

# The Impact of Salesperson's Functional and Relational Customer Orientation on Customer Outcomes

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## Abstract

*This study aims at exploring the impacts of salespeople's functional and relational customer orientation on customer outcomes as a whole construct consisting of customer satisfaction and customer loyalty. Research data were gathered using two samples of customers of electric home appliances as customers of search products, and perfume retailing as customers of experience customers. Following a convenience sampling techniques using an electronic 5-point Likert scale, a total of 391 and 426 responses were collected from sample 1 and sample 2, respectively. Using SmartPLS software, the results indicate that both salesperson's functional and relational behaviors had significant effects on customer outcomes. However, the functional behavior had higher effect in search products case whereas the effect of salesperson's relational behavior is larger for experience products. This study fills a gap in the literature on such effects using local samples of customers, and its contribution is that it instructs researchers and practitioners that customer outcomes are affected by material factors such as industry type and immaterial factors such as salesperson's behaviors.*

**Keywords:** *Salesperson Customer Orientation, Functional, Relational Customer Orientation, Customer Outcomes.*

## Introduction

Regardless of their industries, all organizations strive to bring out positive customer outcomes such as customer satisfaction, customer loyalty, customer commitment, customer repurchase intention, and customer word-of-mouth intention. A specific vein of the marketing literature highlights the importance of salespeople behaviors in customer purchasing process (Khattak & Abukhait., 2024). That is, several studies were carried out to examine the effects of salespeople behaviors on customer outcomes (e.g. Homburg et al., 2011; Bateman & Valentine, 2015; Petrescu, 2021; Leung et al., 2022). Generally, their results indicate that salespeople behaviors play a significant role in customer purchasing decisions and exert significant effects on customer outcomes. However, some intervening factors should be considered to conclude accurate effects of such behaviors on customer outcomes. Examples of these factors are salesperson's ethical treatment (Bateman & Valentine, 2015), sales interactions (Petrescu, 2021), and product type (Leung et al., 2022).

The overall conceptualization that the current study follow is that there are two selling strategies, i.e. sales orientation and customer orientation, hence, salespeople are two types: sales-oriented and customer oriented (Thakor & Joshi, 2005). Searching the effects of salespeople customer orientation signifying two kinds of customer orientation: functional and relational customer orientation (Homburg et al., 2011). Bearing in mind that product type is a pivotal determinant of customer's shopping process in line with the two types of products: search products, i.e. product attributes can be decided before purchase, and experience products, i.e. product attributes cannot be decided until purchase (Leung et al., 2022), this study was conducted to explore the impact of salesperson's functional and relational customer orientation on customer outcomes using two samples of customers of search products and customers of experience products.

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## Literature Review and Hypotheses

### *Salesperson Customer Orientation*

There are two key selling strategies, which are customer oriented selling, i.e., customer orientation, and sales-oriented selling or sales orientation (Thakor & Joshi, 2005). Customer orientation refers to a set of behaviors that emphasizes an organization's priority on customer interests to deliver superior customer value (Rindfleisch & Moorman, 2003). Generally, the function of salesperson is to help customers take purchase decisions that will realize their preferences, whether short-term preferences, i.e., customer wants, or long-term preferences, i.e., customer needs (Thakor & Joshi, 2005). Salesperson customer orientation has been regarded as a major type of the modern sales theory, which means that the aim of marketing and sales division is to meet customer needs (Cross et al., 2007). According to Thakor and Joshi (2005), sales-oriented selling signifies meeting customer short-term preferences whereas customer orientation or customer-oriented selling means understanding and meeting customer long-term preferences, that is, avoiding behaviors which detriment customer interests to create instant sales (Ahmad et al., 2025). The focus of the current study is on customer orientation rather than on sales orientation, or in other words, on customer-oriented salesperson rather than on sales-oriented salesperson. Specifically, salesperson customer orientation has been divided into two types: salesperson functional customer orientation (SFCO) and relational customer orientation (SRCO). According to Homburg et al. (2011), SFCO has been defined as “a set of task-related behaviors aimed at helping customers make satisfactory purchase decisions”, whereas, SRCO refers to “a set of behaviors aimed at establishing a personal relationship with a customer” (P.7). From customers' perspective, a functional salesperson is a businessperson while a relational salesperson is a friend (Petrescu, 2021).

