

**THE STRATEGY TO IMPROVE SALESPERSON'S PERFORMANCE BY  
SALESPERSON'S TECHNICAL COMPETENCY, SALES SOFT CAPABILITY,  
SERVICE ORIENTATION, AND ADAPTIVE SELLING**

**(A case study of Transvision salespersons in Central Java and Special  
Region of Yogyakarta Distribution Area)**

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**ABSTRACT**

*This research aims to find out whether a salesperson's technical competence, sales soft capability, service orientation, and adaptive selling have any impact to improve salespersons' performance in a case study of Prepaid Television Channel Transvision's Salesperson in distribution area Central Java and Special Region of Yogyakarta. This research takes 102 respondents as the object and uses sampling technique.*

*Data analysis technic that is used in this research is structural equation model (SEM) from AMOS 22 software. The test result done using SEM shows the goodness of fit full model criteria which are Chi-square = 67,203; Probability = 0,035; CMIN/DF = 1,400; GFI = 0,905; AGFI = 0,845, TLI = 0,904; CFI = 0,930; and RMSEA = 0,063. Therefore, it can be said that the model in this research is qualified to use.*

*The research findings show that from 6 hypothesis being tested, there are 2 hypothesis rejected and 4 hypothesis accepted. The first hypothesis which is salesperson's technical competency has a positive impact and is significant. The second hypothesis which is salesperson's technique has a positive impact and is significant. The third hypothesis sales soft capability has a positive impact but is not significant. The fourth hypothesis sales soft capability has a positive impact and is significant. The fifth hypothesis service orientation has a positive impact and is significant. The sixth hypothesis which is adaptive selling has a positive impact but is not significant with value. This research has several limitations and gives the agenda for the further researches to be done after this research.*

**Keywords:** *salesperson's technical competency, service orientation, sales soft capability, adaptive selling, salesperson's performance.*

## INTRODUCTION

Multimedia is one of the most valued channels in this era of information, be it in national or international. With the presence of multimedia individuals and groups can experience the effect which is knowing the information from all over the world. This opinion is supported by Najjar (1996) which states that multimedia is information sharing using the mix of graphics, texts, audio, video, and animations.

The role of the salesperson is extremely important in promoting this multimedia service. The company sets sales target every month so that the salespersons are being serious in promoting or marketing their products. That is done by the company to achieve their short term and long term goals which are acquiring profit and improving sales. There are several multimedia companies growing right now and one of them is Transvision.

Transvision Central Java and Special Region of Yogyakarta area have 4 supervisors and each of them has 6 salespersons, that makes every area has 4 supervisors (4 teams) which supervise 24 salespersons on average. Unlike the others, there is one supervisor in Semarang city that has 10 salespersons on the team. In conclusion, there are 102 salespersons in Prepaid TV Channel Transvision which divided into 16 teams and each of the team has one supervisor. The table below presents the sales and installations data for 2014 and 2015.

**Table 1**  
**Installation Data TRANSVISION**  
**Central Java and Special Region of Yogyakarta Distribution Area**  
**Year 2014 and 2015**

Year	Month	Installation Target (Unit)	Installation Realization (Unit)
2014	January	600	325
	February	600	345
	March	600	355
	April	600	340
	May	600	360
	June	600	385
	July	600	410
	August	600	445
	September	600	450

Year	Month	Installation Target (Unit)	Installation Realization (Unit)
	October	600	475
	November	600	465
	December	600	495
<b>2015</b>	January	600	420
	February	600	500
	March	600	475
	April	600	430
	May	600	410
	June	600	390
	July	600	420
	August	600	440
	September	600	465
	October	600	410
	November	600	470
	December	600	480

Source: Transvision Central Java Distribution Area

Based on the data from table 1, it can be seen that the rate of installation or sales volume of Prepaid TV Channel Transvision has never achieved the target which the company has set at 600 installations every month. This indicates that the salesperson's performance is not optimum.

