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Guest editorial: Value-creating sales and digital technologies

The relevance of value-creating business models and value-creating sales

International low-cost competition and commoditization, technological innovation, especially digitalization, and increasingly broad and demanding customer requirements undermine the effectiveness of product-centered business models (Eggert *et al.*, 2014; Jones *et al.*, 2005; Ploetner *et al.*, 2023). Many companies, therefore, started transitioning from product-centered business models to business models centering on value creation (Gebauer *et al.*, 2010; Josephson *et al.*, 2016; Ostrom *et al.*, 2015; Ulaga and Reinartz, 2011). In value-creating business models, suppliers proactively commit to improving customer value by advising customers on achieving higher value-in-use and generating and guaranteeing value-in-use (Table 1).

--- Insert Table 1 about here ---

However, many product-centered companies face severe difficulties when implementing value-creating business models (Fang *et al.*, 2008; Ploetner *et al.*, 2023). 75 % of the companies that transition towards value-creating business models do not make any profits after the transformational process (Stanley and Wojcik, 2005). The organizational function that is essential for the successful adoption of value-creating business models and simultaneously most strongly affected by this change is the industrial sales force (Alavi *et al.*, 2022; Haas *et al.*, 2012; Krämer *et al.*, 2022; Terho *et al.*, 2015).

To successfully implement value-creating business models at the customer interface, the sales force needs to engage in value-creating sales and convince customers of the new value proposition. Value-creating sales reflects the implementation of value-creating business models in the sales function. Therefore, salespeople need to accept and internalize the new business

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3 model, as they are conveyors of corporate strategic initiatives and their support is relevant for its
4 success (Alavi *et al.*, 2022; Krämer *et al.*, 2022). Further, value-creating business models require
5 salespeople to adapt to more complex product-service combinations, deal with more complex
6 multi-person perspectives on both the customer and supplier sides, and increase their focus on
7 long-term selling outcomes (e.g., Krämer *et al.*, 2022). These novel requirements entail
8 substantial role changes for salespeople (Ploetner *et al.*, 2023). Hence, implementing value-
9 creating sales reflects a crucial bottleneck for the successful transformation from product-
10 centered business models to value-creating business models.
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22 **Value-creating sales and digital technologies**

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24 Many companies hope to support their transformation from product-centered business
25 models to value-creating business models by implementing digital technologies (e.g., Ardolino *et*
26 *al.*, 2018; Coreynen *et al.*, 2017; Guenzi and Habel, 2020; Tronvoll *et al.*, 2020). Digitalization
27 reflects an opportunity for sales organizations to engender service growth and increase
28 productivity (e.g., Grubic, 2018; Alavi and Habel, 2021). By relying on digital technologies,
29 sales organizations can improve their processes to become more efficient, increase decision
30 quality, and have ample opportunity for improving communication with customers and customer
31 integration (Guenzi and Habel 2020; Tronvoll *et al.*, 2020). Thereby, digital technologies support
32 sales organizations transitioning to value-creating business models in offering customized
33 solutions to a broader range of applications and markets (Coreynen *et al.*, 2017; Kindström and
34 Kowalkowski, 2014). Furthermore, they enable them to reshape industry competition by
35 establishing new service-oriented business models (Ploetner *et al.*, 2023; Porter and
36 Heppelmann, 2014).
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3 However, digitalization also reflects a disruptive change in how sales organizations
4 operate and create value (Nagy *et al.*, 2016; Simmons *et al.*, 2013). Implementing digital
5 technologies requires them to hire digital-savvy sales staff, changes salespeople's job tasks and
6 profiles, and demands the existing sales force to learn how to use digital technologies and be
7 willing to adopt these (e.g., Alavi and Habel, 2021; Singh *et al.*, 2019). Failure rates of up to
8 70% indicate that the majority of these digital initiatives fail (Hatami *et al.*, 2018). Thus,
9 implementing digital technologies reflects a substantial challenge for sales organizations and
10 their salespeople (e.g., Denning, 2021; Guenzi and Nijssen, 2021; Habel *et al.*, 2023a).

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12 A key reason for this is that there is only limited knowledge about how sales
13 organizations can implement digital technologies to foster their transition to value-creating
14 business models and value-creating sales (see Paschou *et al.*, 2020 for an overview). While there
15 are initial conceptual and industry-specific studies on how digitization affects the transformation
16 process from product-centered to value-creating business models (e.g., Bustinza *et al.*, 2018;
17 Kamalaldin *et al.*, 2020; Tronvoll *et al.*, 2020; Vendrell-Herrero *et al.*, 2017), prior research is
18 mostly silent on the role of digitalization for value-creating sales. Although the sales literature
19 offers more advanced insights into how digitalization affects the sales function (e.g., Ahearne *et al.*,
20 2005; Habel *et al.*, 2023a, 2023b; Hohenberg and Homburg, 2019; Rapp *et al.*, 2010), it
21 remains limited as numerous important questions remain unanswered (e.g., Singh *et al.*, 2019).
22 Thus, sales organizations operating or aiming to transition to value-creating business models
23 should particularly benefit from greater clarity on how digital technologies can engender a sales
24 organization's creation of customer value by the sales function. Therefore, the core objective of
25 this special issue is to substantiate knowledge that informs researchers and practitioners on how
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3 to implement and apply value-creating business models in the sales function while considering
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5 the crucial role of digital technologies.
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7 **Summary of articles**