### *Customer Outcomes*

Customer outcomes include customer satisfaction and customer loyalty (Liao & Chuang, 2004; Abbas et al., 2018). In 2000, Giese and Cote defined customer satisfaction as a response to a particular focus at a particular time, as a response is emotional or cognitive, focus is a situation such as customer expectations or product consumption experience that occur after consumption or after choice or on the basis of customer accumulated experience. Customer satisfaction depends on the context. For example, customers are satisfied in supply chain management context when the speed of supply chain responsiveness to their demands is high (Jeong & Hong, 2007), in complaint handling process, customers are satisfied after the complaint handling process is successfully completed (Netemeyer & Maxham III, 2007). Some scholars (e.g. Khan, 2013; Willems et al., 2016; Hayati et al., 2020; Leung et al., 2022) conceptualize customer loyalty as a construct consists of customer repurchase intention, and customer word-of-mouth, as customer loyalty consists of two aspects: attitudinal aspect in which a customer shows his or her desire to continue a relationship with a specific provider, and behavioral aspect by which a customer intend to repurchase from the same provider and recommend others to purchase from this provider. Generally, customer loyalty refers to a customer adherence to a specific company (Rahim et al., 2012). For the current study, customer outcomes are customer satisfaction and customer loyalty, i.e. customer repurchase and word-of-mouth intentions.

### *Customer Orientation and Customer Outcomes*

It was acknowledged that customer outcomes are related to salespeople behaviors (Homburg et al., 2011; Bateman & Valentine, 2015; Petrescu, 2021; Leung et al., 2022). As a construct of two dimensions, i.e. functional customer orientation and relational customer orientation, customer orientation exerts significant effects on customer outcomes such as customer loyalty (Homburg et al., 2011), customer satisfaction, and customer word-of-mouth intention (Leung et al., 2022). However, the results of previous works (e.g. Petrescu, 2021; Leung et al., 2022) indicate that functional and relational customer orientation have different effects on customer outcomes based on some factors such as product type and brand awareness, as well as industry type. A valuable justification of the difference between these two dimensions, as stated by Leung et al. (2022), is that customer purchase decision depends on product characteristics as products are divided

into two types: search products and experience products. Leung et al. indicate that the characteristics of search products such as price and size can be searched before purchase, whereas, the characteristics of experience products such as taste and smell cannot be obtained until purchase. In order to explore the effects of functional customer orientation and relational customer orientation on customer outcomes from customers' perspective using two samples from electric home appliances and perfume retailing, the following two hypotheses were introduced:

H1: Customers of search products are significantly affected by SFCO.

H2: Customers of experience products are significantly affected by SRCO.

## Methods

### *Research Design, Sample and Data Collection*

This study adopts a cross-sectional design to collect research data from customers of two industries; electric home appliances and perfume retailing. These industries were selected based on Saxe and Weitz's (1982, cited in Singh & Venugopal, 2015) conditions, which are: salesperson customer orientation is expected, salesperson has adequate experience to help customers make right purchase choice, the purchase process depends on a cooperative relationship between the salesperson and the customer, and referrals are central source of business. In addition to that, products of electric home appliances belong to search products and products of perfume retailing fall under experience products and products of (Leung et al., 2022). On the other hand, the required data was collected from customers. According to Leung et al. (2022), the majority of research on salespeople customer orientation measured this construct from salesperson's perspective, hence, measures from customers' perspectives are required. Therefore, the study collects data from customers of two industries: customers of electric home appliances (sample 1) and customers of perfume retailing (sample 2). Using a five-point Likert electronic questionnaire ranging from 1 (strongly disagree) to 5 (strongly agree) to gather research data following convenience sampling technique, a total of 391 valid responses were gathered from sample 1 and 426 valid responses were collected from sample 2. Such responses are representative of the whole population as a minimum representative sample size from large populations is 382 participants (Pahi & Hamid, 2015).