According to the business phenomenon, it is known that the inability of achieving sales target has been occurring two times in a row which are 2014 and 2015 in this Prepaid TV Channel. The role of the salesperson, in this case, is very crucial to increase the sales volume or the installations of Prepaid TV Channel Transvision. The salespersons are expected to always be persistent, improving and growing in doing the sales activities in in the field. Therefore, the company gives their attention to the salespersons in order to improve the sales performance. This research aims to analyze whether a salesperson's technical competency influences sales soft capability and service orientation, whether sales soft capability influences service orientation and adaptive selling, whether service orientation influences sales performance, and whether adaptive selling influences sales performance.

## THEORETICAL FRAMEWORK AND HYPOTHESIS FORMULATION

### The Influence of Salesperson's Technical Competency towards Sales Soft Capability

A salesperson's technical competency acts as an important element in ensuring whether the company's policy is successfully done. A salesperson who has soft competence becomes one of several factors that can determine the performance and outcome. According to Rentz et al in a research conducted in 2002, salesmanship skills has a positive influence towards interpersonal skills which can be interpreted as a soft capability that a salesperson owns.

**H1:** A better salesperson's competency will be resulting in a better sales soft capability.

### The Influence of Salesperson's Competency towards Service Orientation

Great competencies and a good service quality are part of sales activity. Therefore, a salesperson's technical competency has an influence towards service orientation. In other words, great competencies will be resulting in a good service quality and the influence is positive.

Then, a study conducted by Mosca et al (2010) stated that a development aiming to enhance the skill needs implementation tricks that help the salespersons feels happy to create a mentality focusing on service orientation to the customers.

**H2:** A better salesperson's competency will be resulting in a better service orientation

### The Influence of Sales Soft Capability towards Service Orientation

A salesperson's who has good soft competencies will be resulting in a good service quality to the customers. Customers will be treated very well according to the situation and condition during sales activity. Mehrabi et al (2012) explained that selling skill variable has nonverbal dimensions (communications using body movement cues, eye contact, gestures, and facial expressions) and those dimensions are included as a variable of sales soft capability or emotional intelligence. A good emotional intelligence will be resulting in a better service orientation to the customers.

A study conducted by Wachner (2009) stated that Interpersonal skills dimensions have influence toward the service given to the new customers. This skill is based on the psychological characteristics that shape and maintains a good relationship interaction.

**H3:** The better the sales soft capability, the better the service orientation.

### **The Influence of Sales Soft Capability towards The Adaptive Selling**

A salesperson that is able to adapt his selling to the current situation can be thought as a salesperson who has a good soft capability. This is based on a study conducted by Ingram (1990) which states that a good salesperson is determined by his soft skills. A skill to negotiate something procedurally according to their ability becomes important to gain customers. Communications and negotiation indeed are playing important role in salesperson's achievement, but aside of those, there is also one thing that is as important in helping a salesperson's work which is a skill in time management. Negotiating and managing the time as efficient as possible during sales activity can be categorized as adaptive selling.

Next, a study conducted by Weitz et al (1990) stated that empathy as dimensions of sales soft capability has a direct positive influence towards adaptive selling.

**H4:** The better the sales soft capability, the better the adaptive selling.

### **The Influence of Service Orientation towards Salesperson's Performance**

A good sales performance is based on the sales growth that is always increasing and achieving the target set in each period. A study conducted by Keillor (1999) stated that service orientation has a direct positive influence towards salesperson's performance. Another research was done by Singh et al (2012) also stated that service orientation has a positive influence towards performance.

