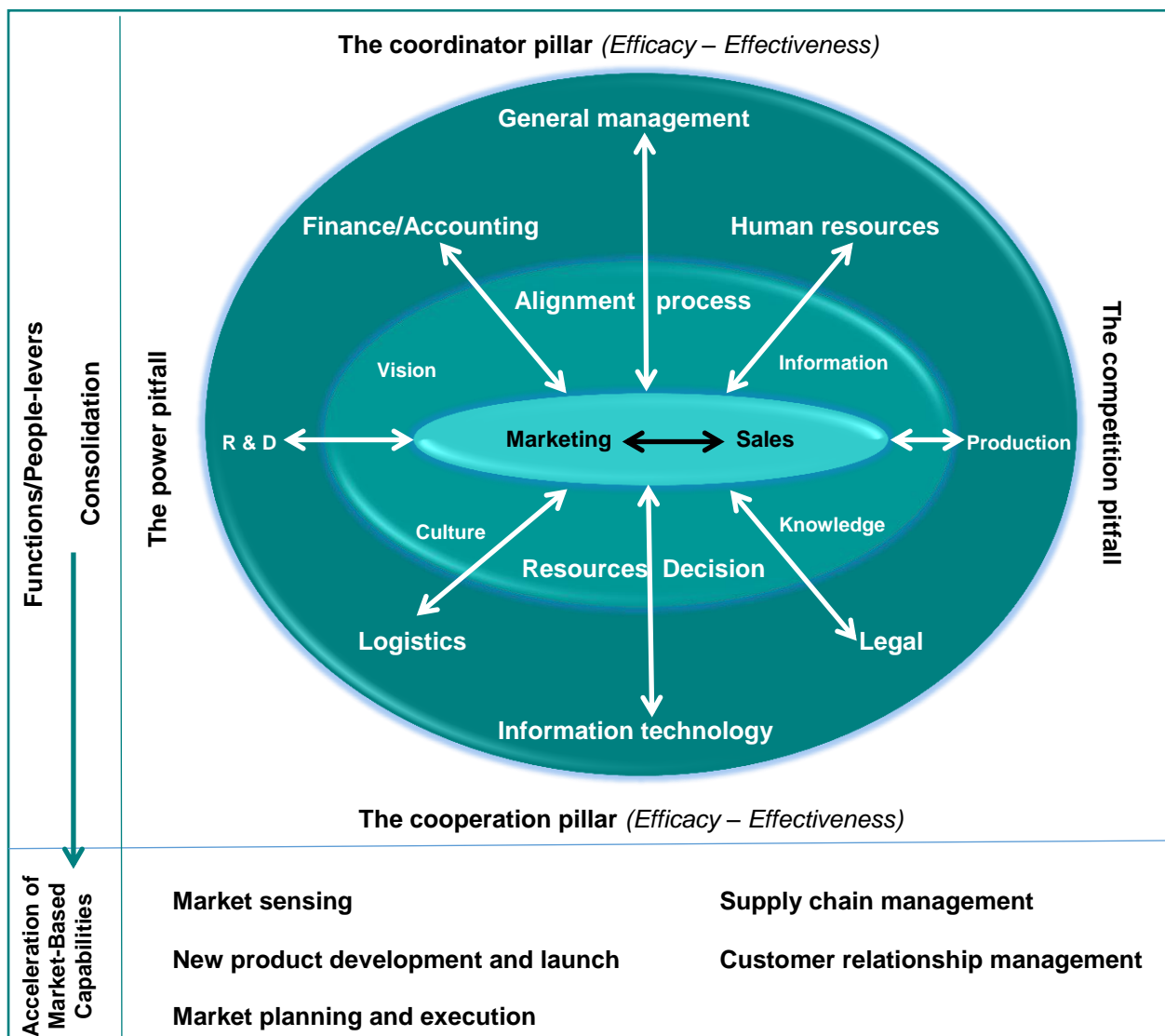
Figure 5: The Sales-Marketing interface integrative framework (Hughes *et al.*, 2013:60)

2.7 KEY ANTECEDENTS INFLUENCING COLLABORATION

Marketing does more than setting a price, place, product and promotion. Marketers need to be able to position, target and segment the product(s) and company in the market. This requires closer collaboration with manufacturing, product development and finance to develop brands rather than products (Kotler, 2006:70).

Stereotyping is a source of friction in the sales-marketing interface and may lead to conflict and poor collaboration.

Marketers' negative stereotypical view of salespeople includes the following:

- Poor sales due to sales force's poor execution of marketing's brilliant marketing plan (Kotler, 2006:68).
- Salespeople are too focussed on the individual clients and are unaware or do not take into account the larger market in the long run (Kotler, 2006:70).
- The sales division has no interest in contributing towards strategy formation and is unable to understand market-based information (Beverland *et al.*, 2006:389).
- The sales department is effective in a very narrow area and plays a secondary role in carrying out strategies developed higher up in the organisation. Sales people are not open to new ideas (Beverland *et al.*, 2006:390).
- Salespeople respond to customers' immediate needs while marketers focus on the long term and have little regard for the daily problems of customers (Beverland *et al.*, 2006:390).
- The marketing department looks towards the future (more branded focus to add value) and does not rely on what worked in the past (commodity based). This leads to the perception that salespeople are resistant to change (Beverland *et al.*, 2006:390).
- Marketing's relationship to the business environment is more proactive than reactive (Beverland *et al.*, 2006:390).

2.8 MANAGERIAL IMPLICATIONS

The differences between sales and marketing functions are necessary for their activities to be successful (Le Meunier-FitzHugh & Piercy, 2007:952). Organisations may decide to structure their sales and marketing divisions separately or as a single unit to promote an optimal-performance organisation. Research has shown, however, that there is no relationship between the structure of the organisation and collaboration. Neither does the location of the sales and marketing departments in the same building have a relationship to collaboration (Le Meunier-FitzHugh & Piercy, 2008:19).

The presence of an effective relationship between managers is important since they need to be able to work closely with other functional departments such as sales and marketing and act as integrators within the organisation. In order to build and maintain an effective cross-functional relationship, interpersonal trust is very important. Competence and professionalism must be demonstrated by the managers to build interpersonal trust (Dawes & Massey, 2006:357).

Inter-functional conflict between sales and marketing managers does, however, have an impact on collaboration between sales and marketing teams. This working relationship has two dimensions of interpersonal conflict, namely disfunctional conflict and functional conflict. Research has shown that the overall level of disfunctional conflict between these managers is relatively low while the functional conflict is high. In addition, the quality of communication and the bi-directionality thereof have a significant impact on both forms of inter-functional conflict (Massey & Dawes, 2007:118). However, the function of marketing differs across industries, companies and different product life-cycle stages and can therefore affect the sales and marketing interface and managerial implications (Kotler, 2006:70).

The alignment of sales and marketing managerial rewards improves collaboration but does not reduce inter-functional conflict. The senior management support for collaboration does increases collaboration and reduces inter-functional conflict (Le-Meunier-FitzHugh & Massey, 2011:1161).

In order to improve the relationship between sales and marketing managers, and the individual managers' perceptions of the effectiveness of the relationship, the perceived justice was investigated. Research found that the managers' perceptions of organisational justice positively influenced the perceived effectiveness of the sales and marketing relationship. Organisational justice can further be divided into distributive, procedural and interactional justice. Increased inter-functional communication contributed to the perceived justice (Hulland *et al.*, 2013:450). In addition, the power of the marketing unit indirectly influences the working relationship between sales and marketing managers (Dawes & Massey, 2006: 346).

The sales organisation that is both market- and customer-orientated, requires a strategic alignment between sales and marketing in order to improve their relationship. There are two types of sales and marketing alignment needed from a strategic perspective. Firstly, the sales and marketing divisions should work together to develop sales-support materials that the salespeople can adapt in order to focus on their individual customers' needs. Secondly, sales and marketing divisions should collaborate on defining the profile of a prospect and create marketing initiatives that will produce opportunities for salespeople to follow up on (LaForge *et al.*, 2009:210). The tension between the two cultural levels may be managed by the shared values that are present across the subcultures (Beverland *et al.*, 2006:388).

CHAPTER 3
METHODOLOGY

3.1 INTRODUCTION

This researcher made use of mixed methods and followed the convergent design methodology. The rationale behind the choice in research design as well as the process will be discussed in more detail in this chapter.

3.2 DEFINITION OF MIXED METHODS

Creswell (2014:2) asserts that

> [a]n approach to research in the social, behavioural, and health sciences in which the investigator gathers both quantitative (closed-ended) and qualitative (open-ended) data, integrates the two, and then draws interpretations based on the combined strengths of both sets of data to understand research problems.

According to Creswell, an important assumption underlying the mixed method approach is that, when combining statistical trends from quantitative data with personal viewpoints and stories from qualitative data, their collective strength provides a more in-depth understanding of the research problem compared to when these methods are used alone (Creswell, 2014:2). The researcher adhered to what worked best and what was practical in this research study to address the research problem with a small population group (Creswell, 2014:16). Consequently, for the purposes of this study, the pragmatic worldview was chosen as an underlying philosophy in the collection of both the quantitative and qualitative data.

3.3 VALUE OF, AND RATIONALE BEHIND, THE USE OF THE MIXED METHOD APPROACH

This research study aims to understand the central theme of collaboration between salespeople and marketers employed in the sales and marketing divisions. These

individuals have different perspectives on collaboration due to their different job descriptions, viewpoints and personal experiences.

The use of quantitative or qualitative research alone was insufficient to gain an adequate understanding of the research problem (Creswell, 2014:14). On its own, quantitative research will neither adequately investigate the personal stories or meanings, nor probe in-depth individual perspectives on collaboration. However, it will provide an opportunity for generalisation and precision. Qualitative research alone will not enable the researcher to generalise from the small sample group to a larger population, but it will give the researcher the means for in-depth data on individual perspectives on collaboration. In addition, the qualitative information will add details about the setting, place and context of the personal experiences to the data derived from the quantitative instrument (Creswell, 2014:14).

By making use of the convergent mixed method approach rather than using one method, the researcher believes that more data was captured. This led to a better understanding of the research problem since it was seen from multiple perspectives and angles (Creswell, 2014:35), and the strength of one research method made up for the weakness of another (Creswell, 2014:14).

Therefore, on a general level, mixed methods were chosen because of their ability to draw from both quantitative and qualitative research and reduce the limitations of both (Creswell, 2014:217). On a more practical level, the researcher had access to both quantitative and qualitative data, and mixed methods provided a more sophisticated and complex approach to research. On a procedural level, the mixed methods approach was used as a strategy to gain a more in-depth understanding of the research questions. This provided the researcher with a better understanding of the changes needed in the organisation in which the research was conducted (Creswell, 2014:218).

This research study contributes to the body of knowledge on collaboration between sales and marketing divisions in South African organisations. Previous studies have

not specifically investigated this particular population group.

3.4 CONVERGENT MIXED METHOD DESIGN

The convergent mixed method design allows for the separate collection and analysis of quantitative and qualitative data with the intent to merge the results (Creswell, 2014:35). The quantitative results yield general trends and relationships while the qualitative data provides the personal perspectives of the individuals. Merging the results provides the researcher with additional insights and a more complete understanding of the research problem. Figure 6 below provides a visual aid on the convergent design methodology.
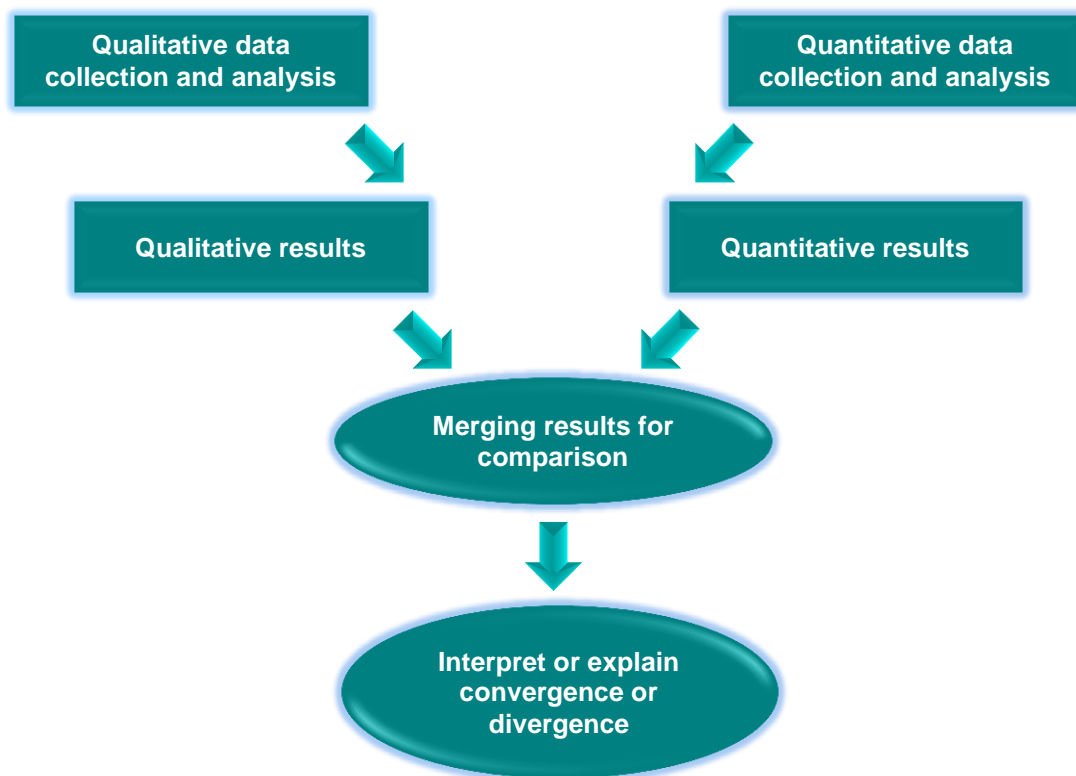
Figure 6: Convergent design (Creswell, 2014:55)

3.4.1 Sampling

The target group consisted of individuals employed in the sales or marketing division within the organisation. It is the opinion of the researcher that individuals are trying to

understand the world in which they live and work, and, by constructing open- and close-ended questions, the participants are able to convey their views on collaboration given their social and historical perspectives. This will assist with inductively developing from field data, themes and patterns for collaboration (Creswell, 2014:8). Therefore, purposive convenience sampling was used. Participants were selected from the same population and consisted of equal numbers for the quantitative and qualitative data analysis. The data was analysed on the basis of being employed in a sales or marketing position.

