

# Explanation and validation of the coordination model of the marketing and sales department in the insurance industry in Iran

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**Abstract**

The purpose of this research is to explain and validate the coordination model of the marketing and sales department in the insurance industry in Iran. The present research is applicable in terms of purpose. The statistical population of the research includes experienced managers in insurance marketing and sales, senior experts of insurance companies and university professors; and the statistical sample was considered to be 181 people using Cochran's formula. Sampling in this research is in the form of random clusters. The collection tool in this research includes a researcher-made questionnaire derived from the qualitative method. Data analysis was done by SPSS software. The findings showed that the coordination model of the marketing and sales department in the insurance industry is affected by various factors directly and indirectly, and managers' understanding of the complexity of the relationship between these two units is of great importance in the growth of insurance companies and creating a competitive advantage for them. In order to ensure the achievement of the goals, managers must pay attention to the causal conditions such as the implementation of the risk management dashboard, structural integration and coordination in the business, creating synergy in organizational decisions, recognizing the prerequisites for coordination between the two departments of marketing and sales in the form of background conditions or coordination challenges such as "partial prejudices, non-specialist human capital, conflict of interests, managers' taste, CEO's attitude, ethical considerations, unfavorable customer support when receiving damages and fulfilling the organization's obligations, as well as interfering conditions such as upstream documents, market conditions (market stakeholders), legal conditions, and competitive conditions.

**Keywords:**

marketing,  
sales, market  
stakeholders,  
risk management,  
market conditions

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## **Extended Abstract**

### **Introduction**

The marketing and sales departments are of great importance as the two executive arms and factors of success in the insurance industry. The insurance industry, as one of the major economic institutions and because of the supporting role it plays for other industries, is considered as one of the symbols of the development of countries and for other economic institutions and households; an important economic institution and a strong support institution (Asadi & Hedayati Biland, 2019; Asadollahi & Haji Ali Akbari, 2020). Due to the nature of its activity, this industry is one of the important channels of savings and, as a result, one of the important and central financial institutions, which, along with other financial institutions, helps in the preparation and allocation of capital and the financing of economic units (Zubiri et al, 2016). In order to be able to take on this crucial role in the society, the said industry should, like other economic enterprises, seek to survive, gain profit or even develop by attracting and keeping customers and creating powerful sales networks (Huang et al, 2016). One of the influential factors in the success of the insurance industry is the sales network, which is of twofold importance, considering the characteristics of the marketing field. The insurance sales and marketing network consists of all executives, staff, infrastructures, software and hardware; and should be in the form of a targeted planning process as a success factor, marketing lever, and executive arm of the insurance industry; and should be managed based on marketing skills and Sales (Shafei, 2020). By reviewing past studies, it was found that despite the importance of identifying the coordination framework between the sales and marketing departments, no study has been conducted on the coordination framework and model between marketing and the sales network in this insurance industry, so this study was conducted for this purpose, and it answers the question: what are the important direct, indirect and intervening variables in the coordination of marketing and sales in the insurance industry?

### **Theoretical Framework**

#### **Marketing and sales**

Integration solutions between sales and marketing departments have been classified into four categories of structural, system/process, cultural, and human solutions in the form of a theoretical framework (Peterson & Dover, 2021). Marketing strategies are the advantage of customer information sources and business performance, and it has been shown that there is a strong relationship between customer information sources, marketing strategies used by the company, and business performance (Varadarajan, 2020). It has also been shown that by increasing the company's market share as a result of good marketing and coordination with the sales department, the cost of advertising is reduced and the value of the company's shares is also improved (Redjeki et al, 2021).

Arabshahi & Abbaszadehgaretekan (2023) studied the effect of electronic customer relationship management on marketing performance by analyzing the mediating role of product innovation and emphasizing customer knowledge. In this descriptive survey study, 165 managers and supervisors of the central headquarters, branches and representative offices of Dana Insurance in Mashhad were selected by a simple random method. The findings indicated that the electronic customer relationship management variable had a positive and significant effect on product innovation development, and the product innovation development variable had a positive and significant effect on marketing performance. On the other hand, customer knowledge has a positive and significant effect on marketing performance and product innovation development, and electronic customer relationship management and customer knowledge through product innovation development has a positive and significant effect on marketing performance.

Nazarpuri et al, (2022) investigate the impact of marketing dashboard on organizational competitiveness, and believe that for more and more accurate marketing dashboards, the use of organizational mechanisms and infrastructures such as marketing memory and competitive intelligence is effective in its design and implementation. Also, the components of marketing dashboard, marketing memory and competitive intelligence have a positive and significant effect on organizational competitiveness.

### Research methodology

The present research is applicable in terms of purpose. The statistical population of the research includes experienced managers in insurance marketing and sales, senior experts of insurance companies and university professors; and the statistical sample was considered to be 181 people using Cochran's formula. Sampling in this research is in the form of random clusters. The collection tool in this research includes a researcher-made questionnaire derived from the qualitative method.

### Research findings

Data analysis was done by SPSS software. The findings showed that the coordination model of the marketing and sales department in the insurance industry is affected by various factors directly and indirectly, and managers' understanding of the complexity of the relationship between these two units is of great importance in the growth of insurance companies and creating a competitive advantage for them. In order to ensure the achievement of the goals, managers must pay attention to the causal conditions such as the implementation of the risk management dashboard, structural integration and coordination in the business, creating synergy in organizational decisions, recognizing the prerequisites for coordination between the two departments of marketing and sales in the form of background conditions or coordination challenges such as "partial prejudices, non-specialist human capital, conflict of interests, managers' taste, CEO's attitude, ethical considerations, unfavorable customer support when receiving damages and fulfilling the organization's obligations, as well as interfering conditions such as upstream documents, market conditions (market stakeholders), legal conditions, and competitive conditions.

### Conclusion

The current research has been carried out with the aim of explaining and validating the coordination model of the marketing and sales department in the insurance industry in Iran. The results of this research are aligned with the results of Biemans et al, (2022), Malshe et al, (2021), Asadi (2019), Asadollahi & Haji Ali Akbari (2020), Peterson et al, (2021), Vaid et al, (2020), Arabshahi & Abbaszadehgaretekan (2023), Nazarpuri et al, (2022), Zalkani Andarvar (2021), and Yazdani Kachuei et al, (2022). Biemans et al, (2022) showed that there are different relationships between marketing and sales departments in different work areas, and coordinating the activities of these two departments can help the organization to achieve its goals.

According to the research results, the following suggestions were made:

It is suggested to the managers of insurance companies that when choosing coordination mechanisms and tools between the sales and marketing units, they should pay attention to the intervening conditions such as upstream documents, market conditions (market stakeholders), legal conditions, competitive conditions, the number and maturity level of human capital and received feedback from the customers, and the level of maturity of the customers so that they do not make mistakes in choosing the mechanisms for the establishment of sales and marketing coordination in their insurance centers, and make the most of these tools.