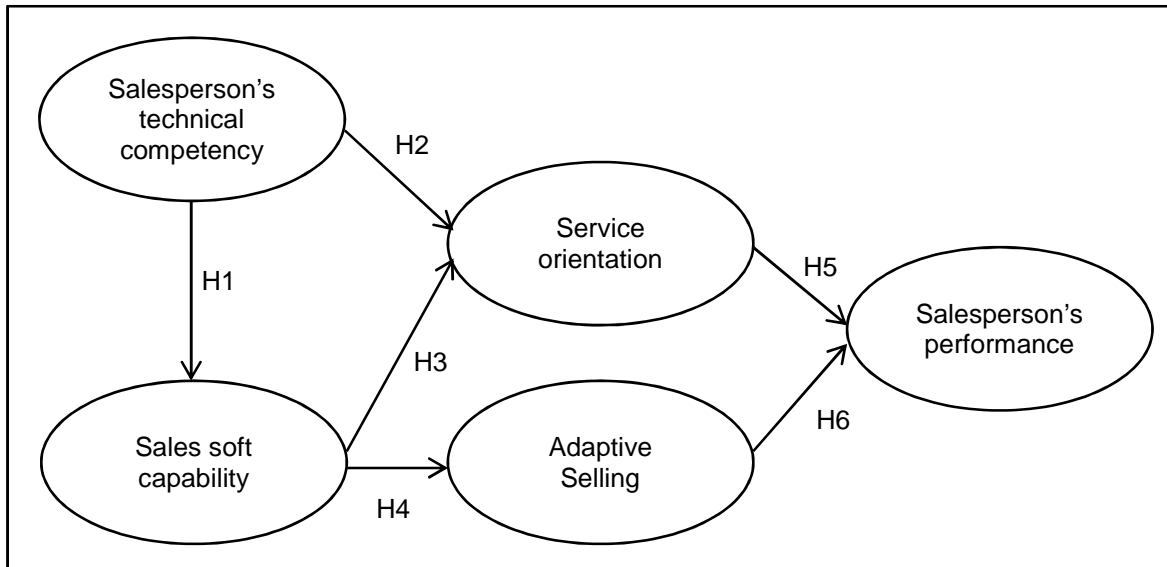
**H5:** The better the service orientation that is given, the better a salesperson's performance.

### **The Influence of Adaptive Selling Towards Salesperson's Performance**

Selling adaptability is a crucial need for measuring a salesperson's performance. A salesperson who adapts his selling during sales transaction is expected to be successful and resulting in a great performance for him and the company. A study conducted by Johlke (2006) stated that adaptive selling has a positive influence towards performance. This statement is also strongly suggested by a research done by Kara et al (2003) which said that applying adaptive selling will help salesperson make a good performance.

**H6:** The better application in adaptive selling, the better a salesperson's performance.

**Figure 1**  
**Research Model**



## RESEARCH METHOD

### Analysis Technique

This research uses Structural Equation Modeling (SEM) operated by AMOS 22 program. SEM is a collection of a statistical technique done to test series that has complicated relations simultaneously.

### Sampling Technique

Census technique is a method of choosing every member of the population as the samples. As for now, there are 102 salespersons in Transvision Central Java and Special Region of Yogyakarta Distribution Area and all of them will be the respondents.

### Data Collection Method

The type of data used in this research is primary data. The data are collected by questionnaire consisting of several questions regarding how salesperson's technical competency affect sales soft capability, service orientation, adaptive selling, and performance. Therefore, the questions and answers in the questionnaire will be the main source of data. As for the secondary data will be collected from the company's data, articles, and several other sources.

