

The Influence of Buyer-Seller Relationship on Sales Effectiveness: The Case of Ayat Real Estate, Ethiopia

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ABSTRACT

The study examined the influence of buyer-seller relationship on sales effectiveness in Ayat Real Estate. Explanatory research design was applied to examine how strength of ties, information, and solidarity influence sales effectiveness in the real estate sector. Data were collected from a sample of 118 respondents, of which 112 are salespersons and six are sales supervisors. A standard questionnaire has been used to collect data. The collected data were analysed using descriptive, correlation, regression, and inferential statistical tools. The result shows that buyer-seller relationship has a significant positive effect on sales effectiveness. In terms of relative effect of predictors, information has stronger effect (with $\beta = 0.424$), followed by solidarity ($\beta = 0.222$), and personal ties ($\beta = 0.218$). The study recommends that real estate managers should recognise the sales impact of these variables in their strategies and decisions. Future research is highly encouraged to investigate other determinants of sales performance, such as buying habits, culture, and government policy.

Keywords: Buyer Seller Relationship, Sales Effectiveness, Real Estate, Information, Solidarity, Strength of Ties

INTRODUCTION

Relationships between buyers and sellers have existed since humans began trading goods and services. These relationships developed in a natural way over time as the buyers and sellers developed trust and friendship, supported by quality products and services. Today, these relationships have become “strategic”, and the process of relationship development is accelerated as firms strive to create relationships to achieve their goals (Handfield, 2019).

In this challenging environment, the relationship accelerates; there is less time for the participants to care-fully explore the range of long-term relationship development. The expectations of performance have increased, making the development of a satisfactory relationship even more difficult. The notion of relationship in marketing is a broad view of a marketing idea, to take the development of the markets in which the idea of prompt transaction started, to provide a better relational

approach (Jemaa & Tournois, 2014). In order to achieve a relationship marketing approach, salespeople are expected to be involved in better interaction and interdependence with customers. The degree of exposure they get on essential information about customers will help them improve their strategic contribution, as salespeople sharing valuable information about customers with managers enables the latter to respond by having more information sharing and responsibility with the salespeople. As a result, the underpinning point for a high-quality exchange relationship that nurtures bigger cross-participation in the strategy process is laid (Flaherty & Pappas, 2008).

The buyer-seller relationship is a significant factor, which determines a salesperson’s performance, because salespeople often perform a great role in complex marketing services and also play an important role as a relationship manager (Bradford, Brown, Ganesan & Hunter, 2010). The existence of a good relationship becomes strong due to mediation on relations among buyers and sellers, rather

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than their attributes, as well as on the structured patterns of interaction rather than isolated actors (Lam, Kraus & Ahearne, 2010). This concentration can be observed as a change in emphasis from individual factors (e.g. intelligence, motivation, aptitude, skills, and adaptive selling), organisational factors (e.g. corporate culture, leadership style, performance evaluation, and training), and environmental factors (e.g. competition, sales territories, and information communication technology), to the salespeople's social networks (Steward, Walker, Hutt & Kumar, 2010; Claro, Claro & Neto, 2011; Üstüner & Iacobuci, 2012).

Creating long lasting buyer-seller relationships has been considered to be one of the main resources for a business to succeed in a competitive environment (Segoro, 2013; Viikari, 2017), as strong customer relationships are an asset that cannot be easily replicated by a contender. One of the most important concepts in the study of long-term relationships may have a possibility to be influenced by the strength of social ties and the information provided by a salesperson (Wong et al., 2007). In order to effectively manage customer relations through relationship quality, the company first needs to understand the factors influencing sales volume in the real estate industry.

Achieving sales target is challenging in the real estate business because of environmental changes related to political climate, volatile markets, rising mortgage rates, and evolving technology trends. Creating a partnership relationship with customers is a means to withstand these and other challenges.

