CHALLENGES OF DIGITAL COMMUNICATIONS IN MODERN BUSINESS DEVELOPMENT

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Abstract

This study investigates the impact of digital communication on business development, focusing on challenges faced by high-ranking business development managers. Through in-depth interviews with eight senior sales professionals from various industries, five key themes emerged: (1) preference for audio(visual) communication, (2) difficulty retaining attention in digital mediums, (3) importance of establishing rapport with clients, (4) hesitancy to share sensitive information online, and (5) value of experiential information from in-person meetings. The main findings are that business development managers, on the one hand, prioritise secure communication platforms and avoid recorded conversations to safeguard sensitive information, and on the other hand, they place great value on the details observed in clients' workplaces during in-person meetings, which contributes to their successful communication. By closely observing the office environment, workplace dynamics, and client interactions, valuable insights are gleaned, which prove difficult to attain through digital channels. However, given that this is a qualitative study conducted on a limited sample size, additional research is required to generalize the previous statements.

Key words: business development, digital communication, b2b, sales, communication

JEL Code: M15, O32, O33

Introduction

As Covid-19 swept across the globe and took centre-stage, business development managers were forced to switch from face-to-face communication to an online environment for two years across 2020 and 2021. Real-life meetings were quickly exchanged for virtual meetings. Computers, Tablets and Smartphones became the primary means of communication with clients, and computer-mediated communication took on a whole new dimension during Covid-19. During the pandemic, many people who used to perform their jobs almost exclusively in face-to-face communication environments were suddenly forced to switch to online platforms.

When it comes to sales, we have all probably heard the phrase "people buy people", which has been around for decades. In fact, 'liking someone' plays a crucial role in influencing the development of trust and the closing of a business deal — even more so than other aspects such as shared interests, shared outlook, or demographics. (Nicholson et al., 2001). The idea of "people buy people" brings us to the similarly well-known concept of relationship selling, which is a technique based on using relationships with clients rather than focusing on the product or service properties to close the sales. In other words, behind every business, there are people, and people function in society via relationships. Therefore, a successful business is built on good relationships. (Hovsepian, 2018) However, as mentioned previously, the pandemic dramatically limited the communication channels available to business development managers for their work, whether for the purpose of maintaining client relationships or new client acquisition.

In our study, we have focused on a particular group of business people responsible for handling high-level businesses. One commonality here is that these deals are very often closed almost solely based on the relationship between the BDM and the client, and rarely is the deal based purely on competitive pricing or on the exceptional properties of the product or service. In a sense, the pandemic and subsequent limits imposed on between-person communication could be considered a huge social experiment. The rather extreme experience of doing business in those times of limited options to establish and nurture business relationships in a traditional way can give us an insight into a growing trend of remote work and the digitalisation of communication.

The **question** is simple: how does digital communication affect the business development process? What are the challenges business development managers face when they opt for digital communication instead of face-to-face meetings?

1   Theoretical background

Communication & Business

Research on ways how to build and maintain key business relationships is extensive, and, unsurprisingly, human communication is often pointed out as a key factor for doing

successful business. Such ideas appear regularly also in articles from various non-academic yet well-established business magazines such as Forbes or Entrepreneur. Simply put, business success is significantly impacted, for better or worse, by how we communicate. (Anderson, 2013)

Salespeople, probably more so than any other profession, are aware that successful communication with both current and prospective clients is paramount. Good communication is crucial for building any bonds in our lives. Be it intimate relationships, family relationships, friendships, acquaintances, work relationships, or business relationships. (Fernández-Monroy et al. 2018; Payne et al., 2018) Although numerous studies were published on communication and business development, the vast majority focus on communication, and not so often business development, on the organisational level. The topic of relationship-based business in a person-to-person level is rather under-researched.

Communication & Digital Technologies

When it comes to digital communication - sometimes called computer-mediated communication - the basic criteria can split the type of communication into two categories. *Transmission-oriented media* and *processing-oriented media*. Those are two distinct approaches to communication, each with its own characteristics and implications in the realm of business communication. *Transmission-oriented media* primarily focus on efficiently transferring information from one point to another. These media channels emphasise the speed, accuracy, and reliability of message delivery. Examples of transmission-oriented media include traditional forms such as letters, faxes, and telegrams, as well as modern electronic mediums like emails, instant messaging, and text messages. In the context of business communication, transmission-oriented media enable quick dissemination of information, facilitating rapid decision-making and allowing for efficient coordination among team members or across organisational hierarchies. On the other hand, *processing-oriented media* emphasise the interactive and collaborative aspects of communication. These media channels prioritise engagement, interpretation, and negotiation of meaning. They provide platforms for in-depth discussions, brainstorming sessions, and knowledge sharing. Processing-oriented media include video conferences, audio conferences, and collaborative online platforms such as video calls, online forums, and project management tools.