3.4.2 Data collection

The data collection was done through a semi-structured questionnaire that was developed and based on the known variables or antecedents identified in the preliminary literature review. This was cross-sectional in design by collecting and analysing the data once (Creswell, 2014:27) by means of a questionnaire. The questionnaire consisted of a quantitative component in the form of Likert-type questions, and a qualitative component in the form of three open-ended questions.

Therefore, open-ended questions were employed to illicit information from the respondents about past events, attitudes and future expectations regarding the phenomenon of poor collaboration between sales and marketing divisions (Cooper, Schindler, 2010:142). Furthermore, the closed and open-ended questions in the questionnaire were designed to be parallel in nature and to facilitate data comparisons where possible (Creswell, 2014:36). The completed questionnaires were placed into a 'file' and entered into a database on the researcher's private laptop in preparation for the analysis.

3.4.3 Data analysis

Two databases existed prior to integration. From the beginning, both the quantitative and the qualitative databases made use of the same measures of assessments related to the known antecedents of collaboration. Additional factors influencing

collaboration and which emerged from the datasets were discussed in a separate section. This parallel construction was essential to the merging of the two databases for the integration of results in Chapter 4 (Creswell, 2014:37). A reliability and normality test were done on the variables constructed to test credibility.

A side-by-side approach was followed whereby a comparison within a discussion was made by first presenting quantitative data followed by the qualitative data related to the section.

The quantitative data was first statistically analysed by using procedures that yielded pie charts and tables. The tables reported cross-correlations, factor values and Chi-square results. In addition, reliability and normality tests were conducted on variables to test their credibility. This descriptive analysis of quantitative data (Creswell, 2014:37) was done by the Business School of the University of the Free State's in-house statistician, using statistical software.

The researcher then read through and wrote general notes next to specific paragraphs of interest. The coding of qualitative data made use of open coding, axial coding and selective coding (Creswell, 2014:31). Aggregate data units were formed by collapsing codes into themes. Where possible, these themes were parallel to the known antecedents identified in the literature review. Additional factors that could influence the collaboration emerging from the qualitative data will be discussed in a separate section together with the related quantitative results.

3.4.4 The merging of databases

Integration started during the construction of the questionnaire and collection of the data. This allowed both closed- and open-ended responses by the respondents.

During the data analysis phase, the quantitative and qualitative data were analysed around parallel antecedents. The merging of the two databases was done via discussion after interpretations and interferences were drawn from the two databases (Creswell, 2014:36). In this research, the quantitative results were first

discussed in sections relating to the known factors towards collaboration with a separate section for additional factors that influence collaboration. Then the qualitative results which were sorted into themes relating to known antecedents were added to the quantitative section(s) relating to them. This was done because quantitative results do not necessarily explain how the results occurred – simply that they did (Creswell, 2014:37) and could help explain the quantitative research results. Therefore, the results were integrated via discussion along the known antecedents and additional factors relating to collaboration. Additional factors that could influence collaboration emerged from the two databases. These factors were then discussed together in a separate section in the results section.

There may be a threat to validity (specific to convergent design methodology) due to the unequal sample sizes within the sample group, i.e. three marketing respondents and seventeen sales respondents.

CHAPTER 4
RESULTS

4.1 INTRODUCTION

The aim of this research study was to investigate existing collaborative practices between the sales and marketing divisions and to make recommendations with regard to increasing collaboration. The literature review revealed that cultural and economic factors were the largest influence on collaboration. Cultural factors relate to role allocation, the perceived importance of role within the organisation and credibility of the individuals. Economic factors, on the other hand, relate to the incentives in place and whether budgets were shared between the sales and marketing divisions or whether separate budgets existed.

From the literature review it came to light that informational aspects also influence the collaborative process. The presence of an effective market intelligence system and the source of the information with the validity attached to the contents thereof, as well as the way in which this market information was communicated, was found to be influential in the collaborative process. Because the sales and marketing divisions within the sales organisation work towards shared organisational goals and have overlapping activities, the sales division's involvement in the marketing strategy process relates back to collaboration.

Consequently, a questionnaire was developed to facilitate the investigation of the known antecedents and to possibly identify other factors that could influence the collaboration between the sales and marketing divisions within the organisation. The questionnaire had a quantitative component in the form of Likert-scale questions and a qualitative component in the form of three open-ended questions.

In order to facilitate the integration of the data from both the quantitative and qualitative sections, the themes identified from the open-ended questions were integrated with the quantitative questionnaire's data on the known factors

investigated. Additional factors that could influence collaboration will also be discussed in this chapter.

Therefore, the secondary objective to investigate key variables that have an influence on collaboration will be dealt with. Moreover, an understanding of other factors that may be important for enhanced collaboration will be incorporated into the results.

A summary will be provided at the end of Chapter 4.The profile of the respondents will first be discussed.

4.2 PROFILE OF RESPONDENTS

The research population was limited to current employees of Teleflex South Africa who are employed in a sales- or marketing-related position within the sales and marketing divisions. There were twenty possible respondents of whom fifteen in total completed and returned the questionnaire. All three respondents from the marketing division responded, but only twelve sales division members participated. The reduced participation rate could be due to the limited time (nine days) allowed for the completion of the questionnaire. The fifth teen completed questionnaires of the twenty possible respondents yielded a response rate of 75%.

4.2.1 Gender

The majority of the respondents were female (73%) with males only contributing 27%. This organisation is clearly female dominated in the sales and marketing divisions (Figure 7).
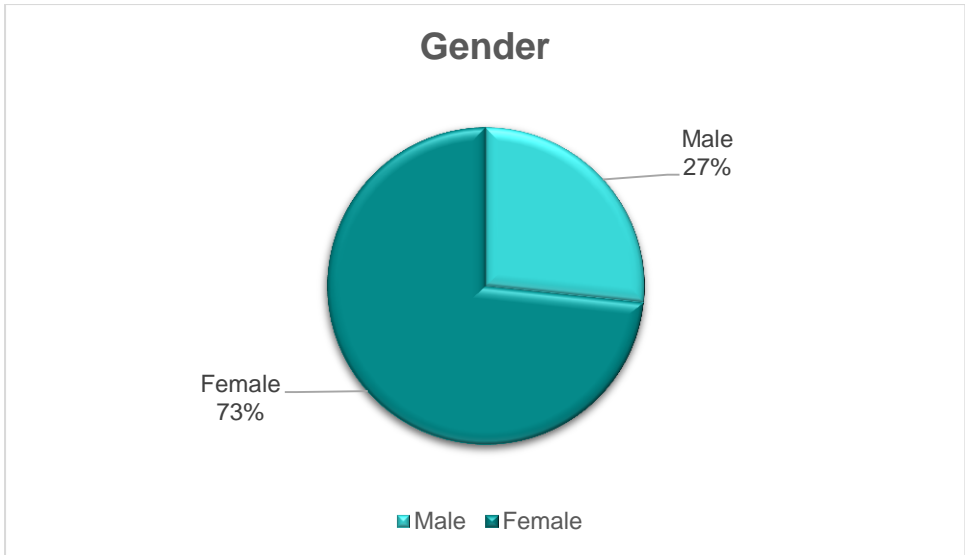
Figure 7: Respondents gender

4.2.2 Age

According to Figure 8, the majority of the respondents were 31-40 years old (47%), with 33% between 41-50 years, and 20% above 51 years old (Figure 8).
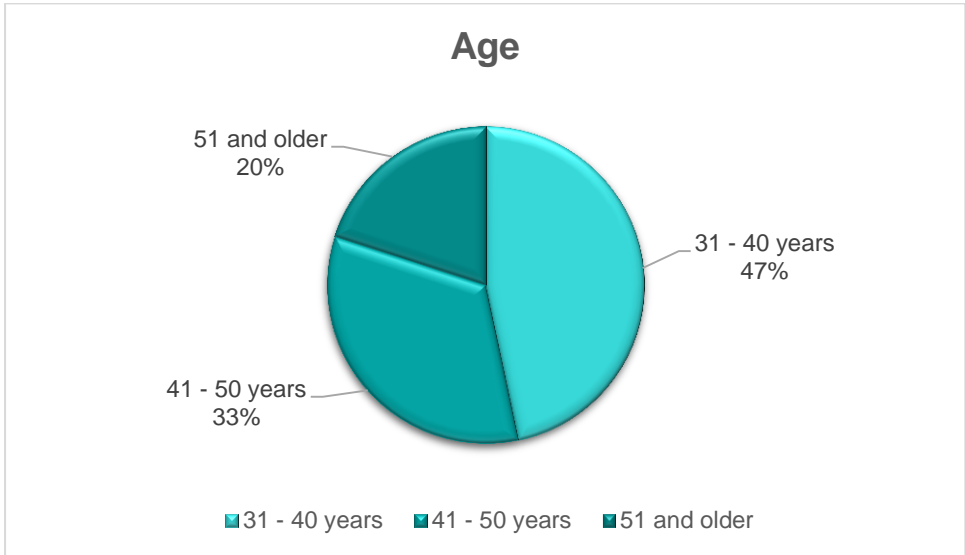
Figure 8: Age of respondents

4.2.3 Position

The majority of the respondents were employed in a sales position (80%), while the marketing respondents comprised 20% of the total respondents. This is a realistic depiction of a sales organisation where the members of the sales division are more than those in the marketing division (Figure 9).
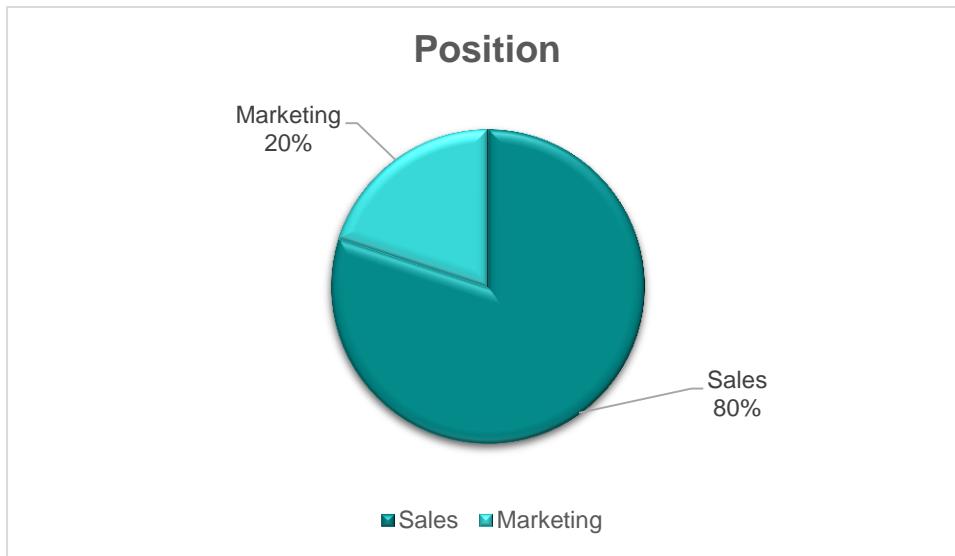
Figure 9: Position of employment