Prior researchers have incorporated a number of contingent variables to explain why positive relations in the buyer-seller ties and sales performance are weaker or stronger in different contexts. However, a majority of the contingency research has largely focused on work attributes or customer characteristics, such as sales tasks (Üstüner & Iacobucci, 2012), previous transaction value, and customer purchase frequency (Mai et al., 2011). From the perspective of a social network, the buyer-seller relationship is the collection of social bonds between buyers and sellers. In addition, the collection of social bond between buyers and sellers constitutes a network that can be analysed with regard to concreteness and significance. With regard to social networks, the buyer-seller relationship can be analysed from different

angles and provide new explanations for a salesperson's performance. Thus, this study proposes the basis of social capital theory, buyer-seller relations, and the benefits traded in the form of business goodwill. As a result, the benefits that sellers acquire from buyer-seller relationships can be used exclusively to explain how relationship affects sales effectiveness of industries.

The real estate industry has significantly been evolving since the liberalisation of the economy in 1991. The number of real estate companies has been increasing, which further raises the competition. Currently, according to Ezega business directory, there are 101 real estate developers in Ethiopia, which indicates that the industry is becoming competitive. In this competitive environment, each real estate company wants to attract the customers. This can be achieved by having a good relationship with their customers. Considering the competitive nature of the real estate industry, the question that comes to mind is how to develop good relations with customers in order to create a level of confidence that will promote sustainable growth and profitability. The problem is to develop a differential strategy to promote a consistent positive return on investment. It is against the background that all the competitors in the industry are offering very similar products. The question again will be how real estate companies could differentiate themselves from the competition and gain customer attention.

Though buyer-seller relationship is crucial for sales success, no study has been conducted in Ethiopia to the best knowledge of the researcher. As a result, this research aimed to examine the impact of buyer-seller relationship on sales effectiveness by taking Ayat Real Estate as a case. The findings of this study are potentially important to different parties living inside and outside the organisation. Marketers and marketing managers would have a better understanding of seller-buyer relationship importance and get some insight on how "well used" relationship management enhance their sales. The findings would help the company understand the role of a relationship between buyer and seller on sales effectiveness.

Research Questions

- What is the effect of buyer-seller relationship on sales effectiveness in Ayat Real Estate?

- Does the strength of buyer-seller ties have a positive effect on sales effectiveness in Ayat Real Estate?
- Is information provided enhancing sales effectiveness in Ayat Real Estate?
- What are the impacts of maintaining a strong solidarity between two parties on sales effectiveness in Ayat Real Estate?

REVIEW OF RELATED LITERATURE

Theoretical Review

The study cut across four theoretical arguments: social capital theory, social network theory, socio-analytic theory and social reputation, and buyer-seller relationship models. Social capital theory argues that the nature of buyer-seller bond is determined by size, strength, multiplicity, and asymmetry; of these elements, strength of ties is central (Churchill, Ford & Walker, 2000). Social network theory argues that social relationships are important in transmitting information, channeling personal or media influence, and enabling attitudinal or behavioural change. Buyer-seller relationship as a social network fosters communication between the buyer and the seller, as well as brings about a positive attitude towards the company products and services (Kadushin, 2012). Socio-analytic theory argues that identity and reputation defines one's personality. According to this theory, our identity guides our behaviour during social interactions; other people evaluate that behaviour and their combined evaluations create our reputation (Blickle, Fröhlich, Pirner, Diet, Ferris & Hanes, 2011). Salespersons' personality creates favourable social relationships among customers. Finally, the buyer-seller relationship models emphasise that buyers and sellers continue through a relationship if they believe that staying in it will enable them to achieve their objectives better than if they were outside it.

Review of Empirical Studies

Several studies have been conducted to explain the relationship between the buyers and sellers. Some researchers focused on the qualities of relationship and others studied the components of a strong buyer-seller relationship. For example, the key elements of a relationship emanate from examining the literature to

define those variables that have been successful predictors of relationship performance in empirical studies. The buyer-seller relationship is drawn upon channel relationship and strategic alliance research to develop a set of constructs that seem to define the outcome of a relationship.

Most of the empirical studies in this area have proved that there is a positive relationship between information, solidarity, and performance. The studies are typically carried out in a Western context of open market, free competition, and individualistic orientation (Xiao & Tsui, 2007). Similarly, a study by Sanders, Autry and Gligor (2011), on the impact of communication in buyer-seller relationship on maize market performance, indicated that consistent and timely communication, together with trustworthiness of exchange of information are central parameters for effective communication, because they assist in resolving arguments and aligning perceptions and expectations of maize actors. The study showed that communication can be formal as well as informal sharing of meaningful and timely information between parties involved in a partnership. Moreover, effective communication is important for successful collaboration of any relationship (Mohanty & Gahan, 2012).

