

The Influence of Relationship Selling Behaviour and Brand on Sales Performance of Life Insurance Agents in an Indian Context

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ABSTRACT

Customer satisfaction is critical to the success of any business. A satisfied customer might bring consistent revenue to an organization. Successful organizations focus more on creating customer loyalty that translates into increased profitability in the long run. Customer centric organizations always keep customers in the centre of all decision making processes. By consistently focusing on building and maintaining a strong relationship with customers, organizations continuously strive to innovate and improvise across all business functions. The purpose of the relationship marketing is to satisfy the customer needs and wants which results in increased customer loyalty.

Sales, quintessentially a customer facing function, play a significant role in ensuring customer satisfaction and loyalty. Sales personnel are expected to develop and follow certain behaviours in the sales process that results in building and strengthening profitable relationship with customers. Relationship selling behaviour is the crucial way to improve their sales performance. The importance of relationship marketing in insurance industry has great significance. A single minded focus on relationship selling would result in better sales performance in terms of quality sales referrals and better conversion.

Several researchers have developed the framework on the antecedents of sales performance, but have not considered "relationship selling behaviour" as one of the antecedents of sales performance. Sales people, with high level of performance, are likely to build a strong relationship with customers by following relationship selling behaviour. This research framework tries to understand the influence of relationship selling behaviour on the sales performance. Besides, the influence of brand on sales performance has not been studied earlier. Brand plays a key role in influencing the performance of sales persons, especially in the insurance industry. In addition to relationship selling, an attempt has been made to study the influence of brand on sales performance in the present research.

Life insurance industry is selected for the study because of the importance and benefits of relationship selling behaviour in insurance products. The present study is descriptive in nature and attempt to understand the relationship selling behaviour and brand influence on sales performance of the full-time agents of life insurance. Two leading brands are taken up for the study based on the market share of those brands.

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The study was conducted during 2012-2016 in Coimbatore, Tamil Nadu. Coimbatore is one of the fastest growing city in term of investments. Data was collected from full-time agents of Life Insurance Corporation of India (LIC) and ICICI Prudential. A total sample of 276 full time agents from LIC and 104 agents from ICICI Prudential were covered in the study. To validate the information, 2 recent customers were selected from each agent and the data collected. These two recent customers would have availed a life insurance policy from the respective agents in last 6 months during the period of the study. It was found that the relationship selling behaviour has significant influence on the sales performance of the full time agents. The study also proves that brand places an influencing role on the sales performance of the agents. Further, the study explores impact of training on relationship selling behaviour on sales referrals. The study recommends the best sales behaviour practices to be followed for better sales performance.