4.2.4 Years in current position

In figure 10 below, it can be seen that most of the respondents have only occupied their positions for less than 2 years (40%). Twenty-seven per cent (27%) have spent 2-5 years in their current position, whereas 20% have occupied their current positions for more than 10 years. A minority (13%) has been in their current position for 6-10 years (Figure 10).
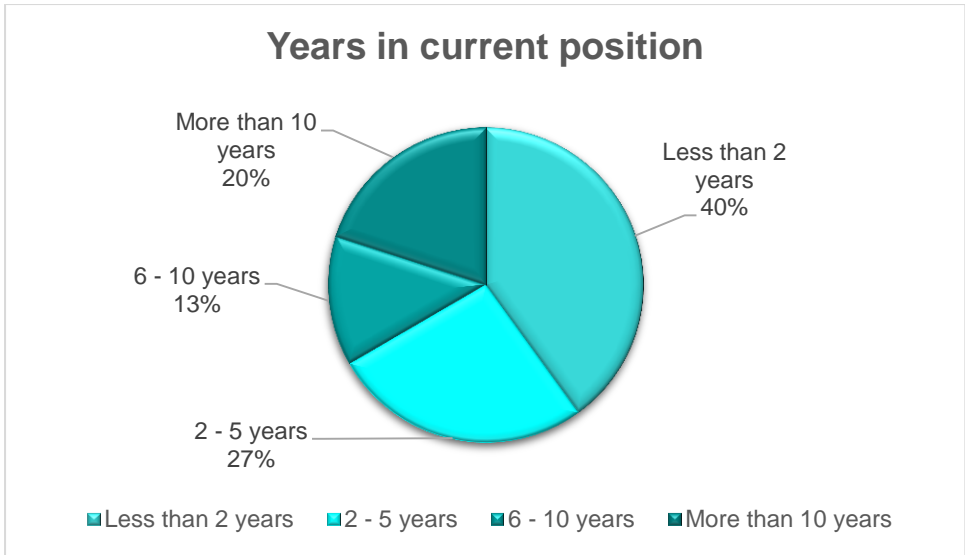
Figure 10: Years in current position

4.2.5 Highest educational level

Figure 11 below shows that the majority of the respondents (46%) hold a diploma qualification, while 20% have post-graduate degrees, and 20% have undergraduate degrees. One respondent holds a master's degree (7%) and one a Grade 12 qualification (7%) (Figure 11).
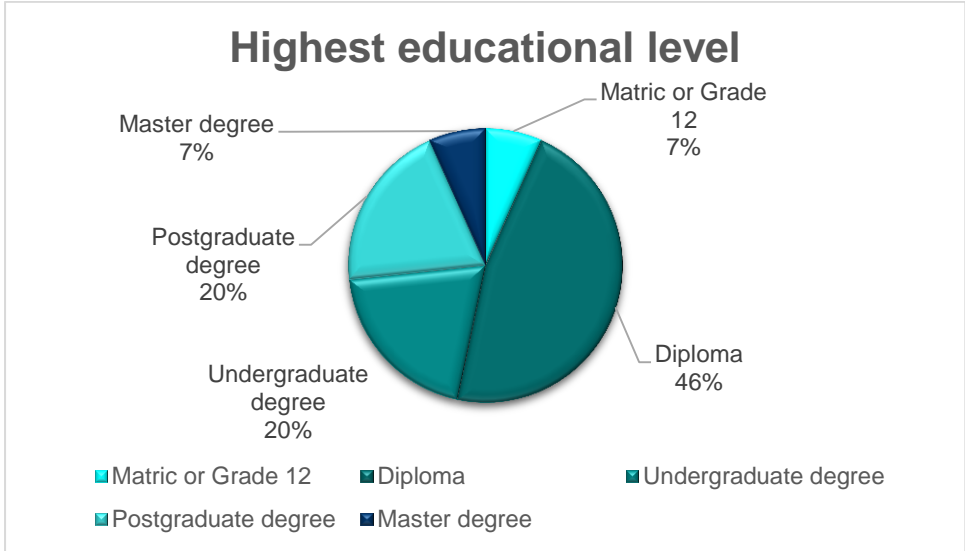
Figure 11: Highest educational level

4.3 EXISTING COLLABORATIVE PRACTICES BETWEEN SALES AND MARKETING DIVISIONS

The quantitative data were in the form of categorical (nominal measurement scale) data from Likert-type scale questions. Cross-tabulation takes two variables and tabulates the results of one variable against the results of the other. This provides a basic picture of the way in which two variables inter-relate and helps to identify patterns of interaction between the variables, thereby summarising observations according to categories. The Chi-square statistic is then calculated to determine whether the two discrete variables are associated and to see if the pattern has any substantial relevance. The quantitative data was analysed, using this approach.

4.3.1 The perceived importance of collaboration

Questions 2.1 and 2.2 relate to the respondents' knowledge as to the importance of collaboration for the sales organisation, as well as the importance of collaborating and coordinating their activities. The majority of the respondents (73,3%) strongly agree and the remaining 26,7% agree that it is to the organisation's advantage if the sales and marketing divisions collaborate. The realisation of the importance of collaboration and coordination in the sales and marketing divisions had similar results. (Table 1 below.)

Table 1: Perception of importance of coordinating and collaborating with regard to activities

Question 2.2	Position		Total
	Sales	Marketing	
Strongly agree	66,70%	100,00%	73,30%
Agree	33,30%		26,70%
Total	100,00%	100,00%	100,00%

4.3.2 Assessment of the need for improving collaboration

The response to the open-ended Question 2.3 on how respondents think collaboration can improve elicited strong responses from both the sales and marketing respondents. All of the respondents felt that collaboration needed

improvement and various suggestions on how to achieve this were provided. These suggestions were integrated with the rest of the data and new factors that have an impact on collaboration will be discussed separately.

4.4 ANTECEDENTS OF COLLABORATION BETWEEN SALES AND MARKETING DIVISIONS

4.4.1 Cultural factors

Cultural factors were identified as a known antecedent of collaboration and were investigated in Question 3 of the questionnaire.

Firstly, the results relating to the perceived importance associated with the division within the organisation will be discussed. Secondly, a discussion on the importance associated with specific activities during the buying cycle will follow. Thirdly, the role played by the sales and marketing divisions within the sales organisation and the specific allocation of activities during the buying cycle will be examined. Next, the relationship between the perceived importance of an activity in the buying cycle and the role allocation thereof will be analysed and discussed. Lastly, the credibility of sales and marketing divisions will be discussed.

4.4.1.1 The role of the marketing division in the organisation

The question was asked as to whether the market or sales division has a more important role in increasing market share and sales turnover. The majority of sales and marketing respondents disagreed that marketing has a more important role. (See Table 2 below.)

Table 2: Marketing division plays a more important role in increasing market share and sales turnover

Question 3.2	Position		Total
	Sales	Marketing	
Agree	16,7%	33,3%	20,0%
Disagree	75,0%	66,7%	73,3%
Strongly disagree	8,3%		6,7%
Total	100,0%	100,0%	100,0%

From the qualitative data, it is evident that marketers and salespeople expect marketing to be involved with tenders at government institutions and at head office level with private hospital groups for formulary status and contracts. In this way, a demand for products at head office level is initiated and marketing should build these relationships. The sales division views the marketing division as being responsible for analysing figures to assist with budget setting, forecasting and trend identification.

4.4.1.2 The role of the sales division in the organisation

The respondents' belief, however, that the sales division does not play a more important role was not as definite. The majority of all respondents agreed that the sales division plays a more important role in increasing market share and sales turnover. The majority of marketing (66,7%) agreed with this statement. (Table 3 below.)

Table 3: Sales division plays a more important role in increasing market share and sales turnover

Question 3.3	Position		Total
	Sales	Marketing	
Strongly agree	25,0%		20,0%
Agree	41,7%	66,7%	46,7%
Disagree	33,3%	33,3%	33,3%
Total	100,0%	100,0%	100,0%

The qualitative data reveals that marketing expects the sales force to bring in the sales and act as a catalyst in company performance. They also expect the sales division to develop new customers according to opportunities provided by new formularies and tenders and to analyse specific territories to track sales.

The sales division views its main role as achieving target by driving sales and turnover while increasing market share. Attracting and maintaining customers by creating demand and offering relevant solutions are also very important to them. They feel that they are responsible for following up on enquiries and customer complaints with the relevant people to facilitate a speedy resolution. An in-depth understanding of their specific territory is needed for them to identify opportunities and threats at problem areas.

4.4.1.3 Role allocation

The response to open-ended Question 3.4 on the perceived role of the marketing division and Question 3.5 on the role of the sales division within the organisation resulted in lengthy responses from both sales and marketing respondents. These suggestions have been integrated into this chapter and new factors that have an impact on collaboration will be discussed separately. What did emerge was that the sales division would like the role allocation to be made clear for each division.

A factor value analysis was done on the allocation of activities during the buying cycle. The methodology used will be described next. A 4-point Likert scale was used for Question 3.6, ranging from 1 for marketing, 2 for sales and 3 for marketing and sales. These responses were then added and divided by the number of respondents, giving a mean (average) value, ranging from 1,00 to 3,00. However, because the researcher worked with categorical variables, she could not interpret the mean as it was. Therefore, the mean for each question was changed into a factor value (FV) or an Average Score (AS). The FVs were then calculated. A Mean of 1,5 is therefore equal to a FV of 0,5 (or 50%). A FV of 0,333 or less indicated that the activity was allocated to marketing, and a FV between 0,34 and 0,667 indicated that the activity was allocated to sales. A FV greater than 0,667 indicated that the activity was

allocated to both marketing and sales. These factor values were then used to determine which activities were allocated to marketing, which to sales and which to both departments. The highlighted rows in Table 4 illustrate the difference in the perceived activity role allocation by sales and marketing division respondents. (See Table 4 below for results.)

Table 4: Allocation of activities during the buying cycle

Question 3.6	Overall sample				Sales				Marketing			
	N	Mean	FV	Department	N	Mean	FV	Department	N	Mean	FV	Department
Competitive analysis	15	2,200	0,733	Marketing and Sales	12	2,167	0,722	Marketing and Sales	3	2,333	0,778	Marketing and Sales
Market research	15	2,333	0,778	Marketing and Sales	12	2,167	0,722	Marketing and Sales	3	3,000	1,000	Marketing and Sales
Market segmentation	15	1,933	0,644	Sales	12	1,833	0,611	Sales	3	2,333	0,778	Marketing and Sales
Product development	15	1,933	0,644	Sales	12	1,833	0,611	Sales	3	2,333	0,778	Marketing and Sales
Product positioning	15	2,000	0,667	Sales	12	1,917	0,639	Sales	3	2,333	0,778	Marketing and Sales
Pricing	15	1,533	0,511	Sales	12	1,250	0,417	Sales	3	2,667	0,889	Marketing and Sales
Packaging	15	1,133	0,378	Sales	12	1,000	0,333	Marketing	3	1,667	0,556	Sales
Advertising	15	1,533	0,511	Sales	12	1,333	0,444	Sales	3	2,333	0,778	Marketing and Sales
Competitive market intelligence	15	2,533	0,844	Marketing and Sales	12	2,417	0,806	Marketing and Sales	3	3,000	1,000	Marketing and Sales
Personal selling	15	2,200	0,733	Marketing and Sales	12	2,250	0,750	Marketing and Sales	3	2,000	0,667	Sales
Distributor management	15	1,333	0,444	Sales	12	1,250	0,417	Sales	3	1,667	0,556	Sales
Account management	15	2,400	0,800	Marketing and Sales	12	2,333	0,778	Marketing and Sales	3	2,667	0,889	Marketing and Sales
Merchandising	15	1,733	0,578	Sales	12	1,750	0,583	Sales	3	1,667	0,556	Sales
After-sales service	15	2,400	0,800	Marketing and Sales	12	2,333	0,778	Marketing and Sales	3	2,667	0,889	Marketing and Sales
Target marketing	15	2,133	0,711	Marketing and Sales	12	2,083	0,694	Marketing and Sales	3	2,333	0,778	Marketing and Sales
Sales forecasting	15	2,533	0,844	Marketing and Sales	12	2,667	0,889	Marketing and Sales	3	2,000	0,667	Sales
Value proposition development	15	2,267	0,756	Marketing and Sales	12	2,083	0,694	Marketing and Sales	3	3,000	1,000	Marketing and Sales
Customer messaging	15	2,333	0,778	Marketing and Sales	12	2,250	0,750	Marketing and Sales	3	2,667	0,889	Marketing and Sales

According to Table 4, there appears to be uncertainty regarding the following activities in the buying cycle: market segmentation, product development, product positioning, pricing and packaging, advertising and personal selling and sales forecasting.

The respondents agreed that certain activities should be shared. These include competitive analysis, market research, competitive market intelligence, account management, after-sales service, target marketing, value propositioning development and customer messaging. Activities viewed as being the responsibility of the sales division only include distributor management and merchandising.

The activities in which the sales division would like the marketing division to be involved relate to sales forecasting and personal selling. The marketing division would like to see joint involvement in the following activities: market segmentation, product development, product positioning and advertising.

The qualitative data showed that the marketing department views competitive analysis as its domain. It wants to analyse and research the business portfolios and the market, gather data from all in the field and all other sources and then make it available throughout the organisation. These activities are usually done in the absence of sales division involvement.