Muhammad, Malik, Huma and Tahir (2017) investigated the magnitudes of relationship marketing and customer. They indicated that a relationship prompts more fundamental salesmanship abilities in a salesperson, as they have a higher level of learning of customers' needs. Salespersons with notable levels of customer orientation have a long-haul centre, an increased amount of empathy, and the ability to control/direct feelings of both self and customers (Pettijohn, Rozell & Newman, 2010).

Results from Pettijohn, Rozell and Newman's (2010) study demonstrate that customer orientation prompts a more grounded 'feeling regulation' capacity in salespeople. Our discoveries emphatically recommend that a customer-situated salesperson puts in additional effort in understanding and directing the customer's feelings to impact customer inclination in a constructive manner. This makes the salesperson successful in sales transactions and bringing deals to a close through clear customer understanding. Results from our study propose that customer orientation works through salesmanship abilities and 'feeling regulation' to convey sales execution.

This study propels an option point of view on customer orientation by proposing that the relationship between a salesperson's customer orientation and customer satisfaction is best clarified through a meditational system. Late research has additionally scrutinised the significance of customer orientation regarding its impact on results esteemed by chiefs (e.g. Franke & Park, 2009). The finding that a salesperson's behaviour improves salesmanship aptitudes and 'feeling regulation' capacity bolsters the thought that behaviour impacts sales execution by upgrading a salesperson's fit with the requests and estimations of sales work (Edwards, 1996).

A study conducted by Kehinde, Oladel, Adegbuyi, Omotayo, Borishade and Taiye (2016) on the Nigerian banking industry revealed that components of relationship marketing improve the customers' trust. The study also found that the relationship has the strongest impact on customer loyalty, while trust, communication, and conflict handling comes second, third, and fourth, respectively.

Ghazaleh and Haghighi (2009) examined the effect of sales strategies and found that customer-oriented, relational selling strategies and salesperson behaviour have a positive impact on sales performance, and finally, through applying such strategies, managers can meet their goals of satisfying customers and establishing a positive long-term relation with them.

The study by Damperat and Jolibert (2009) shows the need for sellers and buyers to be trained to maintain business relationships, and emphasises certain determinants of buyer interpersonal satisfaction. Proximity is distinguished by three important concepts when related to interactions between buyers and sellers: frequency, solidarity, and cordiality. Sellers should focus on frequency by using their meetings with buyers and other sellers to establish social contacts. Sellers should focus on solidarity when their buyers are running into difficulties in solving their problems. Sellers can use the concept of solidarity to help the buyers during this time. This can be epitomised by the slogan, 'If we don't have it, we will help you find it'. Solidarity is important in relationships because it increases trust between the buyer and the seller, and may increase the chances of reciprocity in the future. For example, high levels of solidarity may be shown by not asking for immediate payment. Solidarity has been shown to have a direct effect on buyer satisfaction. Sellers should

also make sure that buyers perceive their interactions as being enjoyable, satisfying, and friendly. Cordiality is important in buyer-seller relationships because it lessens conflict and leads to a better understanding between both parties (Preston Sneed, 2009).

In addition, according to Li, Fam and Bai (2018), the effect of strength of ties on sales performance is mediated by information and solidarity benefits. From a social capital perspective, (Alghababsheh & Gallear, 2020) relationship can lead to performance improvement and knowledge sharing. Based on this, the following hypotheses and relationships can be posited:

Hypothesis 1: Strength of ties between buyers and sellers has a significant influence on sales effectiveness of Ayat Real Estate.

Hypothesis 2: Information network has a significant influence on sales effectiveness of Ayat Real Estate.

Hypothesis 3: Salesperson solidarity has a significant influence on sales effectiveness of Ayat Real Estate.