### *Research Conceptual Model*

Figure 1 displays the conceptual research model of this study. As the study contains two samples, the same model was duplicated to explore the impact of independent variables (salesperson's functional and relational customer orientation) on customer outcomes.

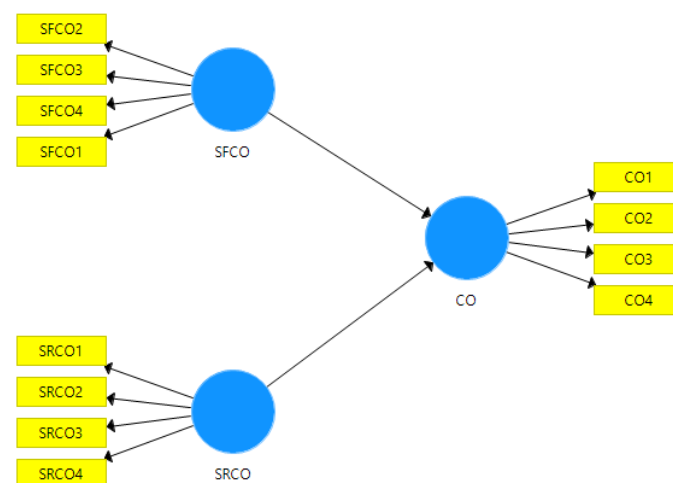


Figure 1. Research Conceptual Model

*Measures*

Ten items were developed based on previous measures (Thakor & Joshi, 2005; Cross et al., 2007; Bateman & Valentine, 2015; Singh & Venugopal, 2015; Leung et al., 2022) to assess research variables. As depicted in Table 1, salesperson functional customer orientation (SFCO) was measured using 4 items related to meeting customer needs through listening to customers in order to understand their needs and helping them make good purchase decisions, and salesperson relational customer orientation (SRCO) was also measured using 4 items to assess behaviors such as establishing personal relationships with customers. Similarly, customer outcomes, i.e. customer loyalty, customer satisfaction, customer repurchase intention and customer word-of-mouth intention as a whole construct was measured using 4 items to evaluate customer judgements. In fact, customers were asked to gauge salesperson's behaviors as well as their outcomes.

**Table 1. Research Variables and Measures**

Variables	Codes	Items	Reference
Salesperson functional customer orientation	SFCO1	Listening to customers to understand their needs.	Thakor & Joshi, 2005; Cross et al., 2007; Homburg et al., 2011; Khan, 2013; Bateman & Valentine, 2015; Singh & Venugopal, 2015; Willems et al., 2016; Hayati et al., 2020; Leung et al., 2022.
	SFCO2	Providing customers with product functional information.	
	SFCO3	Advising customers to make satisfactory purchase decisions.	
	SFCO4	Figuring out product benefits which match customer needs.	
Salesperson relational customer orientation	SRCO1	Establishing personal relationships with customers.	
	SRCO2	Gaining customer commitment.	
	SRCO3	Showing high interest in customer's personal situation.	
	SRCO4	Pointing out common interests share with customers.	
Customer outcomes	CO1	I am satisfied with salesperson's behavior.	
	CO2	I intend to stay loyal to this firm.	
	CO3	I intend to continue purchasing product from this firm.	
	CO4	I intend to recommend this firm to other customers.	