The sales division expects the marketing department to identify which products to sell, otherwise known as focus products, and drive the product positioning strategy and promotions. It expects marketing to have these products approved by medical aids with market-related prices, but would like to be involved in pricing decisions. In addition, there is a perception by the sales division that the marketing division should do more marketing since, at the moment, the sales people feel they are doing most of the hands-on marketing.

4.4.1.4 Perceived importance of activity in buying cycle and role allocation

The relationship between the perceived importance of an activity in the buying cycle and the role allocation thereof was investigated via a factor value analysis of the data gathered from Questions 3.1 and 3.6 from the questionnaire. The aim is to provide a basic picture of the interrelationship between the two categorical variables and to assist in finding the interactions between them.

In the factor value analysis, a 4-point Likert scale was used for Question 3.1, ranging from 1 (not important) to 4 (very important). These responses were then added and divided by the number of respondents, giving a mean (average) value ranging from 1,00 to 4,00 with 2,00 as the middle value (lower than 2,00 indicates that respondents regard the activity as unimportant – thus, the closer the mean to 4,00, the more important the activity. However, because the researcher worked with categorical variables, she could not interpret the mean as it was. Therefore, the mean for each question was changed into a factor value (FV) or an Average Score (AS). The FVs were then calculated. A Mean of 2,00 is therefore equal to a FV of 0,5 (or 50%). A high FV (> 0.5) indicates that the majority of the respondents regard the activity as being important. These factor values were then used to rank the activities from most important (with highest FV) to least important (with lowest FV). The results can be seen in Table 5 below.

Table 5: The importance of sales and marketing activities during the buying cycle

Question 3.1	Overall sample				Sales				Marketing			
	N	Mean	FV	Rank	N	Mean	FV	Rank	N	Mean	FV	Rank
Competitive analysis	15	3,600	0,900	4	12	3,500	0,875	4	3	4,000	1,000	1
Market research	15	3,667	0,917	3	12	3,583	0,896	3	3	4,000	1,000	1
Market segmentation	15	3,533	0,883	5	12	3,417	0,854	5	3	4,000	1,000	1
Product development	15	3,467	0,867	6	12	3,333	0,833	6	3	4,000	1,000	1
Product positioning	15	3,800	0,950	1	12	3,750	0,938	1	3	4,000	1,000	1
Pricing	15	3,533	0,883	5	12	3,500	0,875	4	3	3,667	0,917	2
Packaging	15	3,133	0,783	11	12	3,167	0,792	8	3	3,000	0,750	3
Advertising	15	3,267	0,817	9	12	3,083	0,771	9	3	4,000	1,000	1

Question 3.1	Overall sample				Sales				Marketing			
	N	Mean	FV	Rank	N	Mean	FV	Rank	N	Mean	FV	Rank
Competitive market intelligence	15	3,733	0,933	2	12	3,667	0,917	2	3	4,000	1,000	1
Personal selling	15	3,800	0,950	1	12	3,750	0,938	1	3	4,000	1,000	1
Distributor management	15	3,333	0,833	8	12	3,167	0,792	8	3	4,000	1,000	1
Account management	15	3,667	0,917	3	12	3,583	0,896	3	3	4,000	1,000	1
After-sales service	15	3,733	0,933	2	12	3,667	0,917	2	3	4,000	1,000	1
Target marketing	15	3,533	0,883	5	12	3,417	0,854	5	3	4,000	1,000	1
Sales forecasting	15	3,533	0,883	5	12	3,417	0,854	5	3	4,000	1,000	1
Value proposition development	15	3,333	0,833	8	12	3,167	0,792	8	3	4,000	1,000	1
Customer messaging	15	3,400	0,850	7	12	3,250	0,813	7	3	4,000	1,000	1
Promotions	15	3,200	0,800	10	12	3,083	0,771	9	3	3,667	0,917	2

From the results in Table 5, it appears that personal selling and product positioning are seen as being the most important activities in the buying cycle both by the sales and marketing respondents. However, the results were influenced by the marketing respondents who marked most of the activities as being very important and gave very little indication to the difference in level of importance they allocate to different activities. The overall sample allocated the following level of importance to activities from the most to the least important: personal selling, product positioning, competitive intelligence, after-sales service, market research and account management.

The qualitative data shows that the sales force has to contend with more than one product manager pushing for time and sales on their specific portfolio products.

4.4.1.5 The relationship between the perceived importance of an activity in the buying cycle and the role allocation thereof

A Chi-square test was used to determine whether a relationship exists between the variables' perceived importance of an activity in the buying cycle and the role thereof. For the activities in Questions 3.1 and 3.6, the test determined whether the

importance of a particular activity is associated with the department to which it is allocated. A p-value of less than 0,1 means that there is an association between the two.

The activities with a p-value of less than 0,1 include: competitive analysis, market research, value proposition development, customer messaging and promotions. This means that their importance is associated with their allocation to the sales and/or marketing department. The rest of the activities have p-values that are greater than 0,1, which means that there is no association between their importance and their allocation to the different departments. (See Table 6 below for results.)

Table 6: Results of Chi-square tests to determine whether a relationship exists between the variables

Importance	Department allocation	Activities	Statistic	P-value
Q3.1.1	Q3.6.1	Competitive analysis	2,963	0,085
Q3.1.2	Q3.6.2	Market research	4,636	0,098
Q3.1.3	Q3.6.3	Market segmentation	0,579	0,447
Q3.1.4	Q3.6.4	Product development	3,951	0,139
Q3.1.5	Q3.6.5	Product positioning	4,286	0,117
Q3.1.6	Q3.6.6	Pricing	2,022	0,732
Q3.1.7	Q3.6.7	Packaging	4,286	0,117
Q3.1.8	Q3.6.8	Advertising	4,773	0,189
Q3.1.9	Q3.6.9	Competitive market intelligence	3,223	0,200
Q3.1.10	Q3.6.10	Personal selling	0,937	0,333
Q3.1.11	Q3.6.11	Distributor management	2,844	0,828
Q3.1.12	Q3.6.12	Account management	5,859	0,210
Q3.1.13	Q3.6.14	After-sales service	0,511	0,475
Q3.1.14	Q3.6.15	Target marketing	3,367	0,186
Q3.1.15	Q3.6.16	Sales forecasting	1,727	0,189
Q3.1.16	Q3.6.17	Value proposition development	10,000	0,040
Q3.1.17	Q3.6.18	Customer messaging	8,611	0,072
Q3.1.18	Q3.6.19	Promotions	22,755	0,001

4.4.2 Credibility of the sales and marketing divisions

Credibility refers to the ability to create and maintain a personal rapport with one another based on appreciation of one another's work. For the purposes of this

research, credibility relates to personal rapport, level of trustworthiness and perceived expertise of an individual in his or her position.

4.4.2.1 Reliability and normality test on variables constructed to test credibility

A reliability test was conducted with regard to the variables constructed in the questionnaire, relating to credibility by determining the Cronbach alpha value of each variable. The variables were constructed by summing up all the responses to the relevant questions associated with each of the variables. The variables included: the credibility of the marketing division; the credibility of the sales division; sales division's involvement in the marketing strategy process; the source of market information; the validity of market information; and communicating market-related information. (See Table 7 for question numbers used to construct variables.)

Table 7: Questions used to construct variables

Variable	Questions used
Credibility of the marketing division	Q3.7.1 - Q3.7.4
Credibility of the sales division	Q3.8.1 - Q3.8.3
Sales division's involvement in marketing strategy process	Q6.1 - Q6.6 (excluding Q6.2)
Source of market information	Q5.3.1 - Q5.3.5
Validity of market information	Q5.4.1 - Q5.4.2
Communicating market-related information	Q5.5.1 - Q5.5.3

The Cronbach alpha values were then calculated in order to determine the reliability of the constructed variables. The Cronbach alpha value determines the reliability of the scale used and tests whether or not the items used for a construct/variable actually measure that particular construct. A value of above 0,5 is necessary to conclude that a scale is reliable. From the constructed variables, the Cronbach's alpha values are all greater than 0,5. (Table 8 below.)

Table 8: Cronbach alpha values of variables constructed to assess credibility

Variables	Cronbach's Alpha	No. of items
Marketing divisions credibility	0,569	4
Sales divisions credibility	0,680	3
Sales division involvement in marketing strategy process aspect	0,830	5
Source of market information	0,765	5
Validity of market information	0,773	2
Communicating market related information	0,691	3

4.4.2.2 Chi-square tests on division credibility

To measure the credibility of a division, the test determines whether or not the credibility in the sales division is associated with that of the marketing division in terms of expertise and proximity. The remaining factor (trustworthiness) was not included because the questions are not exactly the same. A p-value of less than 0,1 means that there is an association between the 2.

It was concluded that proximity has a p-value of 0,000 which is less than 0,1. This means that the credibility in the sales division is associated with that of the marketing division with regard to the proximity factor or 'antecedent'. Expertise has a p-value of 0,283 which is greater than 0,1. This means that the credibility of the sales division is not associated with that of the marketing division with regard to the expertise factor.

4.4.2.3 Marketing division members' credibility

(a)   Marketing division's expertise

The majority of the sales division (75%) agreed that the marketing strategy has merit and is appropriate for the South African market, with only 25% in disagreement. By contrast, the majority of the marketing respondents disagreed (66,6%) and 33,3% agreed to this. (Table 9 below.)

Table 9: Perception of the marketing divisions' expertise

Question 3.7.1	Position		Total
	Sales	Marketing	
Agree	75,00%	33,30%	66,70%
Disagree	25,00%	66,70%	33,30%
Total	100,00%	100,00%	100,00%

The majority of all respondents disagreed (60%) that the marketing division has a good understanding of the South African market. Marketing respondents, themselves, disagreed (66,7%) with only one marketing respondent (33,3%) agreeing. The majority of the sales respondents (58,3%) disagreed, whereas a further 25% strongly disagreed to the statement. (Table 10 below.)

Table 10: Marketing understanding of South African market

Question 3.7.2	Position		Total
	Sales	Marketing	
Strongly agree	25,00%		20,00%
Agree	8,30%	33,30%	13,30%
Disagree	58,30%	66,70%	60,00%
Strongly disagree	8,30%		6,70%
Total	100,00%	100,00%	100,00%

The qualitative data shed more light on the respondents' perception of marketing's expertise and understanding of the South African market.

The sales division expects marketing to be able to gather accurate market information on their own. Sales division respondents suggested that the product managers should call on key opinion leaders in the fields of their product portfolio for market information in addition to that with which the sales force provides them so as to stay in touch with what is happening in the market. Regular co-traveling and going into theatres with salespeople is viewed as essential. Marketers are expected to have superior knowledge of the products for which they are responsible to assist the sales division.

Sales division respondents commented that the level of knowledge of some members in the marketing team is lacking. By spending more time in theatres with their local key opinion leaders, they will gain practical knowledge and insight into the South African market. Only then can marketers do thorough market research on future trends and new medical procedures, and evaluate the feasibility of new products and relevance to the South African market. The sales division appears to want marketing to adopt a more active and visible approach in the field. They want marketing to grow and maintain relationships with key opinion leaders on their own as well.

(b)   Marketing trustworthiness

Respondents were divided as to whether the marketing department can generate valid sales leads, with no clear majority viewpoint emerging. 66,7% of the marketing respondents agreed, but 33,3% disagreed. The majority of sales respondents disagreed (50%), but 41,7% agreed, with a minority of 8,3% strongly agreeing. (Table 11.)

Table 11: Trustworthiness of marketing division to generate valid sales leads

Question 3.7.3	Position		Total
	Sales	Marketing	
Strongly agree	8,30%		6,70%
Agree	41,70%	66,70%	46,70%
Disagree	50,00%	33,30%	46,70%
Total	100,00%	100,00%	100,00%

The qualitative data brings to light a perception by the sales division that the marketing team needs to be more in the field to stay in touch with what is happening in the market and, consequently, produce trusted sales leads.

It also expects the product managers to co-travel with the sales force across the country on a regular basis. The product managers should interact directly with the key opinion leaders in the field across the country to help them understand the South African market of their portfolios. A mentioned example is the necessity of having all

new products attain NAPPI coding before launching them in the South African market where private hospitals will not buy products that have not been approved by the biggest medical aid, *Discovery*, since otherwise the hospitals will have to pay for the products themselves.

(c)   Sales division credibility

(i)   The sales division's expertise

All the marketing respondents (100%) and the majority of the sales division (66,7%) agreed that the sales division has the necessary knowledge and expertise to assist in marketing strategies. (Table 12.)

Table 12: Expertise of the sales division

Question 3.8.1	Position		Total
	Sales	Marketing	
Strongly agree	16,70%		13,30%
Agree	66,70%	100,00%	73,30%
Disagree	16,70%		13,30%
Total	100,00%	100,00%	100,00%

The qualitative data revealed that the marketing division felt that the sales division needs training with regard to selling skills and objection handling. This was perceived to be important in order to provide accurate forecasting to assist with marketing tasks related to inventory levels.