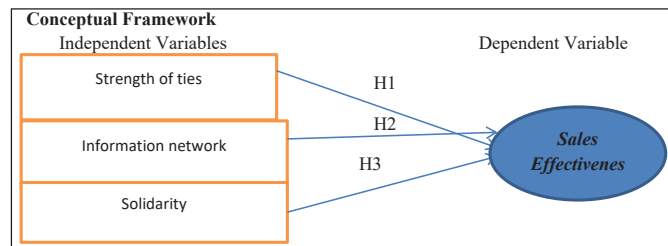


Fig. 1: Conceptual Framework

RESEARCH METHODOLOGY

Research Approaches

Qualitative research is a means of exploring and understanding the meaning individuals or groups ascribe to a social or human problem. The process of research involves emerging questions and procedures, data typically collected in the participants' setting, data analysis inductively building from particular to general themes, and the researcher making interpretations of the meaning of the data. The final written report has a flexible structure. Those who engage in this form of inquiry support a way of looking at research that honours

an inductive style, is focused on individual meaning, and the importance of rendering the complexity of a situation (Cresswell, 2009).

Quantitative research is a means of testing objective theories by examining the relationship among variables. These variables in turn can be measured, typically on instruments, so that numbered data can be analysed using statistical procedures. Like qualitative research, those who engage in this form of inquiry have assumptions about testing theories deductively, building in protections against bias, controlling for alternative explanations, and are able to generalise and replicate the findings. In this study, quantitative research approaches were used. Quantitative research method was deemed necessary to conduct this study through objective data collection procedures.

In this research, both explanatory and descriptive research designs were used. They are employed to obtain information concerning the existing status of the phenomena, to explain what happens with respect to variables in a given situation. Explanatory research design is intended to link ideas in order to recognise the relations of variables in terms of cause and effect relationship (Cooper & Schinder, 2003). On the other hand, descriptive survey design, according to Kothari (2004), is a powerful form of quantitative analysis. This design was preferred because it enables the researcher to describe the area of research and explain the collected data in order to investigate the differences and similarities with our frame of reference within a given period of time (time of research). The study makes use of a descriptive research design so that the study is undertaken in order to establish and describe the characteristics of the variable of interest in a situation. Correlation was undertaken to determine the relationship between the dependent (sales volumes) and independent variables (strength of ties, information, solidarity), addressing the relative influence of the selected variables on sales effectiveness in Ayat Real Estate. Therefore, the analysis of this research will be carried out to measure the influence of buyer-seller relation on sales effectiveness in the real estate industry. The researcher developed, administered, and collected significant data from a questionnaire. Final analysis and presentation are done based on the data collected from the questionnaire.

Data Types and Data Sources

A survey is used as the primary method of data collection. The primary data was gathered from salespersons, supervisors, and marketing managers of the real estate company. It helps to see the behaviour and response of employees. The questionnaire is designed to identify the effect of buyer-seller relationship on sales effectiveness in the real estate industry. According to Malhotra and Birks (2003), this survey approach is the most common method of primary data collection in marketing research; the advantages are simple administration and data consistency. The questionnaire was distributed to the sample respondents by hand.

Target Population

The target respondents for this study are the marketing personnel of Ayat Real Estate Share Company. As of February 2020, the total number of people in the marketing department of the company is was 118, of which 112 are salespersons and six are managers. Since the number is manageable, all people in the department were involved in the study.

Data Gathering Instruments

Measures of independent variables (information, solidarity, and personal ties) and the dependent variable (sales effectiveness) were taken from the extant literature. Items to measure strength of ties were taken from Hansen (1999), Burt (1992), Stanko, Bonner and Calantone (2007); information from Mathwicketal (2008); solidarity from Price and Arnould (1999); and sales effectiveness from Ingrametal (1991). After compiling the measurement items, the draft questionnaire was given to the relevant academics to check the content validity.

The questionnaire was self-administered to the target departments. The questionnaire contained close-ended questions presented on a Likert-type scale. The Likert-type scale is commonly used in business researches. It allows participants to provide their perceptions and opinions, both in terms of direction (positive or negative) and intensity (degree of agreement or disagreement). The

rating was on a scale of 5 (highest or most important) to 1 (lowest or least important). In order to satisfy all the three objectives of the study, a listing of the various possible generic strategy practices were provided and the respondents were asked to tick, where appropriate, the extent to which they have adopted each of the strategies along a five-point scale. Questionnaires are a suitable method in a survey study since they avoid subjectivity due to absence of interviewers' influence. In addition, they allow respondents sufficient time on items requiring consultation before response (Kothari, 2004).