**Table 2**  
**Operational definition of variables and indicator**

<b>Variable</b>	<b>Operational definition</b>	<b>Variable indicator</b>	<b>Operational definition variables of indicator</b>
Salesperson's technical competency	An ability or skill that a salesperson owns in promoting his products to customers so that a transaction is done.	Knowledge of the products he sells (X1)	Indicating that salesperson knows and understand the product knowledge, such as price, quality, and so on.
		Knowledge of competitor's product (X2)	Indicating that other than understand the product itself, a salesperson should also know about other competitor's products.
		Knowledge about product's unique selling point and benefits (X3)	Indicating that a salesperson understand the knowledge about the products he offers to the customers
Sales soft capability	Salesperson's ability to interact with new customers (interpersonal skills) and ability to manage his own self (intrapersonal skills) which enables him to develop himself optimally at work.	Persistence (X4)	Indicating that a salesperson has persistence in promoting or marketing his products.
		Skills (X5)	Indicating that a salesperson has a strong mentality of not giving up and great ability in convincing customers.
		Empathy (X6)	Indicating that a salesperson has a good attitude in responding every customer's needs
Service orientation	An instrument and strategy did by a salesperson to attract new customers to try the products or service offered, where the salesperson give a good quality of service orientation to the customers.	Ability to explain the products well (X7)	Indicating that a salesperson has a good ability to explain the product he sells.
		Ability to create solutions (X8)	Indicating that a salesperson can give a serious solution in handling the customer's problems and his decision could benefit everyone's needs.
Adaptive selling	An ability to adapt selling technique based on the activity in the field based on the motives,	Ability to adapt selling technique to the customers (X9)	Indicating that a salesperson can adjust or adapt his sales activity during selling or transaction.



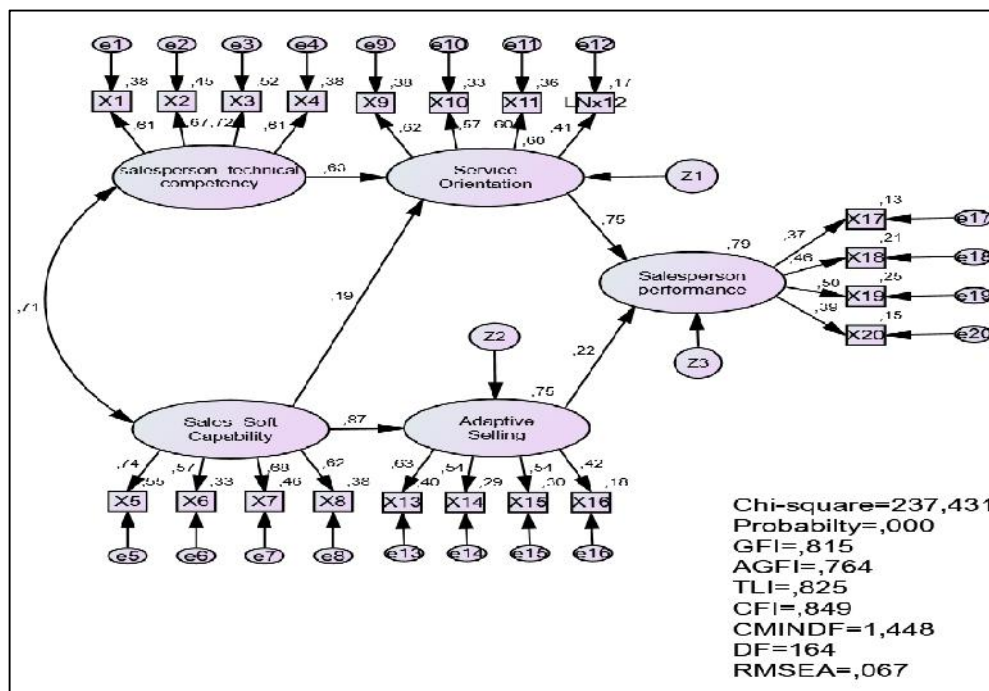
Variable	Operational definition	Variable indicator	Operational definition variables of indicator
	behavior, and responds a salesperson gets during the sales activity.	Ability to modify presentation during sales activity (X10)	Indicating that a salesperson can modify his sales presentation during sales activity
Salesperson's performance	An evaluation of every activity done and target achieved as the company's goals.	Sales Target Achievement (X11)	Indicating how his sales performance always showing improvement day by day based on his current and previous sales results.
		High sales income (X12)	Indicating that a salesperson shows a growing number of customers each month according to the target that has been set before.

