A SHORT-FORM MEASURE FOR ASSESSMENT OF EMOTIONAL INTELLIGENCE INMARKETING EXCHANGES

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Abstract

Emotional intelligence (EI) is being recognized as a correlate of success in various domains of personal and professional life. The aim of this study is to generate and evaluate a shortened Iranian version of the Emotional Skills based on bar-on instrument for salespeople in Iran.This research examines how sales professionals use emotions in marketing exchanges to facilitate positive outcomes for their firms, themselves, and their customers.The authors conduct this study to examine the impact of emotional intelligence (EI) in marketing exchanges on key marketing exchange variables:Customer orientation and manifest influence and adaptive selling.Finally, results indicate a positive relationship between EIME and key marketing exchange variables.

Keywords: Emotional intelligence, Marketing exchanges, Salespeople

Introduction and literature review:

Ever since the term "emotional intelligence" (EI) was first introduced by Peter Salovey and John Mayer in 1990, it has been developed, adapted, modified, and embraced by both practitioners and scholars. Shortly thereafter, EIwas the cover topic of an issue of Time magazine (Gibbs, 1995), where it was claimed that "Emotional Intelligence may be the best predictor of success in life, redefining what it means to be smart." The publication of Goldman's influential books, Emotional Intelligence (1995) and Working with Emotional Intelligence (1998), has extended the EI concept to the business world and made it widely popular. This popularity has led researchers to examine its applicability to various aspects of

human functioning, particularly in the fields of psychology, education, sociology, and management. Numerous studies have identified emotional abilities as being strongly associated with success in academic achievement, general life experiences, and a wide range of factors related to people's jobs. These factors include physical and mental health (Dulewicz, Higgs, &Slaski, 2003; Tsaousis& Nikolaou, 2005), work attitude (Carmeli, 2003), resistance to stress (Bar-On, Brown, Kirkcaldy, & Thorne, 2000; Cha, Cichy, & Kim, 2009; Ciarrochi, Deane, & Anderson, 2002; Mikolajczak, Luminet, &Menil, 2006; Salovey, Stroud, Woolery, &Epel, 2002), interpersonal relations (Schutte et al., 2001), employees' creativity (Zhou & George, 2003). EI can be considered as a predictor of success because it reflects how individuals apply knowledge to immediate situations. In a way, to measure EI is to measure one's ability to get along in the world(Bar-On, 1997).

An area neglected by marketers, but at the heart of the discipline, is the role of emotions in marketing exchanges and relationships (Bagozzi, Gopinath, and Nyer 1999). Emotions constitute powerful psychological forces that can strongly influence sales professionals' behavior and performance (Brown, Cron, and Slocum 1997), yet our understanding of how emotions are interpreted and employed in marketing exchanges remains surprisingly limited (Bagozzi, Gopinath, and Nyer 1999). Several studies have examined specific emotions in marketing encounters such as fear and anxiety (Verbeke and Bagozzi 2000), cheerfulness and excitement (Chitturi, Raghunathan, and Mahajan 2008), gratitude (Palmatier et al. 2009), anger and frustration (Wagner, Hennig-Thurau, and Rudolph 2009), and shame and guilt (Agrawal and Duhachek 2010), however, research has not addressed salespeople's abilities to recognize andrespond to their own and their customers' emotions and have not considered how these abilities impact important marketing exchange variables. We refer to marketers' ability to use emotions to facilitate interactions with customers as emotional intelligence in marketing exchanges.

Emotional intelligence (EI) is the ability to acquire and apply knowledge from one'semotions, and from the emotions of others, to produce beneficial outcomes. The marketingliterature has largely ignored this ability-based conceptualization of EI despite its potential tobenefit individuals who have EI and also those they interact with, such as customers, in exchangerelationships. For instance, recent research has suggested that a seller's greater emotionrecognition during negotiations with a buyer can increase payoffs for sellers and buyers (Elfenbeinet al. 2007). By increasing joint value, sales professionals create

greater outcome satisfaction forbuyers and increase the likelihood of future business (Martin et al. 2008; Mueller and Curhan2006). Additionally, research in a service setting suggests that employees' displays of emotion canimpact customers' affective states and satisfaction (Hennig-Thurau et al. 2006). Thus, EI has the potential to improve current sales performance and to enhance long-term customer relationships.

Marketing exchange variables

Kidwell 2011 consideredtwo variables as marketing exchanges including customer orientation, manifest influence and this current study we add adaptive selling as third variable.