Data Analysis Techniques

Data collected from the questionnaires were rearranged in some order. The researcher used SPSS program version 20 as a statistical tool to measure the sample population. Data was analysed to summarise and relate variables, which was attained from the administered questionnaires. Mainly, measures of central tendency (mean) and measures of dispersion (standard deviation) were used for descriptive statistics. The Pearson correlation (r) was used to see the correlation between the three dimensions and overall sales effectiveness. Linear regression analysis models will be applied to test the hypothesis illustrated in the conceptual framework. Linear regression model will also be used for inferential analysis.

Validity and Reliability

Miller (2009) defines reliability as the extent to which a questionnaire, test, observation, or any measurement procedure produces the same results on repeated trials. In short, it is the stability or consistency of scores over time or across raters. Reliability of the questionnaire will be tested by pre-testing the questionnaire with a selected sample. Pre-testing will enhance the clarity of the questionnaire. A pilot study will be conducted to find the instruments' reliability and the procedures of administration. Reliability co-efficient will be obtained by correlating the scores of odd-numbered statements with the scores of the even-numbered statements in the questionnaire. The study applied test-retest approach to ascertain the coefficient of internal consistency or

reliability. The instrument will be administered twice to the same group of subjects at an interval of two weeks. The scores of the first and the second will be correlated using Pearson product moment correlation coefficient formula. According to Kothari (2004), a coefficient estimates for Cronbach Alpha with a significance level of $p \leq 0.05$ is acceptable.

Validity refers to how well a test measures what it is purported to measure. Validity is the accuracy and meaningfulness of inferences based on the research results. It is the degree to which results obtained from analysis of the data actually represent the phenomenon under study. It is the correctness and reasonability of the data. It refers to getting results that accurately reflect the concept being measured. Construct validity was checked by taking opinions of experts and supervisors. In general, the authors exercise care in matching assessment measure to the goals and objectives.

Ethical Consideration

The study pays due attention to ethical issues by clearly stating the purpose of the study, keeping the right of privacy of the participant responses, and using the information collected just for academic purposes of the research study. In order to keep the confidentiality of the data given by the respondents, the respondents are not required to write their name and are assured the anonymity of their response. The researchers reveal a letter of introduction and research permits to respondents so as to eliminate any form of doubt on the credibility and reliability of the information gathered for the research study purposes. Furthermore, the researchers tried to avoid using misleading or deceptive statements in the questionnaire. Lastly, the questionnaires were handed out, only after the consent of the respondents.

RESULTS AND DISCUSSION

Socio-Demographic Profile of Respondents

Table 1 presents the socio-demographic profile of respondents.

Table 1: Socio-Demographic Profile of the Study Respondents

<i>Variables (N = 384)</i>		<i>Frequency</i>	<i>Percent (%)</i>
Sex	Male	40	48.8
	Female	42	51.2
Total		82	100
Age	20-30	74	90.2
	31-40	7	8.5
	41-50	1	1.3
Total		82	100
Position	Marketing manager	1	1.2
	Salesperson	76	92.7
	Supervisor	5	6.1
Total		82	100
Work Experience	<1year	24	29.3
	1-3years	44	53.7
	4-5years	12	14.6
	>5 years	2	2.4
Total		82	100

Source: Authors' Computation.

A total of 82 participants were involved in the study. Of this, male and female respondents, 48.8% and 51.2%, respectively, were represented in almost equal proportions. A majority of the participants (90.2%) were in the age range of 20-30 years, whereas the remaining minorities, 8.5% and 1.2%, were in the age group of 31-40 and 41-50 years, respectively. Regarding educational level of participants, all participants have a college/university degree.

As far as the position of participants in which they are currently working in their organisation is concerned, a majority of the participants, 92.7%, were working as salespersons; 7.3% of them have a managerial position. Finally, concerning work experience of participants in the current organisation, a relative majority of the participants, 53.7%, have work experience of 1-3 years; 29.3% of participants have less than one year. The minorities, 14.6% and 2.4%, have a work experience of 4-5 years and more than five years, respectively.