Regarding the difference between digital and physical interactions, research results have been largely inconclusive with regard to the effects of person–situation interactions. (Kroencke et al., 2023). Quality of digital communication has undisputebly improved over the years, especially since 2019. Nonetheless, research suggests that barriers still remain, even with teleconferencing. (Stead & Vinson, 2019).

Communication & Covid-19 Era

The covid-19 pandemic reduced opportunities to spend time together in person and brought new challenges to remain socially connected. As in-person interactions were limited to a minimum, people, in general, started increasingly connecting through video chat apps and services for communication for the first time. And as Nguyen points out, given the major impact the coronavirus pandemic has had on people's increase in digital communication behaviours worldwide, digital media researchers should consider how the pandemic may shape our discipline and research questions in the future. (Nguyen et al., 2020)

2 Methods

2.1 Data collection

All data we collected originate from in-depth semi-structured interviews which took place between November 2021 to January 2022. We did preliminary pilot interviews with four randomly chosen people working in lower-ranking sales positions, usually Account Managers and Account Executives. During pilot interviews, we focused on respondents' ability to comprehend the questions and on the overall depth of their comprehension. However, we also encouraged respondents in our pilot interviews to suggest if there are any important ideas to consider when focusing on relationship-based business in an exclusively online communication environment.

During interview script preparation as well as while conducting the interviews, we followed Problem-Centred Interview (PCI) guidelines suggested by Witzel and Reiter (Witzel & Reiter, 2012) We see the uniqueness of PCI in the fact that it represents a "discursive-dialogic method of reconstructing knowledge about relevant problems" (Witzel & Reiter, 2012, p.4) This way the conduction of the interviews offers a compromise between a guided and an unstructured interview technique (Scheibelhofer, 2008) and thereby enables the researcher to combine inductive and deductive elements.

2.2   Interview protocols

In an effort to establish a rapport with the participants, we carried out all the interviews in a face-to-face manner. We met participants in a neutral environment outside their workplace on a prearranged, mutually agreed day. The central questions were „how did you communicate with clients over the past two years?" and „how did you perform your business development activities over that time?". The overall structure of the interview script focused on three main areas, namely: job attitude – what do they like and dislike about their jobs, affective events – what do they have to face when communicating with clients and how do they deal with it, and comparative part – what are their personal experiences with various forms of CMC with focus on text form, audio form and audio-visual form.

2.3   Participants

The goal of the study is to explore how did salespeople responsible for strategic business deals developed their business over the time of the pandemic, and that very much defined participant selection. Firstly, to ensure information-rich interviews, we used a purposeful sampling strategy. We recruited and interviewed eight people who work in various business development management positions, under various titles such as Business Development Lead, Associate Director, Sales Director, Sales Manager, Head of Sales, or Senior Key Account Manager etc. Secondly, to avoid selection bias and to ensure the validity of this study, and to ensure that we do not involve just any B2B salespeople, we predefined qualification criteria for potential respondents. The six selection criteria are summarised in Table 2 below.

Tab. 2: Participants' Qualification Criteria

Respondents are high-ranking business development managers.
Respondents are responsible for strategic b2b business.
Respondents have extensive experience in dealing with clients in both online and offline environments.
Respondents have business plans and set revenue targets to be met.
Respondents live in the Czech Republic
Respondents are employees, not independent business owners.

Source: authors

Our sampling also followed the goal of maximal variation. In the end, we recruited participants across six different industries, which we clustered into four groups. The

distribution of participants is summarised in Table 3 below. What we did not achieve is gender parity; our sample consists of seven men and one woman.

Tab. 3: Respondents' profiles

Industry	Job Title	Gender	Age	Business Development Experience	Current Company Age	ID
Financial Services	Regional Business Development Lead	male	44	> 20 years	30 years	ID03
Financial Services	Director for Special Projects	male	35	> 15 years	31 years	ID06
Financial Services	Insurance and Risk Manager	male	38	> 10 years	30 years	ID07
IT Services	Sales Manager	female	30	> 05 years	9 years	ID01
IT Services	Global Head of Sales	male	49	> 20 years	17 years	ID05
Consulting	Manager	male	34	> 15 years	19 years	ID04
Consulting	Associate Director	male	51	> 20 years	31 years	ID02
Manufacturing	Senior Key Account Manager	male	31	> 05 years	28 years	ID08

Source: authors

2.4 Data analysis

In this study, we used thematic analysis (Braun & Clarke, 2006). That required us to transcript all interview recordings. We then progressed to the coding part. It is also necessary to mention that all the interviews were conducted in the Czech language with Czech Business development managers by Czech researchers. We translated the quotes below to the English of the best of our abilities.