(ii)   Sales trustworthiness

The majority (66,7%) of the respondents (marketing and sales respondents) agreed that the sales division should follow up on marketing leads. The remaining 33,3% of the sales respondents strongly agreed that the sales division can be trusted to follow up marketing leads. (Table 13.)

Table 13: Sales division can be trusted to follow up marketing leads

Question 3.8.2	Position		Total
	Sales	Marketing	
Strongly agree	33,30%		26,70%
Agree	66,70%	66,70%	66,70%
Disagree		33,30%	6,70%
Total	100,00%	100,00%	100,00%

(iii)   Sales proximity

There is no clear majority response. Marketing respondents (66,7%) agreed and strongly agreed (33,3%). Sales respondents strongly agreed (50%) and agreed (41,7%), with a minority of 8,3% disagreeing that training provided by marketing enhances collaboration. (Table 14.)

Table 14: Training provided by marketing enhances collaboration

Question 3.8.3	Position		Total
	Sales	Marketing	
Strongly agree	50,00%	33,30%	46,70%
Agree	41,70%	66,70%	46,70%
Disagree	8,30%		6,70%
Total	100,00%	100,00%	100,00%

4.4.3 Economic factors

Cross tabulations were used to summarise the categorical data to create a contingency table. This provided a basic picture of the interrelation between the two variables and therefore assisted in finding interactions between them. The sub-antecedents of incentives and budget allocation will now be discussed.

4.4.3.1 Incentives

The majority of the sales respondents (66,7%) and 66,7% of the marketing respondents viewed the current commission structure as being motivational. Only 33,3% viewed the structure as not being motivational. (Table 15.)

Table 15: Is the current commission structure motivational?

Question 4.1.1	Position		Total
	Sales	Marketing	
Yes	66,70%	66,70%	66,70%
No	33,30%	33,30%	33,30%
Total	100,00%	100,00%	100,00%

All of the marketing respondents (100%) and a greater majority (91,7%) of the sales respondents agreed that the performance bonus of the marketing division should be linked to portfolio performance. Only 8,3% of the sales respondents disagreed. (Table 16.)

Table 16: The marketing division's performance bonus should be linked to portfolio performance

Question 4.1.2	Position		Total
	Sales	Marketing	
Yes	91,70%	100,00%	93,30%
No	8,30%		6,70%
Total	100,00%	100,00%	100,00%

(a)   Budgets

(i)   Sharing of the budget between the sales and marketing departments

The majority of sales respondents (58,3%) and marketing respondents (66,7%) would prefer that sales and marketing divisions do not share a budget. The remaining 41,7% of sales respondents and 33,3% of marketing respondents would prefer the sales and marketing divisions to share a budget. (Table 17.)

Table 17: Should marketing and sales share a budget?

Question 4.2.1	Position		Total
	Sales	Marketing	
Yes	41,70%		33,30%
No	58,30%	66,70%	60,00%
Not answered		33,30%	6,70%
Total	100,00%	100,00%	100,00%

(ii) Budget allocation between the sales and marketing divisions when sharing budget

The majority of sales respondents (58,3%) and 66,7% of marketing respondents would prefer the sales division to receive more than 20% of the budget allocation. (Table 18.)

Table 18: Percentage of shared budget allocated to the sales division

Question 4.2.2	Position		Total
	Sales	Marketing	
6 - 10%	8,30%		6,70%
11 - 15%	8,30%		6,70%
16 - 20%	25,00%	33,30%	26,70%
More than 20%	58,30%	66,70%	60,00%
Total	100,00%	100,00%	100,00%

The majority of the sales respondents (83,3%) and 66,7% of the marketing respondents would prefer it if the marketing division received more than 20% of the budget allocation. (Table 19.)

Table 19: Percentage of shared budget allocated to marketing

Question 4.2.3	Position		Total
	Sales	Marketing	
16 - 20%	16,70%	33,30%	20,00%
More than 20%	83,30%	66,70%	80,00%
Total	100,00%	100,00%	100,00%

4.4.4 Aspects related to information

(a)   Market information system

(i)   Perceptions as to whether a market intelligence system is important

The majority of the respondents (60%) agreed that a market intelligence system is important. The marketing respondents were 100% in agreement while the sales respondents were 75% in agreement, with 25% strongly agreeing. (Table 20.)

Table 20: The need for an effective market intelligence system

Question 5.1	Position		Total
	Sales	Marketing	
Strongly agree	25,00%	100,00%	40,00%
Agree	75,00%		60,00%
Total	100,00%	100,00%	100,00%

(ii)   Perception of current market intelligence system

The majority of all the respondents (60%) disagreed with the statement and held the view that the current market intelligence system is as not effective. 66% of the marketing respondents disagreed and 33,3% strongly disagreed. The sales respondents appeared more divided on this. The majority disagreed (58,3%) and a minority of 8,3% strongly disagreed. 33,3% of the sales respondents agreed that the current system is effective. (Table 21.)

Table 21: Effectiveness of current market intelligence system

Question 5.2	Position		Total
	Sales	Marketing	
Agree	33,30%		26,70%
Disagree	58,30%	66,70%	60,00%
Strongly disagree	8,30%	33,30%	13,30%
Total	100,00%	100,00%	100,00%

(b)   Source and validity of market data

In terms of the validity of market information, the Chi-square test determines whether or not the validity of information in the sales division is associated with that of the marketing division. A p-value of less than 0,1 means that there is an association between the two.

To conclude, for the validity of market information, the p-value is 0,685 which is greater than 0,1. This means that the validity of information in the sales division is not associated with that of the marketing division.

The results with regard to the sources of market information will now be discussed.

(i)   Database information

The majority of all respondents (60%) viewed the purchasing of database information as important. The majority (66,7%) of the marketing respondents strongly agreed, while the remaining 33,3% agreed to the need. The majority (66,7%) of the sales respondents also agreed and 16,7% strongly agreed. But there is 16,7% who disagreed with the importance of database information (Table 22).

Table 22: The importance of purchasing database information

Question 5.3.1	Position		Total
	Sales	Marketing	
Strongly agree	16,70%	66,70%	26,70%
Agree	66,70%	33,30%	60,00%
Disagree	16,70%		13,30%
Total	100,00%	100,00%	100,00%

(ii)   National tradeshow participation

The majority of the respondents agreed (60%). The majority (66,7%) of the marketing respondents strongly agreed. (66,7%) of the sales respondents agreed, whereas the remaining 33,3% strongly agreed (Table 23).

Table 23: The importance of presence at national tradeshows

Question 5.3.2	Position		Total
	Sales	Marketing	
Strongly agree	33,30%	66,70%	40,00%
Agree	66,70%	33,30%	60,00%
Total	100,00%	100,00%	100,00%

(iii)   Product workshops

The majority of the respondents (53,3%) strongly agreed, while 100% of the marketing respondents strongly agreed to the importance of product workshops. 58% of the sales respondents agreed and 41,7% strongly agreed with the statement (Table 24).

Table 24: The importance of organising product workshops

Question 5.3.3	Position		Total
	Sales	Marketing	
Strongly agree	41,70%	100,00%	53,30%
Agree	58,30%		46,70%
Total	100,00%	100,00%	100,00%

(iv)   Holding seminars for specialists

The majority of the respondents (53,3%) strongly agreed to the importance of holding seminars for specialists. 66,7% of the marketing respondents strongly agreed and 33,3% agreed. 50% of the sales respondents agreed and 50% strongly agreed (Table 25).

Table 25: The importance of holding seminars for specialists

Question 5.3.4	Position		Total
	Sales	Marketing	
Strongly agree	50,00%	66,70%	53,30%
Agree	50,00%	33,30%	46,70%
Total	100,00%	100,00%	100,00%

(v)   Talking with end users

The majority of the respondents (86,7%) strongly agreed to the importance of talking to end users. All of the marketing respondents (100%) strongly agreed. The majority of sales respondents (83,3%) strongly agreed and the remaining 16,7% agreed to the importance thereof (Table 26).

Table 26: The importance of talking to end users

Question 5.3.5	Position		Total
	Sales	Marketing	
Strongly agree	83,30%	100,00%	86,70%
Agree	16,70%		13,30%
Total	100,00%	100,00%	100,00%

The qualitative data shows that the sales division holds a customer-centred approach with the emphasis on growing and maintaining good customer relationships by spending time with the customers in the field. As a result of this customer-centred approach, the marketing division views the sales division as being in the position to take note of the trends in the industry and giving through information on the opportunities and potential corrective actions needed.

(c)   Communicating market-related information

In communicating market-related information, the Chi-square test determines whether or not the communication of information in the sales division is associated with that of the marketing division. A p-value of less than 0,1 means that there is an association between the two.

To conclude, in communicating market-related information, the p-value is 0,020 which is less than 0,1. This means that the communication of market-related information in the sales division is associated with that of the marketing division.

(i)   The marketing division makes recent market information available to sales division

All of the marketing respondents agreed that they make marketing information readily available to the sales division. The sales respondents differed, with the majority (41,7%) disagreeing and 16,7% strongly disagreeing. Only 33,3% agreed and a minority of 8,3% strongly agreed (Table 27). These findings were corroborated by the results of the open-ended questions.

Table 27: Available recent market information by the marketing division to the sales division.

Question 5.5.1	Position		Total
	Sales	Marketing	
Strongly agree	8,30%		6,70%
Agree	33,30%	100,00%	46,70%
Disagree	41,70%		33,30%
Strongly disagree	16,70%		13,30%
Total	100,00%	100,00%	100,00%

As seen in the qualitative data, the respondents from the sales division complained about the absence of two-way communication regarding market information.

(ii)   Available recent market information by the sales division to the marketing division

66,7% of the marketing division agreed and 33,3% disagreed with the statement. The sales respondents were divided on this issue. 41,7% agreed and 16,7% strongly agreed that the sales division makes marketing information available to the marketing division. But 41,7% of the sales respondents disagreed and therefore believe that the sales division does not make market information available to the marketing division (Table 28).

Table 28: Available recent market information by the sales division to the marketing division

Question 5.5.2	Position		Total
	Sales	Marketing	
Strongly agree	16,70%		13,30%
Agree	41,70%	66,70%	46,70%
Disagree	41,70%	33,30%	40,00%
Total	100,00%	100,00%	100,00%

(iii)   Updated market information is available to all members of the sales and marketing divisions

The majority (66,7%) of the sales respondents and the majority of marketing respondents (67%) disagreed that market information is available to all. 16,7% of the sales respondents and 33,3% of the marketing respondents agreed with the statement (Table 29).

Table 29: Updated market information available to all members of the sales and marketing divisions

Question 5.5.3	Position		Total
	Sales	Marketing	
Strongly agree	8,30%		6,70%
Agree	16,70%	33,30%	20,00%
Disagree	66,70%	66,70%	66,70%
Strongly disagree	8,30%		6,70%
Total	100,00%	100,00%	100,00%

4.4.5 The involvement of the sales division in the marketing strategy process

(a)   The involvement of the sales division in marketing strategy will increase success

The majority of the respondents agreed that the marketing strategy will have an increased success rate if the sales division is involved. More specifically, 66,7% of the sales respondents and 33,3% of the marketing respondents agreed. The majority

of the marketing respondents (66,7%) and 27,3% of the sales respondents strongly agreed with the statement. There was a minority (9,1%) of sales respondents who strongly disagreed that the involvement of the sales division will increase the success rate of the marketing strategy (Table 30).

Table 30: The involvement of the sales division in marketing strategy will increase success

Question 6.1	Position		Total
	Sales	Marketing	
Strongly agree	27,30%	66,70%	35,70%
Agree	63,60%	33,30%	57,10%
Strongly disagree	9,10%		7,10%
Total	100,00%	100,00%	100,00%

(b)   Implementation and execution phase

The majority of the respondents (40%) agreed that the sales division should only be involved once the marketing strategy is ready for execution and implementation. The majority of the sales respondents (50%) agreed with the statement and 33,3% disagreed. A smaller minority (8,3%) of the respondents strongly agreed and the remaining 8,3% strongly disagreed. The marketing respondents were equally divided with 33,3% strongly agreeing, 33,3% disagreeing, and 33.3% strongly disagreeing with the statement (Table 31).

Table 31: Sales only involved once marketing strategy is ready for implementation and execution

Question 6.2	Position		Total
	Sales	Marketing	
Strongly agree	8,30%	33,30%	13,30%
Agree	50,00%		40,00%
Disagree	33,30%	33,30%	33,30%
Strongly disagree	8,30%	33,30%	13,30%
Total	100,00%	100,00%	100,00%

(c)   Development phase

Sixty per cent (60%) of all the respondents agreed that the sales division should be involved in the development stage of the marketing strategy. The majority of the marketing respondents (66,7%) agreed with the statement. A minority of sales respondents (8,3%) disagrees. The majority of the sales respondents (66,7%) and 33,3% of the marketing respondents agreed (Table 32).