Source: Developed for research

## RESULT AND DISCUSSION

### Structural Equation Model Analysis

Figure 2  
Structural Equation Model Test Result





**Table 3**  
Full model test result

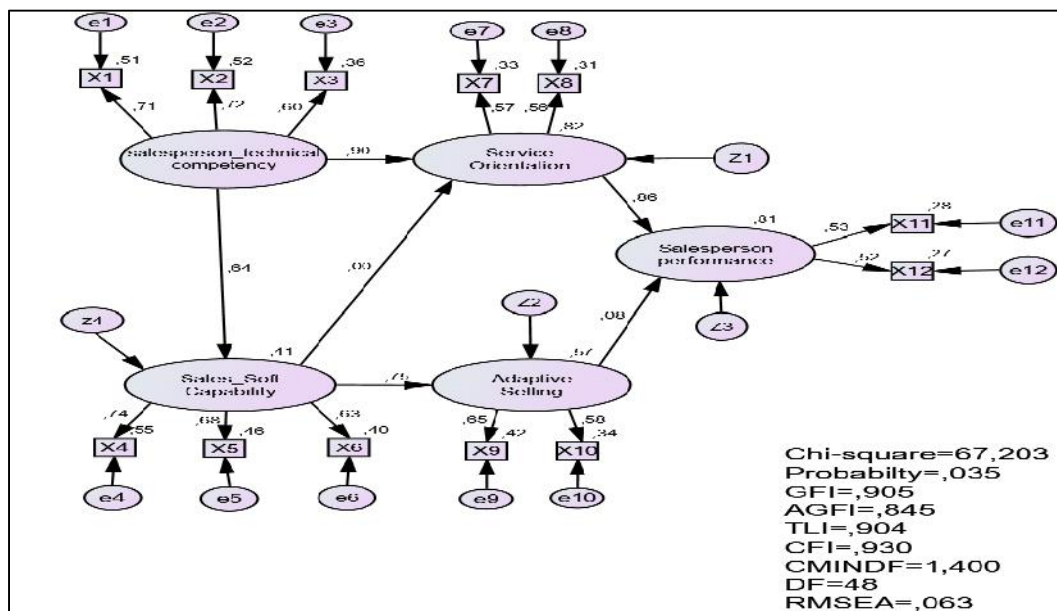
Criteria	Cut of Value	Result	Evaluation
Chi-Square	$\chi^2$ dengan df : 164 ; p : 5 % = 194,883	237,431	Marginal
Probability	$\geq 0,05$	0,000	Marginal
GFI	$\geq 0,90$	0,815	Marginal
AGFI	$\geq 0,90$	0,767	Marginal
TLI	$\geq 0,90$	0,825	Marginal
CFI	$\geq 0,90$	0,849	Marginal
CMIN/DF	$\leq 2,00$	1,448	Good
RMSEA	$\leq 0,08$	0,067	Good

Source: Developed for research

Based on the observation and analysis of the full model test above, it can be concluded that the model has not fulfilled the fit criteria as a whole, especially for chi-square value that lies at 204 and far from the limit condition that is 194. Also, the probability value, GFI, AGFI, TLI, and CFI at the marginal level and hypothesis test result at the regression weights showing only 3 of 5 hypothesis are accepted. Therefore, researcher do modification model to fix the goodness of fit value at the full model.

### Analysis Models Modification Structural Equation Model

**Figure 3**  
Structural Equation Model (Phat Diagram) Modification



**Table 4**  
**The Modified Full Model Test Result**

Criteria	Cut of Value	Result	Evaluation
<i>Chi-Square</i>	$\chi^2$ dengan df : 48 ; p : 5 % = 65,171	67,203	Marginal
<i>Probability</i>	$\geq 0,05$	0,035	Marginal
GFI	$\geq 0,90$	0,905	Good
AGFI	$\geq 0,90$	0,845	Marginal
TLI	$\geq 0,90$	0,904	Good
CFI	$\geq 0,90$	0,930	Good
CMIN/DF	$\leq 2,00$	1,400	Good
RMSEA	$\leq 0,08$	0,063	Good

*Source: Developed for research*

On this modification model analysis, the chi-square score has come closer to the maximum score 65 and counted score 67. Unlike the chi-square score at the previous model which has not been modified that shows a very great gap. Then, the goodness of fit result shows a better score than before as there are 5 good criteria for 8 criteria tested. Also, the hypothesis test result on regression weights increases to 4 hypothesis accepted (added one hypothesis due to the modification model).