Customer orientation: Customer orientation requiressales professionals to "engage in behaviors that increasecustomer satisfaction and avoid behaviors leading to customer dissatisfaction" (Dunlap, Dotson, and Chambers1988, kidwell 2011). Salespeople with high EI are likely to exhibitbehaviors consistent with customer orientation because theyeffectively perceive, use, understand, and manage emotionsin marketing exchanges.High-EI sales professionals arelikely to assess customers' needs better, offer products thatwill satisfy them, describe products and services moreeffectively relative to the customer's current emotionalstate, and avoid high-pressure selling, which can result frompoor social skills (Thomas, Soutar, and Ryan 2001,kidwell 2011).Ramani and Kumar (2008) suggest that a customer orientationreflects ability to use information obtained throughsuccessive interactions to achieve profitable customer relationships.To measure customer orientation we used Periatt, LeMay, and Chakrabarty's (2004) scale.

Manifest influence:Manifest influence refers to changes in customers' decisions and behaviors because of sales professionals' participation (Kohli and Zaltman 1988). Salespeople with greater manifest influence are likely to be superior performers (McFarland, Challagalla, and Shervani 2006).we expect high EIME to be more positively related tomanifest influence.Without EI, interpersonal skills suffer, and attempts to influence may seem divisive and pushy.Manifest influence. We adapted Kohli and Zaltman's (1988) scale.

Adaptive selling:The practice of adaptive selling is defined as the altering of sales behaviors during a customer interaction or across customer interactions based on perceived information about the nature of the selling situation" (Weitz, Sujan, and Sujan 1986). Salespeople exhibit

a high level of adaptive selling when they use different sales presentations across sales encounters and when they make adjustments during the encounters. In contrast, a low level of adaptive selling is indicated by the use of the same sales presentation in and during all sales encounters (Spiro and Weitz 1990).we adapted Spiro and Weitz (1990) scale as third variable in marketing exchanges.

3. Research Objective:

The primary objective of this research is to develop a specified domain of EI in context of marketing exchange. Unfortunately, there is issues have hindered the development of this stream of inquiry. prior research has generally utilized a domain-general assessment of EI (e.g., MSCEIT; Mayer et al. 2003). Results based on these assessments have offered mixed support for job-related outcomes (e.g., Zeidner, Matthews, and Roberts 2004), which may occur because individuals have high EI in some contexts (e.g., marriage or music), but not in others (e.g., selling). Thus, a general assessment of EI may adequately address broad domains, yet do poorly when predicting performance in specific contexts (Bearden, Hardesty, and Rose 2001).

The second objective of this research is to develop an abbreviated version of the EI enables it to reveal assessments in a simple, timely, and effective way for EI-related research, and this should facilitate more widespread use of the instrument. The utility of the current version is diminished somewhat by its length, because the questionnaire usually takes 30-40 min to complete. It can be cumbersome to administer and time-consuming to score, resulting in limited research application. According to Hinkin (1995), scales that are shorter in length reduce the likelihood of bias caused by respondent fatigue and carelessness. Moreover, scales with fewer items provide respondents with easier access to answers to previous scales, which leads to increased consistency of responses (Harrison, Mclaughlin, &Coalter, 1996; Podsakoff, MacKenzie, Lee, &Podsakoff, 2003). Min (2010), investigating salespeople' EI in relation to demographic characteristics, suggests that future researchers modify it into a shorter version because it is lengthy to administer.

4-Methodology and Data Collection

This study examinesrelationship between EIME with three important marketing exchange variables: customer orientation, manifest influence and adaptive selling.We predict the direct effects of EI on marketing exchange variables to develop our hypotheses, Figure 1 shows our conceptual model.

FIGURE 1

Theoretical Model of EI in Marketing Exchanges
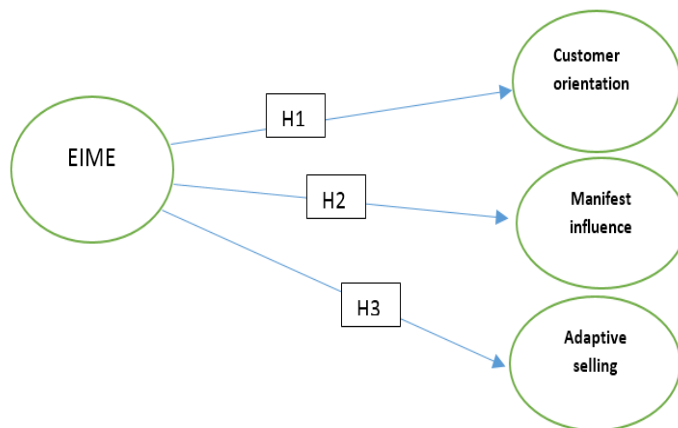
4.1. Data Collection and Sample

This research is an applicable research and the way of doing it is descriptive & its design is structural equation modeling kind, because its aim is to design a model for emotional intelligence in marketing exchange.