Descriptive Statistics of Variables

Table 2 presents the descriptive statistics of the independent and dependent variables.

Table 2: Descriptive Statistics of Independent and Dependent Variables

<i>Variables</i>	<i>No.</i>	<i>Mean</i>	<i>SD</i>
Strength of Ties	82	3.768	0.997
Information	82	2.959	1.199
Solidarity	82	3.321	1.074
Sales Effectiveness	82	3.202	1.002

Source: Authors' Computation.

The interpretations of descriptive results vary among different research reports. In a five-point scale, results are interpreted as very low: 1–1.80; low: 1.80–2.60; moderate: 2.60–3.40; high: 3.40–4.20; and very high: 4.20–5.00. Accordingly, strength of ties between the customer and the company is high, with a mean value of 3.77 and standard deviation of 0.99; solidarity is moderate, with a mean value of 3.32 and standard deviation of 1.07; and information sharing is also moderate, with a mean value of 2.96 and standard deviation of 1.11.

Inferential Statistics and Relationship Testing

Tests of Statistical Assumptions

Reliability Test of Overall Sales Effectiveness Determinants

The reliability test is an important instrument to measure the degree of consistency of an attribute, which is supposed to be measured. As stated by Mahon and Yarcheski (2002), the less variation the instruments produce in repeated measurements of an attribute, the higher its reliability. Questionnaires were tested on potential respondents to make the data collecting instruments objective, relevant, suitable to the problem, and reliable, as recommended by John Adams et al. (2007). The normal range of Cronbach's coefficient alpha value ranges between 0-1; the higher values reflect a higher degree of internal consistency. Different authors accept different values of this test in order to achieve internal reliability. However, the most commonly good value is around 0.8, as it should be equal to or higher than this to reach internal reliability (Hair et al., 2003).

Table 3: Reliability Statistics

<i>Cronbach's Alpha</i>	<i>No. of Items</i>
0.872	16

Source: Authors' Computation.

Reliability Test of Variables

The Cronbach's coefficient alpha was calculated for each field of the questionnaire. Table 3 shows the values of Cronbach's alpha for each field of the questionnaire, and the entire questionnaire. For the fields, values of Cronbach's alpha ranged from 0.824 to 0.854. This range is considered high, as the result ensures the reliability of each field of the questionnaire. Cronbach's alpha equals 0.872 for the overall questionnaire, which indicates very good reliability of the entire questionnaire. Therefore, based on the test, the results for the items are reliable and acceptable.

Table 4: Reliability Test of Overall Variables

Variables	Cronbach's Alpha Coefficient	No. of Items
Strength of ties	0.854	4
Information network	0.824	3
Solidarity	0.824	3
Sales effectiveness	0.843	6
Total Variables	0.872	16

Source: Authors' Computation.

Normality Test

These assumptions can be checked by inspecting the Normal Probability Plot (P-P) of the Regression Standardised Residual and the Scatter plot, shown as part of the analysis. If points lie in a reasonably straight diagonal line from bottom left to top right in the Normal P-P plot, no major deviation from normality can be suggested. In the present study, we can easily inspect from the Normal P-P plot that points line in a reasonably straight diagonal line from bottom left to top right for all dependent variables (see Fig. 2). This suggests that the assumption of normality was not violated.

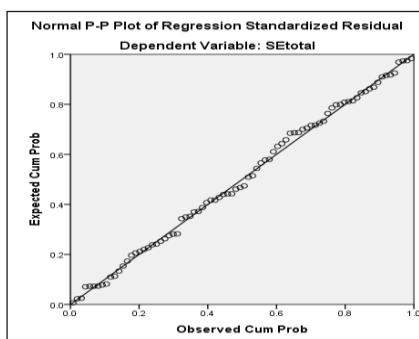


Fig. 2: Normal P-P Plot

Multicollinearity Test

As shown in Table 5, the variables (STT, INFO, and SOLID) have shown a significant relationship with each other, which was not too high (a correlation coefficient not more than 0.80). Tolerance is an indicator of how much of the variability of the specified independent variable is not explained by the other independent variables in the model, and is calculated using the formula $1 - R^2$ for each variable. If this value is small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multicollinearity. In the present study, the tolerance value for each independent variable was not less than 0.10. Therefore, this suggests that the assumption of multicollinearity was not violated (see Table 5). The other value given is the VIF (variance inflation factor), which is just the inverse of the tolerance value. VIF values above ten would indicate multicollinearity. Again, in the present study, the VIF value was less than 10 for all independent variables (see Table 5). This also indicates that the assumption of multicollinearity was not violated.