Table 32: Sales division input needed during the development phase of the marketing strategy

Question 6.3	Position		Total
	Sales	Marketing	
Strongly agree	25,00%	66,70%	33,30%
Agree	66,70%	33,30%	60,00%
Disagree	8,30%		6,70%
Total	100,00%	100,00%	100,00%

(d)   The implementation phase of marketing strategy

The majority of the respondents (66,7%) agreed that the sales division's input is needed during the implementation phase. More specifically, the majority (66,7%) of the marketing respondents strongly agreed and the remaining 33,3% agreed. The majority of the sales respondents (75%) agreed and the remaining 25% strongly agreed (Table 33).

Table 33: Sales division input needed during the implementation phase of marketing strategy

Question 6.4	Position		Total
	Sales	Marketing	
Strongly agree	25,00%	66,70%	33,30%
Agree	75,00%	33,30%	66,70%
Total	100,00%	100,00%	100,00%

(e)   The execution phase of marketing strategy

The majority of the respondents (66,7%) agreed that the sales division's input is needed during the execution phase of the marketing strategy. The marketing respondents strongly agreed (66,7%) while the remaining 33,3% agreed. The sales respondents agreed (75%) and 16,7% strongly agreed. There is a minority of sales respondents (8,3%) who disagreed (Table 34).

Table 34: Sales division's input is needed during execution phase of marketing strategy

Question 6.5	Position		Total
	Sales	Marketing	
Strongly agree	16,70%	66,70%	26,70%
Agree	75,00%	33,30%	66,70%
Disagree	8,30%		6,70%
Total	100,00%	100,00%	100,00%

(f)   The timing of sales and marketing activities

The majority of the respondents (73,3%) agreed that the timing of activities is important for a successful marketing strategy. 66,7% of the marketers agreed and 33,3% strongly agreed. The sales division agreed (75%) and the remaining 25% strongly agreed (Table 35).

Table 35: The timing of marketing and sales activities is important for a successful marketing strategy

Question 6.6	Position		Total
	Sales	Marketing	
Strongly agree	25,00%	33,30%	26,70%
Agree	75,00%	66,70%	73,30%
Total	100,00%	100,00%	100,00%

The qualitative data provides more insight into the sales division's involvement in marketing strategies.

Marketing respondents hold themselves responsible for market research and market intelligence. They plan and write the marketing plan according to company focus while developing marketing strategies. They view the sales division as a source of information which they can access to assist them with their strategies. The sales division assists by identifying potential customers and establishing the target market while simultaneously providing valuable feedback. Marketing respondents view the buy-in of the sales division as essential for the success of their marketing strategy and would like to 'move as one to execute their strategy' and collaborate with the sales division to implement their marketing plan and strategies. Afterwards, the marketing division will evaluate the results and adjust strategies where necessary.

Sales division respondents expressed the desire to work together with marketing on marketing strategies. They would like to discuss and provide input with regard to the marketing plan before implementation. They believe that this is crucial to their buy-in of strategies. For example, they would like to provide input and to be consulted when focus products are chosen, especially since some of the sales respondents do not perceive all the members of the marketing division as having adequate knowledge and insight into the South African market. The sales respondents do, however, expect the marketing division to devise properly planned marketing plans in a professional manner.

An example of conflict during a marketing strategy refers to product launches. The sales respondents described how, during a new product launch, a brief overview and positioning of product to sales force should be provided. The full launch pack should include marketing and training materials, product samples with competitive information, pricing details, etc. The launch should only be done once NAPPI codes and negotiations with private hospital groups have been concluded; not before. The sales respondents, however, commented that the available time that marketing has to do proper product launches is short, but that they should rather wait until everything is in place before launching products.

4.5 Steps toward increasing collaboration between the sales and marketing divisions

The qualitative data from the three open-ended questions yielded data on more than the known antecedents of collaboration. Respondents made suggestions with regard to the ways in which they thought the collaboration could be improved between the sales and marketing divisions in their specific organisation. These in-house recommendations will be discussed in the next section.

4.5.1 Management attitudes towards coordination and collaboration

The marketing respondents would like management to endorse cooperation in all departments with less division between management from sales and marketing divisions. They also want consistent and clear communication to be reinforced by management.

4.5.2 Shared frame of reference

Both the marketing and sales division respondents shared a desire for a joint frame of reference. The marketing respondents would like to drive the company goal and strategy together with the sales team by aligning their activities with the opportunities uncovered by the sales division. This could be done by working more closely together and acting as a unit to drive the same goal and message. But a marketing member remarked that '[i]ndividuals may have their own goals and priorities, which may hinder efforts and make carefully planned marketing efforts fail'.

The sales division also shares the desire for a shared frame of reference. They would like the sales and marketing divisions to work together to improve customer satisfaction while working towards achieving the company strategy.

4.5.3 Communication

4.5.3.1 Communicating market-related information

In communicating market-related information, the chi-square test determines whether or not the communication of information in the sales division is associated with that of the marketing division. A p-value of less than 0,1 means that there is an association between the two.

In conclusion, in communicating market-related information, the p-value is 0,020 which is less than 0,1. This means that the communication of market-related information in the sales division is associated with that of the marketing division.

4.5.3.2 Interdepartmental communication

There is a need for an improved market intelligence system to facilitate communication. The members of the sales division suggested that members should work with one another to gain knowledge and receive advice from colleagues. The lack of two-way communication was also apparent, with both the sales and marketing divisions' respondents indicating a need for improved communication, specifically with regard to market-related information between their divisions.

Recommendation: The members of the sales division suggested having a two-way communication format in place where the marketing team discusses trends and new therapies and the sales force communicates feedback from the end users. The desire to 'Keep an open channel of communication between sales and marketing' according to a sales division member is clear. In addition, members of the sales division suggested implementing scheduled meetings that can act as a platform to exchange market information and product-related information. This can also be used to discuss issues of service improvement and communicating the long-term plan and the bigger picture to the sales force. Marketing tools such as iPads or tablets would make it easier to make all the relevant information on the extended range of products available.

4.5.4 Transparent flow of information

There is an expectation by the sales division respondents that the marketing department should keep salespeople up to date with the latest research and studies on products. Marketers should assist the sales division with the correct information on products being sold as well as on those which will be sold in the near future with the necessary promotional ideas. A free flow of bi-directional information between the sales and marketing divisions is therefore expected. However, it appears that there is a perceived lack of feedback from the marketing division to the members of the sales division. Members of the sales division commented on how the marketing division asks for market information but neither gives adequate feedback nor communicates the information to the rest of the organisation.

An example given by a member of the sales division relates to competitor pricing on products given through to a product manager. Consequently, however, the information was not communicated to the rest of the sales division by the product manager. There appears to be a bottle neck of information at product managers.

In turn, the marketing respondents expect transparent reports from the sales division on market-related information as well as on all sales activities related to their product portfolios. The access to sales and marketing activities and reports by the sales and marketing divisions can therefore be seen as necessary for collaboration.

Recommendation: Just as the marketing division has access to sales reports, so the sales division would like to have access to marketing reports. This would foster a better understanding of what the different divisions try to achieve and the obstacles they encounter. In addition, this is an opportunity to share stories with regard to successes and failures.

To facilitate the free flow of information, the sales respondents suggested a quick online referencing system in which the latest product information and competitive information is made available to all. This would be the specific product manager's

responsibility.

4.5.5 Interdepartmental consultation

The need for increased interdepartmental consultation was found in the qualitative data. Marketing division respondents suggested scheduled, regular and frequent meetings with the sales division to discuss marketing strategies, evaluate developments in the market and recalculate the marketing plan. This was suggested in order to promote two-way communication. The marketing division suggested that these interdepartmental meetings take place over an eight week cycle, whereas the sales respondents suggested meeting with the marketing department to exchange ideas at least every three months.

Recommendation: The sales division respondents suggested that both divisions should be involved in all processes with on-going consultation on overlapping activities.

4.5.6 Sources of interdepartmental conflict

4.5.6.1 Status barriers

One member of the marketing division viewed the sales division as a sub-unit of marketing and suggested that the sales division should follow the marketing goal. In addition, the sales division should provide marketing with all market information and competitive information as requested. A sales division respondent remarked that 'the opinions and ideas of the salespeople are not considered'. In addition, other sales division respondents requested that salespeople and marketers 'listen to one another'. The sales division considers itself to be 'keeping everything together'.

4.5.6.2 The setting of sales targets

There is conflict with regard to the targets established with or without very little input from individuals in the sales division. Product managers are perceived by the sales

division as pushing for unrealistic sales targets. What needs to kept in mind with the setting of sales targets is that this particular organisation is a subsidiary of an international company with centralised marketing activities and country-specific revenue targets.

4.5.6.3 Forecasting

Provide forecasting that is as accurate as possible.

4.5.6.4 Inventory management and availability

The marketing division expects the sales division to assist with inventory levels and indicated the need for accurate forecasting by the sales division. In turn, the sales division expects the marketing division to make samples of new products available well in advance of the product launch so that the sales force can familiarise themselves with it. This relates back to a comment made by a sales division respondent: 'Make samples available in time; it is very frustrating if we are expected to sell products but have no samples or stock!'

Sales division respondents also expect the marketing division to ensure the availability of focus products, products on tender and formulary, as well as existing product lines. The product managers are viewed as being responsible for checking the backorders on a daily basis, communicating alternative products, giving feedback on why the item is on backorder and the next expected delivery date. Members of the sales division expressed their frustration due to the unavailability or insufficient stock of products pushed by product managers. Members of the sales division bring in order numbers but the order cannot be fulfilled due to insufficient stock.

Recommendations: Members of the sales division suggested that a method to ensure quick and accurate access to stock availability should be developed. Accurate forecasting is needed for adequate inventory levels.

4.5.6.5 Marketing material viewed to be insufficient

Marketing respondents hold themselves accountable for providing the sales team with the necessary tools regarding education, product knowledge and information, as well as formulary status and tenders in place. The sales division promotes and demonstrates products by means of in-service training to end users and, as such, need relevant, detailed and up-to-date marketing and sales materials. These materials should be relevant and effective for use by the sales force.

The expectation is that the marketing activities should be driven by the product managers' portfolios by creating and providing advertising and promotional ideas to improve the brand with sales pitch ideas and objection responses. In this way, marketing could assist the sales division in a more congruent way.

Recommendation: The sales division suggested a drop box per product manager on his or her portfolio products with all the relevant information on the products and marketing materials related to it. It would be the responsibility of the product manager to keep this electronic resource up to date.

4.5.6.5 The need for organisational learning and an improved market intelligence system

The sales respondents want to know their products well and would like regular and more in-depth training and retraining during the year. Similarly, marketers want to organise more in-depth clinical training and provide opportunities for retraining the sales team throughout the year to make them more effective. In addition, the sales respondents would like marketers to be more involved in product workshops held in the field by salespeople for the end users.

This need for organisational learning is highlighted in a comment by a sales respondent: 'Please provide proper in-service training, not just making the brochures available…'.

The marketing respondents themselves indicated that the sales tools provided by the product managers to the sales force are insufficient and should be updated.

4.5.6.6 The need for a clear marketing strategy

The respondents from the sales division expect the marketing division to drive and lead branding and other marketing activities. Product managers in the existing structure are viewed as not being focussed on marketing activities. Several sales respondents commented on the workload of the product managers not really allowing sufficient time for more marketing activities. They did, however, state that an increase in active marketing is needed.

Recommendation: The sales division respondents suggested the development of a marketing subdivision under marketing dedicated to training and education. This marketing subdivision can work closely together with training and research at academic institutions. The aim is to infuse the company's brand with new technologies and be in the know of the latest developments.

4.6 Summary

Overall, the respondents agreed that collaborating and coordinating their activities would be to the advantage of the organisation. The majority strongly felt that the current collaboration could and should be improved. What appears to be lacking is a shared frame of reference and the ability to create and maintain a personal rapport with one another based on appreciation of one another's work. Each division expects the other to help them achieve their divisional objectives, but not one another's objectives.

Despite the apparent conflict and insufficient collaboration, there was an underlying wish by both sales and marketing respondents to collaborate in terms of shared goals. This can be seen as a positive sign towards future collaborative transformational strategies.

The respondents commented on the impact of the company's rapid expansion over the last two years on them. Both marketing and sales respondents feel that there has been a loss in focus with the extended range of products. The extended job descriptions of the sales and marketing divisions lead to frustration and miscommunication. Furthermore, the increased workload and insufficient increase in head count allows less time to plan and communicate properly. They would like the infrastructure and internal procedures of the organisation to keep up with the rapid growth of the organisation.

CHAPTER 5

CONCLUSIONS AND RECOMMENDATIONS

5.1 THEORETICAL BACKGROUND

In any business selling a product or service, there is always conflict. Marketing is the overall function whereas sales is only a part of marketing. The relationship between the sales and marketing functions and/or departments is a source of organisational conflict. A sub-optimal relationship will exhibit conflict, mutual stereotyping and non-cooperation. Physical separation and different outlooks also contribute to a sub-optimal interface (Malshe, 2010:13).