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10 We ultimately accepted eight original research articles. The articles contribute to the objective of
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12 this special issue, which is to substantiate knowledge that informs researchers and practitioners
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14 on how to implement and apply value-creating business models in the sales function while
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16 considering the crucial role of digital technologies, in three different themes. The first theme
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18 focuses on individual salespeople's use of digital technologies to engage in value-creating sales.
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20 The article of Kramer and Krafft (2023) provides insights into how sales organizations can ease
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22 the implementation of digital value-creating sales for salespeople by overcoming the potential
23
24 negative consequences of digital technologies. Kramer and Krafft (2023) show that fostering
25
26 salespeople's propensity and proficiency towards using information and communication
27
28 technology can help to reduce role ambiguity and stress. However, the latter effect is nuanced as
29
30 it depends on a salesperson's tenure and average relationship length with customers. The study
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32 indicates when a salesperson's information and communication technology orientation is a
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34 helpful resource to decrease role stress and ambiguity.
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40 Furthermore, the special issue contains two articles focusing on how salespeople can
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42 engage in value-creating sales using social media. The article of Itani and colleagues (2023)
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44 develops and tests a process model of the effect of B2B salespeople's social media use on their
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46 value co-creation and cross- and up-selling performance. The key finding is that salespeople's
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48 social media use increases salespeople's social capital (i.e., salesperson's market knowledge and
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50 reputation) and, thereby, makes salespeople co-create higher value with customers and realize a
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52 higher cross- and up-selling performance. The article of Cheng and colleagues (2023) adds to
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3 this by taking a social media influencer lens on value creation strategies that B2B salespeople
4 can use throughout the social media sales process. Based on a qualitative study, the authors
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6 develop a conceptual framework outlining when and how B2B salespeople use social media in
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8 value-creating sales. The study shows when the use of social media is effective for salespeople's
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10 value-creating sales and provides actionable guidance for sales training and the management of
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12 salespeople in a digital sales environment.
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17 The second theme focuses on how sales organizations and sales managers can use sales
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19 controls to facilitate their salespeople's implementation of value-creating sales and engagement
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21 in it. The article of Guenzi and Nijssen (2023) investigates how behavioral controls focusing on
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23 digital solution selling influence salespeople's motivation to implement digital solutions,
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25 salesperson abilities for digital solution selling, and value-based selling. The study sheds light on
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27 the process between behavioral controls focusing on digital solution selling and value-based
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29 selling and shows that supervisors have a crucial role in developing their salespeople to engage
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31 in value-based selling and achieve digital solution selling performance.
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35 Further, the article of Hoffmann and colleagues (2023) focuses on sales managers'
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37 encouragement behavior for adopting value-centered business models and, thus, engaging in
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39 value-creating sales. The study differentiates between sales managers' in-role and extra-role
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41 encouragement behavior and finds that sales managers' in-role encouragement behavior is more
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43 effective for sales organizations with a high share of complex solutions to achieve financial
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45 performance. In contrast, a sales managers' extra-role encouragement behavior can even be
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47 counterproductive for sales organizations with a high share of complex solutions.
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51 In addition, the article of Tienken and colleagues (2023) identifies agency problems that
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53 can cause sales organizations to fail at transitioning to digital solution selling and, thus, engaging
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3 in value-creating sales. Building on agency theory and a qualitative study, the authors identify
4 seven drivers of agency problems during the transition to digital solution selling and provide
5 guidance on how sales organizations can resolve these problems to benefit from digital solution
6 selling.
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12 The third theme focuses on the organizational level and provides insights on how sales
13 organizations can transition towards value-creating sales using digital technologies. The article
14 of Harrmann and colleagues (2023) uses a mixed-methods approach to explore how the digital
15 technology usage of manufacturing companies translates into relational performance and
16 financial performance of services. The authors identify that most sales organizations follow a
17 customer or an outcome path to servitization. Whereas the outcome path has immediate financial
18 consequences, the customer path indirectly fosters financial performance through a company's
19 relational performance. Customer tenure and customer open-mindedness are relevant
20 contingency variables influencing the servitization process. Finally, Saad and Choura (2023)
21 analyze how virtual recommendation agents can improve value creation in e-commerce channels.
22 They find that using virtual recommendation agents can improve the enjoyment of customer
23 online interactions and, thereby, create value for customers.
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Table 1. Description of Key Concepts

Key Concepts	Description
Product-Centered Business Models	Industrial suppliers provide superior products to customers without helping or guaranteeing that customers generate economic value by using these products.
Value-In-Use	Value-in-use describes all customer-perceived consequences arising from a supplier's offer that facilitate or hinder achievement of the customer's goals (Macdonald <i>et al.</i> , 2016, p. 98; Eggert <i>et al.</i> , 2019).
Value-Creating Business Models	Suppliers proactively commit to creating value-in-use for customers by advising customers on achieving higher value-in-use and generating and guaranteeing value-in-use.
Value-Creating Sales	Value-creating sales represents the comprehensive implementation of value-creating business models in the sales function so that the sales force advises customers on achieving higher value-in-use and contributes to generating and guaranteeing value-in-use for customers.