Table 5: Collinearity Statistics Test of STT, INFO, and SOLID

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	STT	.551	1.814
	INFO	.466	2.144
	SOLID	.390	2.563

Source: Authors' Computation.

Correlation Matrix

According to Reimann, Filzmoser, Garrett and Dutter (2008), correlation analysis estimates the extent of the relationship between any pair of variables. The correlation coefficient is a measure of this relationship and depends on the variability of each of the two variables. Because of covariance, correlation coefficient can take a number with + or - sign (Reimann et al., 2008). One of the widely-used methods to calculate a correlation coefficient is the Pearson product moment correlation. This method results in a number between -1 and +1 that expresses how closely the two variables are related; ± 1 shows

a perfect 1:1 relationship (positive or negative) and 0 indicates that no systematic relationship exists between the two variables (Reimann et al., 2008). In relation to the magnitude of correlation coefficient, Cohen (1988) stated that a correlation coefficient between 0.10 and 0.29 can be considered as small or weak; between 0.30 and 0.49 medium; and between 0.50 and 1.00 large or strong.

Table 6: Correlation Statistics of STT, INFO, SOLID, and SE

<i>Variables</i>	<i>SE</i>	<i>STT</i>	<i>INFO</i>	<i>SOLID</i>
SE	1	.603**	.706**	.670**
STT		1	.565**	.656**
INFO			1	.720**
SOLID				1

Source: Authors' Computation.

Table 6 shows correlation between STT, INFO, SOLID, and SE. Accordingly, as indicated in Table 6, there was a statistically significant positive correlation between SE and STT, SE and INFO, and SE and SOLID. There was a weak positive correlation between SE and STT; $r = 0.603$, $p < 0.01$. There was a moderate positive correlation between SE and INFO; $r = 0.706$, $p < 0.01$. Similarly, the correlation between SE and SOLID was also positive and moderate; $r = 0.670$, $p < 0.01$. This implies that as one variable increases, the other variable also increases, and vice-versa. For example as strength of ties increases, sales effectiveness also increases, and vice-versa.

Table 6 also shows correlation among independent variables. There were statistically positive correlations among independent variables. The strongest statistically significant correlation was between INFO and SOLID; $r = 0.720$, $p < 0.01$. The second strong statistically significant correlation between independent variables was between STT and SOLID; $r = 0.656$, $p < 0.01$. The third strong statistically significant correlation was between STT and INFO; $r = 0.565$, $p < 0.01$.

Correlation R and R²

As shown in Table 7, the value of R square was 0.579. This value tells how much of the variance in the dependent variable SE is explained by the model (STT, INFO, and SOLID). When we multiply R square value with 100, we can find that the model explains 57.9% of the variance in the dependent variable (SE), and the remaining 42.1 per cent of the variance in sales effectiveness may be explained by other factors that are not included in this study.

Table 7: Model Summary

<i>Model</i>	<i>R</i>	<i>R²</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>
1	.761 ^a	.579	.563	2.82064

a. Predictors: (Constant), SOLID, STT, INFO.

b. Dependent Variable: SE.

Source: Authors' Computation.

The purpose of goodness-of-fit of the model is to check how the independent variables reliably predict the dependent variable. The p-value is compared to alpha level (typically 0.05) and, if smaller, we can conclude that the independent variables reliably predict the dependent variable.

Table 8: One Way ANOVA Analysis

<i>Model</i>		<i>Sum of Squares</i>	<i>df</i>	<i>Mean Square</i>	<i>F</i>	<i>Sig.</i>
1	Regression	852.957	3	284.319	35.736	.000 ^b
	Residual	620.567	78	7.956		
	Total	1473.524	81			

a. Predictors: (Constant), SOLID, STT, INFO.

b. Brand Variable: SE.