The challenge lies in creating a broader, shared frame of reference. This is needed since an independent frame of reference can hinder cross-cultural integration. An example of this is the political barriers, such as lack of leadership support in cross-functional teams leading to failure (Beverland *et al.*, 2006:388).

The transparent flow of information contributes to a sense of transparency and promoting trustworthiness. By communicating activities across the interface, the marketing division has the opportunity to highlight its knowledge of sales activities as well as business savvy (Malshe, 2010:17).

This study identified the following collaborative drivers: management attitudes towards coordination, communication, interdepartmental conflict, organisational learning and market intelligence (Le Meunier-FitzHugh & Piercy, 2010:613).

5.2 RECOMMENDATIONS FROM LITERATURE

By implementing cross-functional processes and creating joint sales-marketing, taskforces or group turf barriers can be reduced (Piercy, 2006). In addition, reducing sales and marketing intergroup differentiation leads to improved collaboration (Le Meunier-FitzHugh & Piercy, 2007:939).

The perceived status barriers need to be removed; sales need a strategic voice; and structural issues, such as shared rewards need to be addressed. This will lead to improved performance metrics such as shorter sales cycles, reduced market-entry costs, and reduced cost of sales (Kotler, 2006:70).

Open and respectful communication between the sales and marketing divisions can provide a basis for the clarification of misunderstandings and keep the other division up to date with marketing initiatives. In addition, this can provide an opportunity for feedback and asking for help when needed. This transparent flow of information contributes to a sense of transparency, promoting trustworthiness. By communicating activities across the interface, marketers have the opportunity to highlight their knowledge of sales activities, as well as their business savvy (Malshe, 2010:17).

5.3   SUMMARY OF EMPIRICAL FINDINGS

5.3.1 Cultural aspects

5.3.1.1 The importance assigned to activities in the buying cycle

The activities with a p-value of less than 0,1 are competitive analysis, market research, value proposition development, customer messaging and promotions. This means that their importance is associated with their allocation to the sales and/or marketing department.

Recommendation: To develop intra organisational guidelines on role allocation activities during the buying cycle.

5.3.1.2 Role allocation of activities in buying cycle

There appears to be uncertainty regarding the role allocation of activities during the buying cycle. The following activities were identified: product development, product

positioning, pricing, advertising, promotions, account management, after-sales service, target marketing and sales forecasting.

Recommendation: To develop intra-organisational guidelines on role allocation activities during the buying cycle to reduce uncertainty. Also identify shared activities and assign responsibility to them.

5.3.1.3 The credibility of the sales and marketing divisions

The marketing department's expertise with regard to its understanding and insight into the South African market is brought into question. This casts doubt on its ability to develop marketing strategies for the South African market. There is also reduced trust in the marketing division's ability to generate valid sales leads. Overall, the credibility of the sales division is associated with that of the marketing division with regard to the proximity factor or 'antecedent'.

Recommendation: To increase the frequency of co-travelling of the members of the marketing and sales divisions. Another recommendation is to schedule regular meetings between sales and marketing divisions to foster a two-way, open and honest communication channel. Furthermore, opportunities for the members of the marketing and sales divisions to undergo further studies in their fields of expertise should be provided.

5.3.1.4 Information aspects

The current marketing intelligence system is viewed as being less than effective by the majority of all the respondents.

Recommendation: To investigate alternative market intelligence systems to promote easy access to all within the sales organisation.

The ability of the sales division to gather market information and act as a source of valid market information is viewed by the majority of respondents as being valid.

There is a minority of marketing respondents (33,3%), however, who cast this in doubt. At the same time, the ability of the marketing division to gather valid market information is also doubted by a minority of sales respondents (cf. Table 11).

Recommendation: To investigate and establish what constitutes valid market information for members of the sales division and for members of the marketing division in particular. There could be a difference in expectations regarding the type of information and its sources.

5.3.1.5 Sales divisions involvement in the marketing strategy

Although the majority of the respondents agreed that the sales division should be involved in the marketing strategy, there was no consensus as to when, how or how often and to what degree they should be involved. The strategy-making, implementation and execution phases were indicated for the involvement of the sales division to a lesser or greater degree.

Recommendation: To conduct an intra-organisational survey and consult senior sales and marketing individuals to determine the sales division's contributions needed during the marketing strategy to facilitate a successful marketing strategy.

5.3.1.6 Other factors identified as being important for collaboration

There is a definite need for clear and transparent two-way communication between the sales and marketing divisions. In addition, more regular, scheduled meetings between the sales and marketing divisions are needed where the quality of the exchange is more important than the quantity or duration of the meetings. These will help foster a sense of collaboration within the organisation.

5.4 Recommendations for achieving greater collaboration between the sales and marketing divisions

The change should be driven by senior management since a positive senior management attitude towards collaboration leads to reduced inter-functional conflict. A culture of organisational learning and open information sharing should be encouraged. Improvement in communication between the sales and marketing divisions is also needed. Regular scheduled meetings between sales and marketing divisions should be organised to foster relationship building across divisions and create a platform for information sharing and contributions. The ability to create and maintain a personal rapport with one another based on appreciation of one another's work will also benefit from increased contact between members of the sales and marketing divisions.

The current market intelligence system should be reviewed in detail and an alternative, effective market intelligence system should be implemented to provide quick and accurate access to market information to all parties concerned.

5.5 LIMITATIONS OF THE STUDY

This study was conducted on a single organisation and on a small sample group of sales and marketing individuals. Thus, the results cannot be generalised. It is recommended that a larger study should be conducted on more than one sales organisation in South Africa with positions differentiating from sales and product managers up to management. The questionnaire section on economical antecedents could be adjusted to be more specific.

REFERENCES

Atteya. N. M. 2012. The Conflict Management Grid: A Selection and Development Tool to Resolve the Conflict between the Marketing and Sales Organizations. *International Journal of Business and Management*, 7(13):28.

Auh. S. & Menguc. B. 2013. Knowledge sharing behaviours of industrial salespeople: an integration of economic, social psychological, and sociological perspectives. *European journal of marketing*, 47(8):1333-1355.

Baye, M. R. 2010. *Managerial Economics and Business Strategy*. Boston: McGraw-Hill Publishing.

Beverland, M., Steel, M. & Dapiran. G.P. 2006. Cultural frames that drive sales and marketing apart: an exploratory study. *Journal of Business and Industrial Marketing,* 21(6):386-394.

Biemans, W.G., Brencic, M.M. & Malshe, A. 2010. Marketing-sales interface configurations in B2B firms. *Industrial Marketing Management,* 39:183-194.

Blocker, C.P., Cannon, J.P., Panagopoulos, N.G. & Sager, J.K. 2012. The role of the sales force in value creation and appropriation: new directions for research. *Journal of Personal selling and Sales Management*, 32:15-28.

Cooper, R.C. & Schindler, P.S. 2011. *Business Research Methods*. Boston: McGraw Hill Publishing.

Creswell, J.W. 2014. *A concise introduction to mixed methods research*. Los Angeles: SAGE Publication.

Creswell, J.W. 2014. *Research design: qualitative, quantitative, and mixed methods approach*. Los Angeles: SAGE Publication.

Dawes. P. & Massey. G.R. 2006. A study of relationship effectiveness between marketing and sales managers in business markets. *Journal of Business and Industrial marketing*, 21(6):346-360.

Dalvi. M.R. & Ebrahimi. H. 2013. Investigating the Effects of Reward on the Cooperation in the Sale and Marketing Department from Managers' Perspective (Isfahan Food Industries Case Study). *International Journal of Academic Research in Business and Social Sciences*, 3(11):144-153.

Goetz. O., Hoelter.A .A. & Krafft. M. 2013. The role of sales and marketing in market-orientated companies. *Journal of personal selling and sales management*, 33(4):353-371.

Green, K.W., Whitten, D. & Inman, R.A. 2012. Aligning marketing strategies throughout the supply chain to enhance performance. *Industrial Marketing Management,* 42(6):1008.

Guenzi, P. & Trolo, G. 2006. Developing marketing capabilities for customer value creation through marketing-sales integration. *Industrial Marketing Management*, 35(8):974-988.

Guidelines for assessing quality of multi method research. Available from: www.sagepub.com/journals/Journal201775#tabview=manuscriptSubmission

Homburg, C., Jensen, O. & Krohmer, H. 2008. Configurations of marketing and sales: taxonomy. *Journal of marketing*, 72(2):133-154.

Homburg. C. & Jensen. O. 2007. The Thought Worlds of Marketing and Sales: Which Differences Make a Difference? *The Journal of Marketing*, 71(3):124-142.

Hughes. D. E., Le Bon. J. & Malshe. A. 2013. The marketing-sales interface at the interface: creating market-based capabilities through organisational synergy. *Journal of personal selling and sales management*, 32(1):57-72.

Hulland, J., Nenkov, G.Y. & Barclay, D.W. 2012. Perceived marketing–sales relationship effectiveness: a matter of justice. *Journal of the Academy of Marketing Science*, 40(3):450-467.

International journal of multiple research approaches.
http://obssr.od.nih.gov/mixed_methods_research

Ivankova, N.V., Creswell, J.W. & Stick, S.L. 2006. Using mixed methods sequential explanatory design: from theory to practice. *Field methods*, 18(3-20).

Jones, E., Brown, S.P., Zoltners, A.A. & Weitz, B.A. 2005. The changing environment of selling and sales management. *Journal of Personal Selling and Sales Management*, 25(2):105-111.

Kitching, K. 2013. Economics for Managers, MMB711. Business school: University of the Free State, South Africa

Kotler, P., Rackham, N. & Krishnaswamy, S. 2006. Ending the war between sales and marketing. *Harvard Business Review*, 84(7-8):68-78.

Kotler, P. & Achrol, R.S. 2012, "Frontiers of the marketing paradigm in the third millennium", *Journal of the Academy of Marketing Science*, 40(1): 35-52.

LaForge, R. W., Ingram, T. N. & Cravens, F. W. 2009. Strategic alignment for sales organisation transformation. *Journal of Strategic Marketing*, 17(3-4):199-219.

Lane. N. & Le Meunier-FitzHugh. K. 2009. Collaboration between sales and marketing, market orientation and business performance in business-to-business organisations. *Journal of strategic marketing*, 17(3/4):291-306.

Le Bon, J. & Merunka, D. 2006. The impact of individual and managerial factors on salespeople's contribution to marketing intelligence activities. International *Journal of Research in Marketing*, 23(4):395-408.

Le Meunier-FitzHugh. K. & Piercy. N. F. 2007. Exploring collaboration between sales and marketing. *European Journal of Marketing*, 41(7/8):939-955.

Le Meunier-FitzHugh, K. & Piercy, N.F. 2007. Does collaboration between sales and marketing affect business performance? *Journal of Personal Selling and Sales Management*, 27(3):207-220.

Le Meunier-FitzHugh, K. & Piercy, N.F. 2008/2009. The importance of organisational structure for collaboration between sales and marketing. *Journal of General Management*, 34(1):19-36.

Le Meunier-FitzHugh. K. & Piercy. N. F. 2010. Drivers of sales and marketing collaboration in business-to-business selling organisation. *Journal of Marketing Management*, 25(5-6):611-633.

Le Meunier-FitzHugh. & Piercy. N.F. 2011. Exploring the relationship between market-orientation and sales and marketing collaboration. *Journal of personal selling and sales management*, 31(3):287-296.

Le Meunier-FitzHugh. K. & Massey. G. R. 2011. The impact of aligned rewards and senior management attitudes on conflict and collaboration between sales and marketing. *Industrial Marketing Management*, 40:1161-1171.

Liu, S.S. & Comer, L.B. 2007. Salespeople as information gatherers: associated success factors. *Industrial Marketing Management* 36(5):565-574.

Lyus, D., Rogers, B. & Simms, C. 2011. The role of sales and marketing integration in improving strategic responsiveness to market change. *Journal of Database Marketing and Customer Strategy Management,* 18:39-49.

Malshe, A. 2011. An exploration of key connections within sales-marketing interface. *Journal of Business and Industrial Marketing*, 26(1):45-57.

Malshe, A. 2010. How is marketers' credibility construed within the sales-marketing interface? *Journal of business research*, 63(1):13-19.

Malshe. A. 2009. Strategic sales organizations: transformation challenges and facilitators within the sales-marketing interface. *Journal of strategic marketing*, 17(¾):271-289.

Malshe, A. & Sohi, R.S. 2009. Sales Buy-In of Marketing Strategies: Exploration of its Nuances, Antecedents, and Contextual Conditions. *Journal of Personal Selling and Sales Management*, 29(3):207-226.

Malshe. A., Al-Habib. M., Al-Torkistani. H. & Al-Khatib. J. A. 2013. Challenges to sales force transformation in emerging markets. *Journal of strategic marketing*, 21(4):347-367.

Massey, G.R. & Meunier-FitzHugh, K.L. 2011. The impact of aligned rewards and senior manager attitudes on conflict and collaboration between sales and marketing. *Industrial marketing management*, 40(7):1161-1171.