*Data Analysis and Results**Measurement Model Assessment*

Prior to testing the current research hypotheses, the measurement model was assessed using reliability, validity, and model fit indicators. Reliability indicators was used to test internal consistency using composite reliability (CR), validity indicators were utilized to test convergent reliability using factor loadings and average the average variance extracted (AVE). cut-off values of CR should be higher than 0.70, factors loading as well as AVE values should be above 0.50 (Hair et al., 2014). On the other hand, model fit was evaluated based on the determination factor ( $R^2$ ), Cohen's effect size ( $f^2$ ), and Stone-Geisser ( $Q^2$ ).  $R^2$  values are interpreted as weak (0.25), moderate (0.50), and substantial (0.75), values of  $f^2$  indicate weak size effect (0.02), moderate size effect (0.15), and large size effect (0.35). values of  $Q^2$  should be more than zero (Hair et al., 2011; Hair et al., 2012; Hair et al., 2019). The results of reliability, validity, and model fit can be seen in Table 2 which indicates that the values of these indicators are acceptable as all factor loadings were higher than 0.70, all AVE values were above 0.50, all CR value were more than 0.70. Moreover, the results indicate that the values of  $R^2$ ,  $f^2$ , and  $Q^2$  of both samples (models) are acceptable and have moderate explaining power of the two models ( $R^2_{\text{sample1}} = 0.396$ ,  $R^2_{\text{sample2}} = 0.389$ ) with moderate size effects of salesperson's functional customer orientation on customer outcomes ( $f^2_{\text{sample1}} = 0.189$ ,  $f^2_{\text{sample2}} = 0.200$ ). Based on these results, the current measurements and the current measurement model were accepted to collect research data and to test the research hypotheses.

**Table 2.**

Variables	Codes	Factor loadings		Average variance extracted		Composite reliability	
		S1	S2	S1	S2	S1	S2
Salesperson functional customer orientation	SFCO1	0.904	0.821	0.763	0.783	0.954	0.935
	SFCO2	0.923	0.896				
	SFCO3	0.934	0.921				
	SFCO4	0.900	0.898				
Salesperson relational customer orientation	SRCO1	0.809	0.909	0.838	0.844	0.928	0.956
	SRCO2	0.882	0.925				
	SRCO3	0.913	0.937				
	SRCO4	0.886	0.903				
Customer outcomes	CO1	0.740	0.751	0.597	0.606	0.855	0.860
	CO2	0.845	0.852				
	CO3	0.774	0.777				
	CO4	0.725	0.729				

S1: sample 1; S2: sample 2; S1-R<sup>2</sup> = 0.396; S1(functional)-f<sup>2</sup> = 0.189; S1 (relational)-f<sup>2</sup> = 0.047; S1-Q<sup>2</sup> = 0.231; S2-R<sup>2</sup> = 0.389; S2 (functional)-f<sup>2</sup> = 0.037; S2 (relational)-f<sup>2</sup> = 0.200; S2-Q<sup>2</sup> = 0.230.

### Structural Model Assessment

The results of the first hypothesis about the effects of salesperson's functional customer orientation on customer outcomes (customers of search products are significantly affected by SFCO) as shown in Figure 2 and Table 3 were reported through comparing the effects of functional and relational customer orientation on customer outcomes. These results pointed out that both functional and relational customer orientation on customer outcomes had significant effects on customer outcomes, however, the effect of functional customer orientation was larger with a moderate size effect in comparison with the effect of relational customer orientation which had a weak size effect on customer outcomes.

