

Launching New Products with a Direct Sales Force: A Case Study and Grounded Theory

Inaugural dissertation to attain the degree
Doctor rerum politicarum (Dr. rer. pol.)
at WHU – Otto Beisheim School of Management

submitted by
Benjamin Klitzke
Gottfried-Keller Straße 15
81245 München

Supervisor: Univ.-Prof. Dr. Ove Jensen
Chair of Sales Management and Business-to-Business Marketing

Co-supervisor: Univ.-Prof. Dr. Martin Fassnacht
The Otto Beisheim Endowed Chair of Marketing and Commerce

Vallendar, December 15nd 2015

Table of content

List of figures	IX
List of tables	XI
List of abbreviations	XIII
1 Introduction	1
1.1 Background and relevance of thesis	1
1.2 Objectives and structure of thesis	4
1.3 Research approach	7
2 Literature review	9
2.1 Sales management in NPI	11
2.2 The Sales Force in NPI	17
3 Methodology and empirical research	23
3.1 Ground assumptions	23
3.2 The Gioia methodology	27
3.3 Action research cooperation and data collection	30
3.3.1 Introduction to action research methodology	30
3.3.2 Introduction to the research cooperation	32
3.3.3 Overview of the case company and the launch process	32
3.3.4 Research process and data collection	38
3.4 Data analysis	48
3.4.1 First order analysis	48
3.4.2 Second order analysis and theory development	49
3.4.3 Trustworthiness of the data analysis	49
4 Findings on determinants of success between Marketing and the Sales Force	52
4.1 NPI readiness: Ensuring operational availability	53
4.1.1 First order concept: Ample delivery capacity of product and accessories	53
4.1.2 First order concept: Comprehensive supporting launch material and equipment	55
4.1.3 Second order theme	56
4.2 Sales Force attitude towards NP	57
4.2.1 Building Sales Force trust in and mastery of the new product	58
4.2.1.1 First order concept: Getting fair and honest product information	58
4.2.1.2 First order concept: Gaining practical product experience	60
4.2.1.3 Second order theme	63
4.2.2 Building Sales Force confidence in selling abilities	63
4.2.2.1 First order concept: Relating information to customer application and benefit	63
4.2.2.2 First order concept: Comparing the new product with the competition	66

4.2.2.3	First order concept: Preparing objection handling	67
4.2.2.4	Second order theme	68
4.2.3	Creating Sales Force excitement about selling the new product	69
4.2.3.1	First order concept: Touching the heart of the Sales Force	70
4.2.3.2	First order concept: Convincing the Sales Force of self-interest in NPI	72
4.2.3.3	Second order theme	73
4.3	Knowledge transfer to the Sales Force	75
4.3.1	Adapting training intensity to type of new product	75
4.3.1.1	First order concept: New product training that considers novelty and significance of new product	75
4.3.1.2	Second order theme	77
4.3.2	Avoiding Sales Force information overload	79
4.3.2.1	First order concept: Need to cut down amount and complexity of information	79
4.3.2.2	First order concept: Interactive presentation instead of lecturing	81
4.3.2.3	First order concept: Avoiding overloaded launch days with non-NPI topics	83
4.3.2.4	First order concept: Successive information release over time	84
4.3.2.5	Second order theme	86
4.3.3	Avoiding Chinese whispers	91
4.3.3.1	First order concept: Lost information through additional knowledge transmitter	91
4.3.3.2	First order concept: Direct access to PM and other technical expertise throughout launch	95
4.3.3.3	Second order theme	96
4.4	Cooperation between Marketing and Sales: Attuning end-to-end liaison of Marketing and Sales	100
4.4.1	First order concept: The Sales Force as a pro-active contributor, not a passive consumer at launch day	101
4.4.2	First order concept: Marketing and Sales Force working as a team	104
4.4.3	First order concept: Roles and responsibilities – Marketing prepares, the Sales Force takes ownership	107
4.4.4	First order concept: Matrix conflict between functional and technical leadership	109
4.4.5	Second order theme	111
5	Findings on determinants of success within the SF	116
5.1	NPI-oriented sales management	116
5.1.1	NPI activity planning and execution	117
5.1.1.1	First order concept: Focusing on new product and keeping it in focus	117
5.1.1.2	First order concept: Providing launch procedure and action plan	120

5.1.1.3	Second order theme	121
5.1.2	Active ASM leadership role in NPI	125
5.1.2.1	First order concept: ASM enhances team learning and facilitates knowledge base	125
5.1.2.2	First order concept: ASM controls the team and maintains discipline	126
5.1.2.3	First order concept: ASM motivates the team and maintains excitement.....	127
5.1.2.4	Second order theme	128
5.2	Sales Force learning about NPI	131
5.2.1	Fostering a culture of learning and dialogue	131
5.2.1.1	First order concept: Learning-by-doing and exchanging experience	131
5.2.1.2	First order concept: Fostering a constructive mindset and dealing with negative opinion leaders	134
5.2.2	Second order theme	136
6	Findings on determinants of success between the Sales Force and the customer	140
6.1	Customer-oriented new product sale: Enlightening the customer through discovery-oriented sale	140
6.1.1	First order concept: Overcoming customer inertia by initiating new ways of working	140
6.1.2	First order concept: Demonstrating product and letting customer experience the benefits	142
6.1.3	First order: Combining reason with excitement at customer site	143
6.1.4	Second order theme	144
6.2	Customer-oriented new product sale: Start by learning from the customer how to successfully sell the new product.....	147
6.2.1	First order concept: Learning from the customer how to sell the new product... ..	147
6.2.2	First order concept: Letting the customer decide without pre-judgment	149
6.2.3	First order concept: Early experience of successful customer demonstrations... ..	150
6.2.4	Second order theme	152
7	Discussion and research implications.....	156
7.1	Integrative model of new product success determinants	156
7.2	Comparison with the literature.....	162
7.2.1	Comparison with the core literature	162
7.2.2	Theoretical enrichment through adjacent theory	171
7.2.2.1	Discovery learning in NPI with the SF	172
7.2.2.2	Knowledge management in NPI with the SF	173
7.2.2.3	Service-dominant logic in NPI with the SF	179
8	Outcome of the action research cooperation	183
8.1	Integrating the SF within NPI	183

8.2	NPI classification and SF management	187
9	Conclusion.....	191
9.1	Research contribution	191
9.2	General managerial implication	192
9.3	Avenues for future research	194
	References	195
	Appendix	204
	Affidavit	212