**Table 5**  
**Regression Weights Structural Equational Model**

	Estimate	S.E.	C.R.	P	Label
<b>SSC &lt;--- KTCP</b>	,640	,161	3,794	***	par_13
<b>AS &lt;--- SSC</b>	,753	,185	3,932	***	par_3
<b>SO &lt;--- SSC</b>	,000	,173	,001	,999	par_6
<b>SO &lt;--- KTCP</b>	,904	,197	3,552	***	par_7
<b>KTP &lt;--- AS</b>	,083	,176	,329	,742	par_4
<b>KTP &lt;--- SO</b>	,860	,258	2,764	,006	par_5

*Source: Developed for research*

This is done to test whether six hypothesis in this research are qualified and fulfilled the hypothesis' test assumption by looking at the critical ratio (CR) above 1.96 and probability 0,05.

Therefore, the conclusions of 6 hypothesis in this research are as following:

***H1: The better salesperson's technical competency, the better sales soft capability.***

The result of this research shows that salesperson's technical competency has an influence towards sales soft capability. This corresponds to a research done by Rentz et al (2002) which stated that salesmanship skills as a variable have a positive influence towards interpersonal skill. Interpersonal skill can also be understood as sales soft capability.

A salesperson's technical competency has 3 components which are the knowledge about the products he sells, the competitor's products, and the unique selling point of his products and the benefits. Meanwhile, the indicators for sales soft capability are made of 3 things which are persistent, ability, and empathy. The indicators for salesperson's technical competency and sales soft capability are made by the researcher based on several types of research done so far regarding this topic as references.

***H2: The better the salesperson's technical competency, the better the service orientation***

The result of this research shows that the salesperson's technical competency has an influence towards the service orientation. This corresponds to the research done by Mosca et al (2010) which stated that the salesperson's technical performance variable has significant influence in creating a mentality which oriented to customers service. With that being said, the first hypothesis is accepted.

A salesperson's technical competency has 3 components which are the knowledge about the products he sells, the competitor's products, and the unique selling point of his products and the benefits. Meanwhile, the indicators for service orientation are made of 2 things which are the ability to explain a product well and the ability to give a solution regarding customer's questions. The indicators for salesperson's technical competency and service orientation are made by the researcher based on several types of research done so far regarding this topic as references.

***H3: The better sales soft capability, the better the service orientation***

The result of this research shows that sales soft capability does not influence service orientation. This does not correspond to a research done by Wachner (2009) which stated that interpersonal skills (sales soft capability) have an influence towards service orientation because they help to create a good and satisfying relationship between the seller and the customers. In this research, a salesperson who already has interpersonal skills does not make any difference or

influence regarding how they serve the customers. Therefore, the second hypothesis is rejected.

Sales soft capability has three indicators which are persistent, ability, and empathy. Meanwhile, the indicators for service orientation consist of two things which are the ability to explain a product well and the ability to give a solution regarding customer's questions. The indicators for salesperson's sales soft capability and service orientation are made by the researcher based on several types of research done so far regarding this topic as references.

***H4: The better the sales soft capability, the higher the adaptive selling***

The result of this research indicates that sales soft capability has an influence towards adaptive selling. This corresponds to a research done by Weitz et al (1990) which stated that empathy (sales soft capability) has a positive direct influence towards adaptive selling. Therefore, the third hypothesis is accepted.

Sales soft capability consists of three indicators which are persistent, ability, and empathy. Meanwhile, the indicators for adaptive selling are the ability to adapt selling technique to a customer and the ability to modify presentation during sales activity. The indicators for salesperson's sales soft capability and adaptive selling are made by the researcher based on several types of research done so far regarding this topic as references.