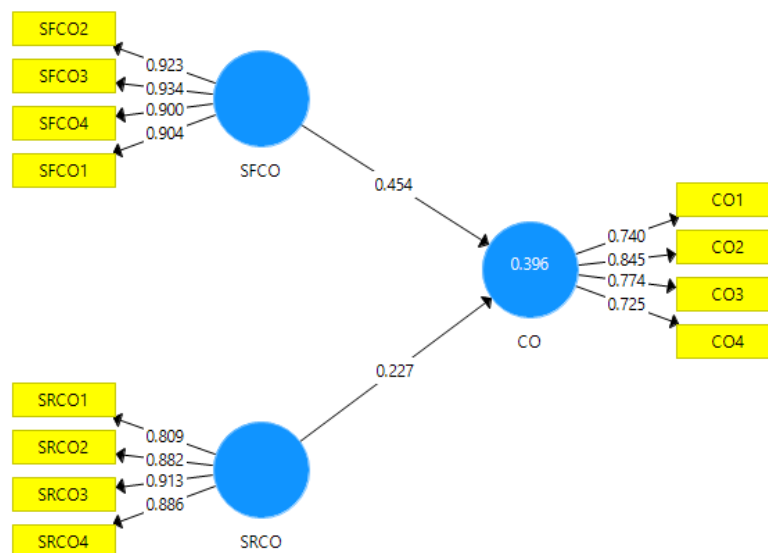


Figure 2. The First Research Structural Model

The results of the second research hypothesis about the effects of salesperson's relational customer orientation on customer outcomes (customers of search products are significantly affected by SRCO) as shown in Figure 3 and Table 3 were reported through comparing the effects of functional and relational customer orientation on customer outcomes. It was revealed that the effect of relational customer orientation was higher with a moderate effect size on customer orientation in comparison with the effect of functional customer orientation which had a weak size effect on customer outcomes. Such results

indicate that customers of search products (e.g., electric home appliances) are greatly affected by salesperson's functional behavior and customers of experience products (e.g. perfume products) are highly affected by salesperson's relational behavior. In fact, both salesperson's functional and relational customer orientation are essential complementary behaviors in customer purchasing process, but, product type is deemed as a key determinant in this regard as it directs the behaviors of the salesperson.

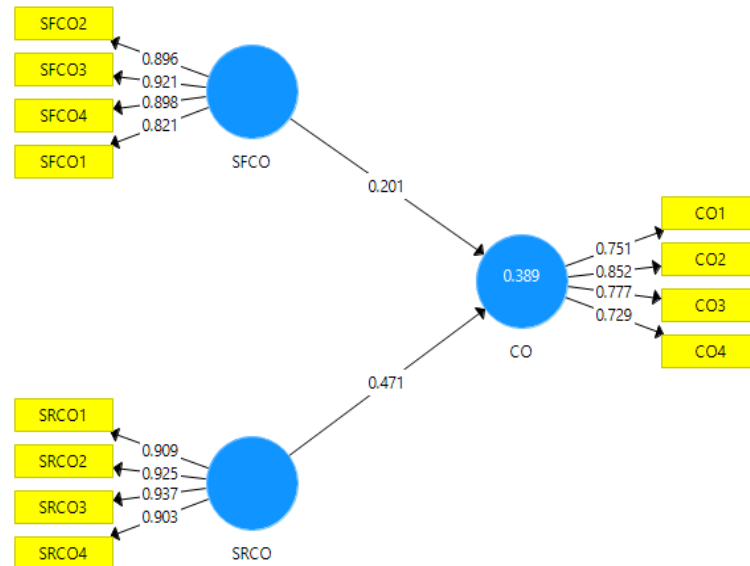


Figure 3. The Second Research Structural Model

Table 3. Results of Hypotheses Testing

Research hypotheses				$\beta$ -value	t-value	P-value	Results
H1 (sample 1)	S-Functional-CO	→	CO	0.454	7.970	0.000	Accepted
	S-Relational-CO	→	CO	0.227	4.050	0.000	
H2 (sample 2)	S-Functional-CO	→	CO	0.201	3.681	0.000	Accepted
	S-Relational-CO	→	CO	0.471	8.693	0.000	

## Discussion and Conclusion

The aim of this study is to explore the impact of salesperson's customer orientation on customer outcomes. Particularly, customer orientation was conceptualized as a construct of two dimensions: salesperson's functional customer orientation and salesperson's relational customer orientation. In fact, the importance of salespeople's customer orientation is well documented in the literature. However, few previous studies compared the effects of salesperson functional and relational customer orientation on customer outcomes using two samples, hence, the study seeks to answer two key question: which customer orientation type should organizations use? and what the factors that organizations should consider when selecting a customer orientation type? These questions imply valuable results by which organizations give preference to one type of customer orientation over the another one based on specific conditions. Two hypotheses were suggested to achieve the aim of this study in order to test the impact of salesperson customer orientation (functional and relational) on customer outcomes using two samples from perfume and electric home appliances customers.