Massey, G.R. & Dawes, P.L. 2007. The antecedents and consequence of functional and dysfunctional conflict between marketing managers and sales managers. *Industrial marketing management*, 36(8):1118-1129.

Matthyssens, P. & Johnston, W.J. 2006. Marketing and sales: optimization of a neglected relationship. *Journal of Business and Industrial Marketing*, 21(6):338-345.

Maxwell, J.A. 2013. *Qualitative research design: an interactive approach.* Los Angeles: SAGE Publishing.

Members. 2013. SAMED (Online). Available at: http://www.samed.org.za/members/ARROW+Africa+Pty+Ltd/default.aspx.html [Accessed: 5 May 2013].

Menguc. B., Auh. S. & Kim. Y.C. (2011). Salespeople's Knowledge-Sharing Behaviours with Co-workers' Outside the Sales Unit. *Journal of Personal Selling and Sales Management*, 31(2):103-122.

Michiels. I. 2009. Lead life cycle management: building a pipeline that never leaks. Research report, Aberdeen Group.

Mollenkopf, D.A., Frankel, R. & Russo, I. (2011). Creating value through returns management: exploring the marketing-operations interface. *Journal of Operations Management*, 29:391-403.

About SAMED. 2013. SAMED [Online]. Available at:

http://www.samed.org.za/About.aspx

(Accessed: 5 May 2013).

Piercy, N. (2010). Evolution of strategic sales organisations in business-to-business marketing. *Journal of Business and Industrial Marketing*, 25(5):349-359.

Piercy, N. 2010, "Improving marketing: operations cross-functional relationships", *Journal of strategic marketing*, (18)4:337-356.

Piercy, N. 2007, "Framing the problematic relationship between the marketing and operations functions", *Journal of strategic marketing*, (15)2/3:185-207.

Piercy, N.F. & Le Meunier-FitzHugh, K. 2008, "The importance of organisational structure for collaboration between sales and marketing", *Journal of general management,* (34)1:19-35.

Plano Clark, V.L., Garrett, A.L. & Lesley-Pelecky 2009. *Applying three strategies for integrating quantitative and qualitative databases*.

Representing the SA Medical Device Industry. (2013). (Online). Available: http://www.samed.org.za/default.aspx.html   [Accessed: 5 May 2013].

Rollins, M., Bellenger, D.N. & Johnston, W.J. (2012). Does customer information usage improve a firm's performance in business-to-business markets? *Industrial Marketing Management*, 41(6):984-994.

Rouzies, D., Anderson, E., Kohli, A.J., Michaels, R.E., Wetz, B.A. & Zoltners, A.A. (2005). Sales and marketing integration: a proposed framework. *Journal of Personal Selling and Sales management*, 25(2):113-122.

Sabnis, G., Chatterjee, S. C., Grewal, R. & Lilien, G. (2013). The sales lead black hole: on sales reps' follow-up of marketing leads. *Journal of marketing*, 7:52-67.

Sohi, R.S. & Malshe, A. 2009, "What makes strategy making across the sales-marketing interface more successful?", *Journal of the Academy of Marketing Science*, 37(4):400-421.

Storbacka. K., Ryals. L., Davies. I. A. & Nenonen. S. (2009). *The changing role of sales: viewing sales as a strategic, cross-functional process*. Bradford: Emerald Group Publishing, Ltd.

Tang, C.S. (2010). A review of marketing–operations interface models: From co-existence to coordination and collaboration. *International Journal of Production Economics*, 125(1):22-40.

Troilo, G., De Luca, L.M. & Guenzi, P. (2009). Dispersion of influence between marketing and sales: its effects on superior customer value and market performance. *Industrial Marketing Management*, 38(8):872-882.

Troilo. G. & Luca. L.M. (2009). Dispersion of influence between marketing and sales: its effects on superior customer value and market performance. *Industrial marketing management,* 38(8):872-882.

Taskakhori, A. & Teddlie. C. 2010. SAGE handbook of mixed methods in social and behavioural research.

Webster, F.E. & Lusch, R.F. (2013). Elevating marketing: marketing is dead! Long live marketing. *Journal of the Academy of Marketing Science*, 41(4):389-399.

Welcome to Teleflex. 2013. (Online). Available: http://www.teleflex.com/en/index.html [Accessed: 5 May 2013].

West, D., Ford, J. & Ibrahim, E. 2010. *Strategic Marketing: creating competitive advantage*. Oxford: Oxford University Press.

Yu, A.S.O. & Figueiredo, P.S. (2010).Development resource planning: complexity of product development and the capacity to launch new products. *The journal of product innovation management*, 27(2):253-266.

Zoltners. A (2004). Sales and Marketing Interface. Paper presented at the Sales Force Summit, University of Houston, Texas. *Journal of mixed method research*. Available from http://mmrsagepub.com

ADDENDA

QUESTIONNAIRE COVER LETTER

QUESTIONNAIRE

COLLABORATION BETWEEN SALES AND MARKETING DIVISIONS

Dear Colleagues

This questionnaire is designed to investigate the possible factors that have an influence on collaboration between the sales and marketing divisions within a sales organisation.

Your feedback will assist me in identifying the specific factors that have an impact on your particular organisation. This, in turn, may be used to make recommendations towards increasing your collaborative practices.

Therefore you are kindly requested to complete this questionnaire honestly and to the best of your ability.

Please complete this questionnaire anonymously and your confidentiality will be assured.

Kind regards

Linda Veale

QUESTIONNAIRE

Dear Colleagues

This questionnaire is designed to investigate the possible factors that have an influence on collaboration between the sales and marketing divisions within a sales organisation.

Your feedback will assist me in identifying the specific factors that have an impact on your particular organisation. This in turn may be used to make recommendations towards increasing your collaborative practices.

Therefore you are kindly requested to complete this questionnaire honestly and to the best of your ability.

Please complete this questionnaire anonymously and your confidentiality will be assured.

Kind regards

Linda Veale

1. Biographical details

Please mark the appropriate block with an X

1.1 What is your gender?

Male   ☐
Female   ☐

1.2 In which age category do you fall?

Less than 30 years old   ☐
31-40 years   ☐
41-50 years   ☐
51 and older   ☐

1.3 In which position are you are currently employed?

Sales management   ☐
Marketing management   ☐
Product manager   ☐
Product specialist   ☐
Territory manager   ☐

1.4 How many years have you been in your current position?

Less than 2 years   ☐
2-5 years   ☐
6-10 years   ☐
More than 10 years   ☐

1.5 Please indicate your highest educational level

Matric or Grade 12   ☐
Diploma   ☐
Undergraduate Degree   ☐
Post graduate Degree   ☐
Master degree   ☐

2. Introductory questions

2.1 The existence of a collaborative relationship between sales and marketing divisions is to the advantage of the sales organisation

Strongly agree	Agree	Disagree	Strongly disagree

2.1 It is important for sales and marketing divisions to coordinate and collaborate their activities

Strongly agree	Agree	Disagree	Strongly disagree

2.3 How do you think the collaboration between sales and marketing can be improved in your organisation?

Please discuss in the space provided below

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

3. Cultural aspects

Please select the importance you attach to each activity

3.1 The importance of sales and marketing activities during the buying cycle

Activity	Not important	Less important	Important	Very important
Competitive analysis	1	2	3	4
Market research	1	2	3	4
Market segmentation	1	2	3	4
Product development	1	2	3	4
Product positioning	1	2	3	4
Pricing	1	2	3	4
Packaging	1	2	3	4
Advertising	1	2	3	4
Competitive market intelligence	1	2	3	4
Personal selling	1	2	3	4
Distributor management	1	2	3	4
Account management	1	2	3	4
After-sales service	1	2	3	4
Target marketing	1	2	3	4
Sales forecasting	1	2	3	4
Value proposition development	1	2	3	4
Customer messaging	1	2	3	4
Promotions	1	2	3	4

3.2. The marketing division has a more important role than the sales force in increasing market share and sales turnover

Strongly agree	Agree	Disagree	Strongly disagree

3.3 The sales division has a more important role than the marketing department in increasing market share and sales turnover

Strongly agree	Agree	Disagree	Strongly disagree

3.4 What do you think is the Marketing divisions role in the sales organisation?

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

3.5 What do you think is the Sales division's role in the sales organisation?

_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____
_____

3.6 Allocation of activities during the buying cycle

Activity	Marketing activity	Sales activity	Marketing and sales activity
Competitive analysis			
Market research			
Market segmentation			
Product development			
Product positioning			
Pricing			
Packaging			
Advertising			
Competitive market intelligence			
Personal selling			
Distributor management			
Account management			
Merchandising			
After-sales service			
Target marketing			
Sales forecasting			
Value proposition development			
Customer messaging			
Promotions			

3.7 Marketing divisions credibility

Expertise

3.7.1 Marketing's proposed strategy always has merit and is appropriate to the South African market

Strongly agree	Agree	Disagree	Strongly disagree

3.7.2 All the he product managers have a good understanding of the South African market place

Strongly agree	Agree	Disagree	Strongly disagree

Trustworthiness

3.7.3 The marketing division generate valid sales leads

Strongly agree	Agree	Disagree	Strongly disagree

3.7.4 All the product managers have a good understanding of the South African market place

Strongly agree	Agree	Disagree	Strongly disagree

Proximity

3.7.5 The co-travelling of Product Managers with the Sales force is a method that enhance collaboration

Strongly agree	Agree	Disagree	Strongly disagree

3.8 Sales divisions credibility

Expertise

3.8.1 The sales division members has the necessary knowledge and experience to assist in marketing strategies

Strongly agree	Agree	Disagree	Strongly disagree

Trustworthiness

3.8.2 The sales division members can be trusted to follow up on marketing leads

Strongly agree	Agree	Disagree	Strongly disagree

Proximity

3.8.3 The attendance of training held by Product Managers by sales division members is a method that enhances collaboration

Strongly agree	Agree	Disagree	Strongly disagree

4. Economic aspects

4.1 Incentives

4.1.1 Does the current commission structure motivate the sales people?

YES		NO

4.1.2 Should the marketing division bonus be linked to the performance of their assigned product portfolios?

YES		NO

4.2 Budgets

4.2.1 Should the sales and marketing division share a budget?

YES		NO

4.2.2 What percentage of the budget should be allocated the sales division?

0 - 5 %	
6 - 10%	
11- 15%	
16 - 20%	
More than 21%	

4.2.3 What percentage of the budget should be allocated to the marketing division?

0 - 5 %	
6 - 10%	
11- 15%	
16 - 20%	
More than 20%	

5. Information aspects

5.1 An effective market intelligence system for gathering and communicating market related information is needed

Strongly agree	Agree	Disagree	Strongly disagree

5.2 The current market intelligence system is effective

Strongly agree	Agree	Disagree	Strongly disagree

5.3 Source of market information

5.3.1 Purchasing data base information is important

Strongly agree	Agree	Disagree	Strongly disagree

5.3.2 The presence of the organisation at national trade shows is important

Strongly agree	Agree	Disagree	Strongly disagree

5.3.3 Organising product workshops is important

Strongly agree	Agree	Disagree	Strongly disagree

5.3.4 Holding product seminars for specialists is important

Strongly agree	Agree	Disagree	Strongly disagree

5.3.5 Talking to the end users of products is important

Strongly agree	Agree	Disagree	Strongly disagree

5.4 Validity of market information

5.4.1 The members of the sales force are able to gather valid market information

Strongly agree	Agree	Disagree	Strongly disagree

5.4.2 The members of the marketing divisions are able to gather valid market information

Strongly agree	Agree	Disagree	Strongly disagree

5.5 Communicating market related information

5.5.1 Members of the marketing divisions make recent market information readily available to the sales division

Strongly agree	Agree	Disagree	Strongly disagree

5.5.2 The sales division make recent market information readily available to the marketing division

Strongly agree	Agree	Disagree	Strongly disagree

5.5.3 Updated market information is available for all members of the sales and marketing divisions

Strongly agree	Agree	Disagree	Strongly disagree

6. Sales division involvement in marketing strategy process aspect

6.1 The involvement of the sales division in the marketing strategy process will increase the chance of a successful marketing strategy

Strongly agree	Agree	Disagree	Strongly disagree

6.2 The marketing division should communicate the marketing plan to the sales division only once it is ready for implementation and execution

Strongly agree	Agree	Disagree	Strongly disagree

6.3 The input of the sales force is needed during the development phase of the marketing strategy

Strongly agree	Agree	Disagree	Strongly disagree

6.4 The input of the sales force is needed during the implementation phase of the marketing strategy process

Strongly agree	Agree	Disagree	Strongly disagree

6.5 The input of the sales force is needed during the execution phase of the marketing strategy process

Strongly agree	Agree	Disagree	Strongly disagree

6.6 Timing of marketing and sales activities during a marketing strategy is important for a successful marketing strategy

Strongly agree	Agree	Disagree	Strongly disagree

Thank you!