3 Analysis

During the analysis, we discovered the following five themes:

Tab. 4: Main Themes

Code	Theme Specification
Communication Cues	Strong preference for Audiovisual Communication
Attention	Difficulty in Retaining Attention Across Digital Mediums
Rapport	Establishing Rapport with Client to Navigate Discussion
Insecurity	Hesitancy to Divulge Sensitive Information over Digital Mediums
Experiential Information	Useful Information Gleaned from the Client Workplace

Source: authors

In the following pages, we are elaborating on the areas, that were not obvious to us prior to conducting the interviews (a) Insecurity and the related hesitancy to Divulge Sensitive

Information over Digital Mediums, and (b) Experiential Information related to the useful information gleaned from the clients' workplace.

Insecurity: Hesitancy to Divulge Sensitive Information over Digital Mediums

Security of the information channels and digital footprint seems to be a burning problem, particularly in the case of relationship-based businesses or quid pro quo businesses. The quotes below clearly shed light on the considerations and challenges of business development in relation to maintaining privacy and confidentiality. The individuals in question acknowledge, for example, the necessity of engaging with public sector organisations and influential contacts, which requires special communication channels. They express the need to use platforms to ensure privacy when sharing sensitive information and emphasise the avoidance of recorded conversations to protect business interests.

Tab. 5: Codes for Theme: Insecurity

Theme: Theme specification	Codes	Verbatim examples	ID
Insecurity: Hesitancy to Divulge Sensitive Information over Digital Mediums	online privacy	"I do deals also with public sector organisations and work with many "door opening people", so I can't really share some kind of information in normal channels. I am in constant contact on special communication platforms, they are not the ones we generally know, but they are rather the ones in which people communicate in greater privacy …well, my most common communication tools are Threema or Signal. Basically, it's the nature of those applications and what I share with those people there."	ID01
		"Honestly, online is also tricky because everything that happens online has a footprint. And sometimes, when you do business, you need to discuss things you don't want to be recorded. No one in the discussion wants that ever to be recorded."	ID03
		"Problem with online is that you have to count on the fact that you simply don't know who is going to hear or see it. And there are moments when you want to be sure no one else knows the details."	ID05
	secure platforms	"I am in constant contact on such special communication platforms, they are not the ones we generally know, but they are rather the ones in which people communicate in greater privacy …well, my most common communication tools are Threema or Signal. Basically, it's the nature of those applications and what I share with those people there."	ID07
	unofficial communication	"Well, let's say there are ways how to communicate securely even during lockdown."	ID08
		"Well, we simply met in person even during covid… it was.. it was simply necessary."	ID02
		"I shouldn't say it, but we met despite the lockdown.. look at the government scandals during that time as well. There is a reason why you meet with people in person. Some things you just don't discuss in digital."	ID04

Source: authors

The quoted statements suggest the importance of privacy and confidentiality in business development. The individuals involved understand the need to establish connections with influential stakeholders while recognising the risks associated with digital communication. Their focus on specialised communication platforms and the avoidance of recorded conversations demonstrate their commitment to protecting sensitive information, building trust, and gaining a competitive edge. Furthermore, the quotes highlight the significance of secure communication methods, adaptability, and the value of in-person meetings in professional contexts. These practices aim to ensure effective communication, safeguard sensitive information, and maintain business continuity. Overall, these approaches reflect a comprehensive strategy for successful business development and maintaining a competitive advantage. When asked how they solved the insecurity problem, some BDMs put an effort into finding a channel which is perceived as secure enough. It did not seem to be a defining problem for ongoing business development.

Experiential Information: Useful Information Gleaned from the Client Workplace

Participants stressed out the importance of additional subtle information which they can gather from simple observation of the environment. By meeting clients in their offices, business professionals can observe and gather essential details that offer unique advantages. The office environment reflects the values and priorities of the individual, enabling the establishment of common ground or using specific details as conversation starters. Additionally, observing how the person interacts with others provides valuable clues on how to approach and navigate discussions. Furthermore, the physical surroundings in the client's office can provide valuable context for tailoring the conversation. It helps in deciding whether to emphasise the company's size, strength, and brand recognition or focus on maintaining a more personalised approach by highlighting the company's family-owned and local heritage. In conclusion, in-person meetings offer a level of understanding and connection that digital communication cannot replicate fully. The ability to assess non-verbal cues, absorb the work atmosphere, and gauge the company's values enhances the effectiveness of business interactions, fostering stronger relationships and successful outcomes.