Source: Authors' Computation.

Table 9 shows the goodness-of-fit results of linear multiple regression, with SE as the dependent or criterion

variable, and variables such as STT, INFO, and SOLID as predictors. The model indicates a statistically significant relationship between criterion variable (SE) and predictor variables (STT, INFO, and SOLID), $F(3, 78) = 35.73$, $p < 0.001$. In other words, the model was significant.

Table 9: Linear Multiple Regression Results

Model		Unstandardised Coefficients		Standardised Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	5.936	1.525		3.894	.000
	STT	.291	.132	.218	2.201	.031
	INFO	.584	.148	.424	3.938	.000
	SOLID	.337	.179	.222	1.883	.049

a. Dependent Variable: Sales effectiveness.
Source: Authors' Computation.

In Table 9, the beta value for predictor variable, INFO, was 0.424, which implies that this predictor variable made the first strong positive and statistically significant influence in explaining or predicting the dependent variable (SE), when the variance explained by all other variables in the model are controlled. Predictor variable SOLID made the second strong statistically significant positive influence on SE, with a beta value of 0.222. Predictor variable STT also made a strong statistically significant positive influence on SE, with a beta value of 0.218.

HYPOTHESES TESTING

H1: Strength of ties between buyers and sellers has a significant influence on sales effectiveness of Ayat Real Estate.

The result of multiple regression analysis in Table 9 clearly indicates that in Ayat Real Estate strength of ties has a significant influence on sales effectiveness ($p < 0.05$). Besides, the value of beta ($\beta = 0.218$) demonstrates a positive influence of strength of ties on sales effectiveness. Thus, the above proposed hypothesis is accepted. The result is supported by the studies of Yu Che et al. (2018), who found that strength of ties has a significant impact on sales effectiveness in the insurance industry. Therefore, the alternative hypothesis is accepted.

H2: Information network has a significant effect on sales performance of Ayat Real Estate.

The result of multiple regression analysis in Table 9 clearly indicates that in Ayat Real Estate information network has a significant influence on sales effectiveness ($p < 0.05$). Besides, the value of beta ($\beta = 0.424$) demonstrates a positive influence of information network on sales effectiveness. Thus, the above proposed hypothesis is accepted. The result is supported by the studies of Yu Che et al. (2018), who found that information network has a significant impact on sales effectiveness in the insurance industry. Therefore, the alternative hypothesis is accepted.

H3: Salesperson solidarity has a significant effect on sales performance of Ayat Real Estate.

The result of multiple regression analysis in Table 9 clearly indicates that in Ayat Real Estate solidarity has a significant influence on sales effectiveness ($p < 0.05$). Besides, the value of beta ($\beta = 0.222$) demonstrates a positive influence of solidarity on sales effectiveness. Thus, the above proposed hypothesis is accepted. The result is supported by the studies of Yu Che et al. (2018), who found that solidarity has a significant impact on sales effectiveness in the insurance industry. Therefore, the alternative hypothesis is accepted.

MANAGERIAL IMPLICATIONS AND FUTURE RESEARCH

The study confirmed that sales effectiveness in the real estate industry is influenced by strength of ties, information sharing, and solidarity. In this regard, the practice of Ayat Real Estate Share Company was rated as moderate in solidarity and information sharing, and high in strength of ties. The results indicate that managers in the real estate industry should work more on these dimensions by recognising them in their strategies and actions.

The study is not exhaustive in terms of addressing all pertinent determinants of sales effectiveness. The study emphasised internal matters, particularly the practices of salespeople and managers. It is not even exhaustive in addressing such internal matters as aptitude, skill level, motivation, and personal factors. Externally, sales effectiveness is influenced by culture, government policy, and technological changes. Future research should

expand the conceptual boundary to the unaddressed variables in the context of a Least Developed Economy, such as Ethiopia. In addition to expanding the conceptual scope, it is highly recommended to apply a mixed method study to deeply explain the situations in the context of the Ethiopian business environment.

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