## Managing the Impact of Natural Disasters on Salesperson-Customer Relationships within Business Markets: Evidence from Hurricane Harvey

#### Irene Nahm

Carlson School of Management, University of Minnesota

Michael Ahearne

University of Houston

Phillip Wiseman

Rawls College of Business, Texas Tech University **Seshadri Tirunillai** 

Bauer College of Business, University of Houston

### Cite as:

Nahm Irene, Ahearne Michael, Wiseman Phillip, Tirunillai Seshadri (2025), Managing the Impact of Natural Disasters on Salesperson-Customer Relationships within Business Markets: Evidence from Hurricane Harvey. *Proceedings of the European Marketing Academy*, 54th, (125996)

Paper from the 54th Annual EMAC Conference, Madrid, Spain, May 25-30, 2025



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#### **Abstract**

Climate change has increased the prevalence and impact of natural disasters, with significant consequences for consumers, businesses, and society at large. This research examines the impact of Hurricane Harvey, one of the most economically devastating natural disasters in recent history, on a business-to-business (B2B) sales force and the customers they serve. Using data from a multinational distributor within the food service industry and geospatial data from Federal Emergency Management Agency (FEMA) and the United States Geological Survey (USGS), we estimate the impact of the intensity of flooding within a customer's neighborhood on their purchasing. We find that the intensity of neighborhood flooding decreases customer purchase volume with a salesperson for about 16 weeks after the event, with each one standard deviation (SD) increase in flooding resulting in about a 2.71% decrease in weekly customer purchase volume. We also identify several managerially relevant factors that can help salespeople and sales managers mitigate this effect and, in some cases, even foster growth in the salesperson-customer relationship. For instance, customers whose purchases with a salesperson are heavily comprised of core products increase their purchase volume with their salesperson by about 3.9% for each 1 SD increase in flooding within their neighborhood.

*Keywords:* customer relationship management, sales force management, personal selling, crisis management, natural disasters