***H5: The better the service orientation, the better the salesperson's performance***

The result of this research indicates that service orientation has an influence towards the salesperson's performance. This corresponds to a research done by Singh (2012) which stated that service orientation has a positive influence towards performance. Therefore, this fourth hypothesis is accepted.

There are two indicators for service orientation which are to explain a product well and the ability to give a solution regarding customer's questions. As for the salesperson's performance variable, the indicators are the ability to create a high sales result and to achieve the sales target. The indicators for service orientation and salesperson's performance are made by the researcher based on several types of research done so far regarding this topic as references.

***H6: The better the adaptive selling, the better the salesperson's performance***

The result of this research indicates that adaptive selling does not influence the salesperson's performance. This does not correspond to a research done by Johlke (2006) which stated that adaptive selling has a positive influence towards a salesperson's performance. Therefore, a salesperson who has the ability to do

adaptive selling does not guarantee that the customers will accept the offers which will affect the sales performance. Therefore, the fifth hypothesis is rejected.

The indicators for adaptive selling variables are the ability to adapt selling technique to a customer and the ability to modify presentation during sales activity. As for the salesperson's performance variable, the indicators are the ability to create a high sales result and to achieve the sales target. The indicators for adaptive selling and salesperson's performance are made by the researcher based on several types of research done so far regarding this topic as references.

**Table 6**  
**Hypothesis Test Result**

HIPOTESIS		Score CR and P	Test Result
<b>Hypothesis 1</b>	The better the salesperson's technical competency, the better the sales soft capability	CR = 3,794 P = ***	Accepted
<b>Hypothesis 2</b>	The better the salesperson's technical competency, the better the service orientation	CR = 3,552 P = ***	Accepted
<b>Hypothesis 3</b>	The better the sales soft capability, the better the service orientation	CR = 0,001 P = 0,999	Rejected
<b>Hypothesis 4</b>	The better the sales soft capability, the better the adaptive selling	CR = 3,932 P = ***	Accepted
<b>Hypothesis 5</b>	The better the service orientation, the better the salesperson's performance	CR = 2,764 P = 0,006	Accepted
<b>Hypothesis 6</b>	The better the adaptive selling, the better the salesperson's self performance	CR = 0,329 P = 0,742	Rejected

## CONCLUSIONS

### Conclusions

Based on the research, achieving a higher sales performance can be done by a process in which a salesperson's technical competency and service orientation influence his performance. Then, the process of applying sales soft capability on adaptive selling and its influence towards a salesperson's performance has shown a negative result which means the hypothesis about the influence of adaptive selling towards performance is rejected. A salesperson who has good sales soft capability will do adaptive selling well in the field because he has a better soft competency which means his attitudes and traits are easily managed due to his controlled emotions. Those make adaptive selling relatively easy to do for him. Unfortunately, a great adaptive selling does not always result in the customers buying the service or the products offered by the salesperson. For

this matter, the company should take immediate moves in order to improve the salespersons' performance by giving them training which will add their knowledge of sales activity or adaptive selling. Move on to the third process in which sales soft capability's influence towards service quality turns out to be showing a negative result. Those are because not every salesperson owns a good emotional management resulting in their tendency to lose control such as easily giving up, frustrated to the sales condition, and inability to do sales activity well.

Based on the explanations above, it can be concluded that a salesperson's performance is influenced by his ability or competency which effects his service orientation to the customers. Then, service orientation is positively and significantly influenced by a salesperson's technical competency which surely resulting in a positive and significant.

### **Future Research Agenda**

Based on the limitation of this research explained above, this research study can still be developed further regarding the salesperson's performance. For example, by adding several other variables and indicators that have not been listed in this research to the further research so that the result could be more valid. There are negative or significant results in this research such as hypothesis 3 and 6, so it would be great for the further research to use a more developed and improved model. It is expected that further research would take a greater research object, for example doing a research about salespersons' performance in Prepaid TV Channel Transvision outside Central Java and Special Region of Yogyakarta Distribution Area, so that it could observe many different factors that influence salespersons' performance and make up for the limited respondents in this research.

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