Tab. 6: Codes for Theme: Experiential Information

Theme: Theme specification	Codes	Verbatim examples	ID
Experiential Information: Useful Information Gleaned from the Client Workplace	workplace dynamics	"Very often when you meet people in their environment, it helps you in communication. You can see the culture in the company, how people talk to each other and for example how the office looks like. And that can tell you a lot about how to deal with the person on the other side. You have no chance of getting this advantage in digital (communication)."	ID07
		"Digital communication cuts a lot of important information which you can absorb, like understanding their day-to-day operations, company culture, and work atmosphere .. That helps you to identify how to deal with the person."	ID04
	persona profiling	"For example, I like to meet clients in their offices. If they want to come to our office, that is also perfectly fine, but I prefer to meet them on their ground. When you sit in his (client's) office, you can make a picture of the person, who he is, and what he is proud of. So, for example, if he has some diploma on the wall, you know that this is important to that person. And you can flatter him or find common ground.. simply use it as an ice breaker."	ID06
		"When you talk to them in their environment, there are those little details that often give you useful insights .. you can even see how he deals with other people and how they react to them. And it gives you an idea on how to deal with the person."	ID08
	office impressions	"For example, if you meet them in their office, you already see by the looks of the office how the company stands. The office equipment, the location.. it tells you a lot, and it helps you to navigate the conversation. It helps you to navigate what to focus on. If I should focus on the fact that we are a big strong company with a recognised brand or rather build the relationship on the fact that we are still a family-owned company with Czech heritage."	ID05

Source: authors

Quotes suggest, that when limited to digital communication, the absence of direct access to a client's workplace hinders the gathering of useful information. Without physical observation and face-to-face interactions, gaining insights into organisational dynamics becomes challenging. Tailoring strategies or solutions to their specific needs becomes more difficult. Such information might help in building a closer relationship with the prospects – potential clients whom they want to acquire.

Conclusion

The primary purpose of this study was to look at the ways how does digital communication affect business development and what are the main challenges of using digital communication in a business development environment. The results of the study indicate five major themes: (1) communication cues: strong preference for audio(visual) communication (2) attention:

difficulty in retaining attention across digital mediums; (3) rapport: establishing rapport with client to navigate discussion to navigate the discussion; (4) insecurity: hesitancy to divulge sensitive information over digital mediums; and (5) experiential information: useful information gleaned from the client workplace. In the analysis, we focused on two themes that were not obvious in the previous studies regarding digital communication and business development. Particularly, we focus on two critical themes: insecurity and experiential information. Insecurity emerged as a major concern for business development managers, given the need to protect sensitive information and maintain privacy. Participants acknowledged the risks associated with online communication and emphasised the use of secure communication platforms like Threema or Signal. Additionally, they expressed reservations about discussing sensitive matters in recorded conversations to safeguard business interests. Experiential information emerged as another significant concern. Business development managers emphasised the value of gathering subtle details from clients' workplaces during in-person meetings. Observing the office environment, workplace dynamics, and client interactions provided valuable insights that were challenging to obtain through digital means. These insights allowed business development managers to tailor their communication and approach to build rapport and trust with clients more effectively. Despite the challenges posed by digital communication, participants recognised the need to adapt and find suitable alternatives. Some business development managers were proactive in seeking secure communication channels, while others managed to navigate digital communication by relying on unofficial communication methods or maintaining essential in-person meetings when necessary. The findings suggest that while digital communication offers convenience and efficiency, it cannot fully replace the benefits of in-person interactions in relationship-based business development. In conclusion, business development in the digital age demands a balance between leveraging the convenience of online platforms and recognising the limitations they present. Maintaining privacy and ensuring secure communication remain paramount in relationship-based businesses. While digital communication tools continue to evolve, the value of in-person interactions and the gathering of experiential information should not be underestimated. To excel in business development, business development managers must be adaptable, proactive, and capable of leveraging both digital and physical channels effectively. As the world transitions to a more digital and remote work environment, understanding and addressing the challenges of digital communication will become even more critical for successful business development in the future.

The main limitation of this study is that it is beyond the scope of this study to produce generalisable data. Given the nature of the sample size and qualitative analysis approach, the analysis purely suggests how digital communication affects the business development process. Further research, including bigger sample size and quantitative methods, would be needed in order to generalise such conclusions. Since this study goes across industries might also be interesting to investigate this phenomenon in individual industries separately.

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