The results of the first part of the study in which data was collected from customers of electric home appliance supported the first hypothesis in which salesperson's functional customer orientation was assumed to exert a significant effect on customer outcomes. It should be noted that both functional and relational customer orientations have significant effects on customer outcomes, however, the effect of functional customer orientation was higher than that of the relational customer orientation. In line with

conceptualizations of the functional customer orientation in the literature, this study pointed out that the first independent variable, i.e., salesperson's functional customer orientation is a significant predictor of customer outcomes as measured by customer satisfaction and customer loyalty. Particularly, for customers of search products. Prior works (e.g. Homburg et al., 2011; Bateman & Valentine, 2015; Petrescu, 2021; Leung et al., 2022), agreed that the functional role of salespeople contains helping customers finding out their actual needs, recommending products that match customer needs, providing customers with functional information about the product, suggesting kinds of suitable products that suit the customer best in view of product benefits for customers. Homburg et al. (2011) found a strong effects of salesperson's functional customer orientation on customer loyalty. Petrescu (2021) reported that functional customer orientation is more essential for direct selling products than retailing products. Leung et al. (2022) pointed out similar effects of functional and relational customer orientation on customer satisfaction, which in turn lifts customer repurchase intention and customer word-of-mouth intention.

The results of the second part of the study in which data was collected from customers of perfume retailing supported the second hypothesis in which salesperson's relational customer orientation was assumed to exert a significant effect on customer outcomes. Again, both salesperson's functional and relational behaviors had significant effects on customer outcomes, however, the significant effect of the functional behavior in experience products case was very weak in comparison with the effect of the relational behavior. In agreement with previous works, this study revealed that the second independent variables, i.e. salesperson's relational customer orientation is a significant predictor of customer outcomes. Prior works (e.g. Homburg et al., 2011; Bateman & Valentine, 2015; Petrescu, 2021; Leung et al., 2022) agreed that the relational role of salespeople encompasses establishing a personal relationship with customers, displaying interest in customer personal situation, figuring out the shared common interests with the customer. The results of Homburg et al. (2011) indicated that salesperson's relational customer orientation had a non-significant effect on customer loyalty. Leung et al. (2022) showed that the positive effect of relational customer orientation is higher for experience products.

Considering these results, it was concluded that salespeople behaviors are product-linked and differ based on product type or characteristics. Salespeople who sell search products should be aware that customers have at least the minimum level of the product-related information and should focus on customer needs and the functional benefits of the product, whereas, salespeople of experience products should invest their interpersonal skills to show relational selling behavior.

### **Implications, Limitations, and Future Work Directions**

From a theoretical lens, this study contributes to the marketing literature through highlighting the importance of choosing the right type of customer orientation as a key behavior of salespeople in different companies. Industry type is a crucial determinant of selecting functional or relational customer orientation. This study calls researchers to use mediating or moderating factors in their models when searching for the effects of salesperson's customer orientation on organizational or customer outcomes such as marketing performance, sales performance, customer satisfaction, customer loyalty, and customer commitment, as well as considering industry type. Interpreting these results from an empirical lens indicate that companies are required to build their salespeople training and directions based on their industry type, or product characteristics. In terms of its limitations, this study is limited to its cross-sectional design, self-reported responses and data collection from two industries. Hence, caution is required when interpreting the current results. It should be noted that the current study answered the first research question (which customer orientation type should organizations use?) and determined one factor of those that organizations should consider when selecting a customer orientation type as stated in the second research question (what the factors that organizations should consider when selecting a customer orientation type?). Future works are expected to explore the impact of salespeople functional and relational customer orientation using longitudinal research design gathering data from different industries. Furthermore, future works are recommended to carry out studies on the impact of salespeople customer orientation on company or customer outcomes inserting moderating variables in their models such as industry type, price, nature of products as long-lived products or trendy products, as well as personal characteristics of customers such as

age and income.

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