The data collection was accomplished through a survey among agents who were working for some insurance companies as well as real estates. The study is intended to cover the geographical area of Mashhad, Iran. The participants were randomly sampled across various departments of the associations. The stratified sampling technique used for data collection in two specified sectors: insurance and real estate agents. Thus, the design of study is cross sectional. Out of 400 questionnaires were distributed, only 330 usable responses were received.

4.2 Methodology

We develop a brief version of EI in marketing exchange in two stages. The first stage was to create EIME, and the second stage was to examine the reliability and validity of the shortened

version. In the first stage, items were eliminated from the original questionnaire in order to develop the brief version. To eliminate some items of original version of Bar- on (EQ-i) we conduct an expert panelto adopt emotional situations with marketing exchange situations.SPSS 20 employed for exploratory factor analysis (EFA)in order to identify correct items. In the second stage, confirmatory factor analysis (CFA) was performed with LISREL 8.8 to verify the factor structures and then of the revised version.

5. Analysis and Results

Structural equation modeling(SEM) was employed to examine the hypothesized relationships in the proposed model.The measurement model was first examined to validate the research constructs. To assess the overallfit of the model, Chi-Squared statistic, root mean square error of approximation (RMSEA), thenon-normed fit index (NNFI), and comparative fit index (CFI) were employed (Hu &Bentler, 1998,1999). Generally, RMSEA value at or below 0.08 demonstrates good fit (Brown &Cudeck, 1989).NNFI and CFI values of at least 0.90 indicate an acceptable level of good fit. The measurementmodel of this study demonstrated overall a high degree of good fit to the data, $\chi2=245.66$, RMSEA=0.078, NNFI=0.91, and CFI=0.95.
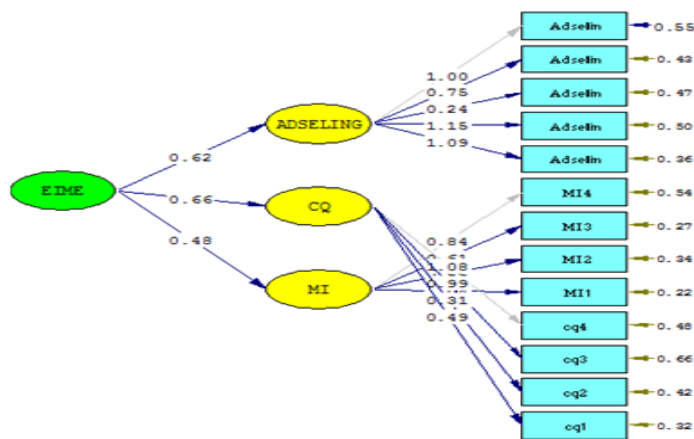

Figure-2Assessment the Impact of EIME on Marketing Exchange variables In terms of the standard coefficients

Table 1

Results of the Proposed Model

Hypothesized	Standard Path Coefficient	T-Value	Hypotheses Testing
H1: EIME customer orientation	0.48	11.22	Supported
H2: EIME Manifest Influence	0.66	7.99	Supported
H2: EIME Adaptive selling	0.62	10.52	Supported

Hypothesis-testing resultsare summarized in Table 1. H1 predicted that salespeople's EIME would positively influence his/hercustomer orientation. In the model, this prediction received full support (t=11:22; p<0:001); thus, H1 is supported. Next, H2 predicted that EIME had a positive influence on manifest influence.As we can observe from the results of Table 1, this prediction also received statistical support(t=7:99; p<0:001); hence, H2 is supported.Similarly, H3 posited that EIME has a positive effect on adaptive selling. In the model, this prediction received full support (t = 10:52; p<0:001); therefore, H3 issupported.

6. Conclusion

This study examined the effect of EIME on customer orientation, manifest influence and adaptive selling.In addition, this study found that EIME had significant impact on the marketing variable exchanges in Salespeople's in Iran. The results of the current study demonstrated that EIME of salespeoplehelps to understand customers effectively while using and controlling emotions would induce voluntary and positivebehaviors. In particularthis research provides evidence that high-EIME sales professionalsinfluence salesrevenue and retain more customers, a finding that haspotential implications for maintaining customer relationships over time.High-EIME salespeople are more likely to perceivehow the customer feels in various situations, knowwhich emotions are useful in various settings, understandhow basic emotions might evolve given a customers' currentemotional state, and manage

emotions to reduce frustrationand anxiety or elevate moods through positive emotion.Thus, EIME can be important to effective customerrelationship management and can substantially affect thefirm's bottom line. In contrast,this suggests that without EIME, sales professionalstrying to use a customer orientation may not recognizewhich emotions will reduce tension, fail to understandhow negative emotions will lead to anger and frustration,and be unable to manage customers' emotions by helpingthem relax.

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