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Managing customer relationships in the sales ecosystem: an exploratory study within multiple industries

Pentti Korpela

June 7, 2019



Outline

- Introduction
- Framework
- Methods
- Summary of results
- Discussion and conclusion
- Managerial implications
- Summary of the study





Introduction

- Today's buyers perceive that the salesperson has often been left without adequate support from the other departments of the selling firm (Korpela 2015).
- Customer expectations and demands for the overall customer experience have increased (Lemon and Verhoef 2016).
- Digitalization, the rapid technological evolution, and customers' easy access to information have changed the sales environment.
- One way to reply to the challenges caused by the disruption of the sales environment is to approach business relationships and networks from the ecosystem viewpoint.



Introduction

- “The battle of devices has become a war of ecosystems” (such as Apple's App Store and Google's Marketplace) and “our competitors aren't taking our market share with devices; they are taking our market share with an entire ecosystem. This means we're going to have to decide how we either build, catalyze or join an ecosystem”
- Nokia CEO Stephen Elop, February 9, 2011



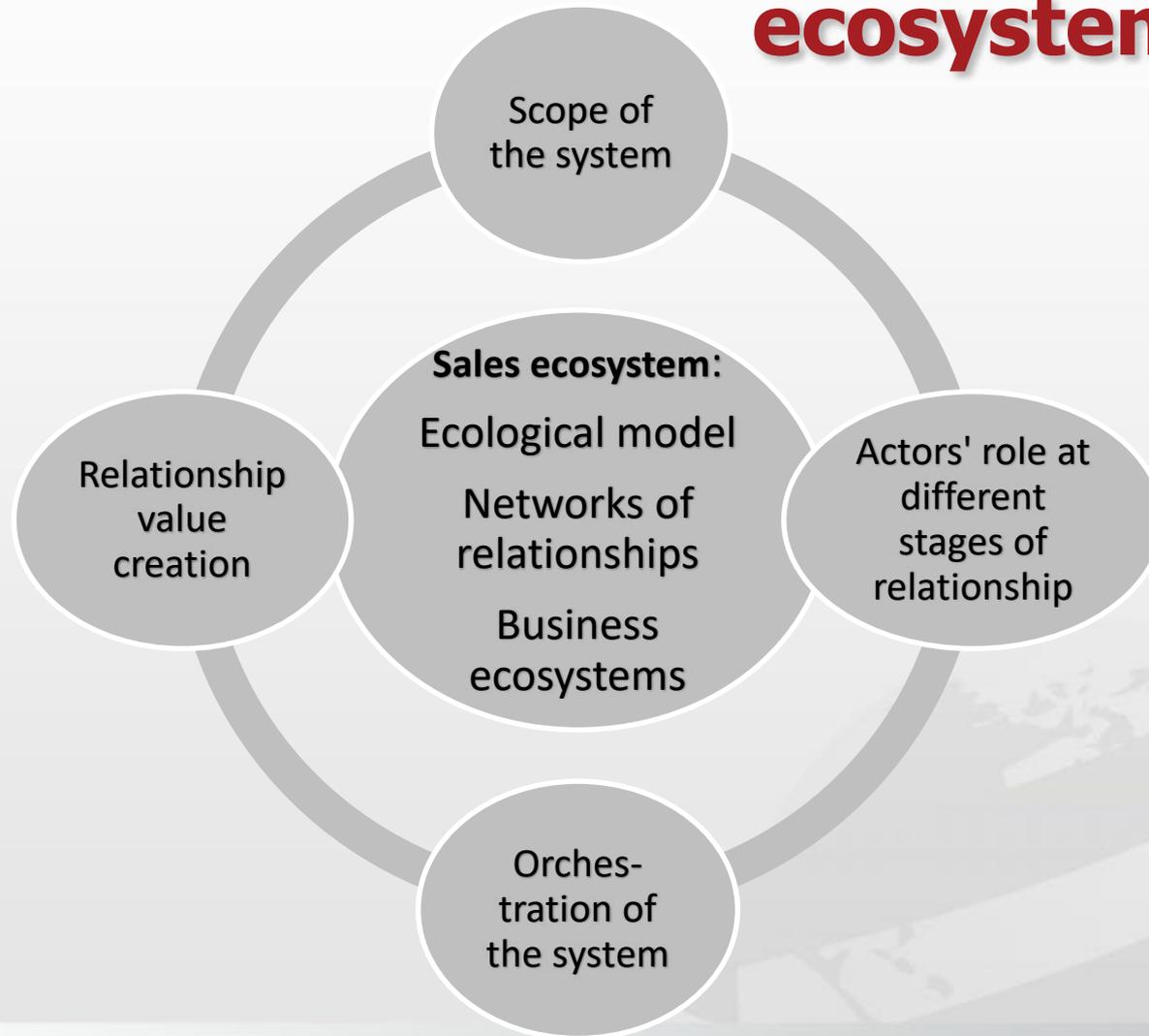


The purpose of the study

- To get increased understanding of the key elements of the sales ecosystem and its impact on customer relationship management.
 1. How can the scope of the sales ecosystem be defined?
 2. How are the actors' roles emphasized in the different stages of the relationship?
 3. How does the sales ecosystem benefit the customer?
 4. How can the sales ecosystem best be managed?



Analytical framework of the sales ecosystem





The sales ecosystem

- The sales ecosystem: “A perspective or metaphor to approach customer relationship management using an analogy from ecology.”
- An actor: “An individual, team, or organization involved either directly or indirectly in the sales ecosystem.”

Bronfenbrenner's ecological systems theory

Microsystems	The interaction between sales representatives and their customers
Mesosystems	The interaction between customers and other people in the sales representative's organization
Exosystems	The indirect interaction between individuals and organizations such as the customer of your customer
Macrosystems	The connection with macro-environmental elements consisting of the government, economy, culture, etc.
Chronosystems	The history of interactions over the life course of the relationship.



Methods

- A qualitative research methodology.
- An abductive approach and 'systematic combining' by Dubois and Gadde (2002) were employed to discover new things and to develop the theory.
- The purposive sampling consisted of key informants, especially directors, business consultants, managers, sales, logistic and financial experts, and engineers.
- Data were collected in focus groups (three) and person-to-person (two) interviews, totally 24 persons representing multiple industries.



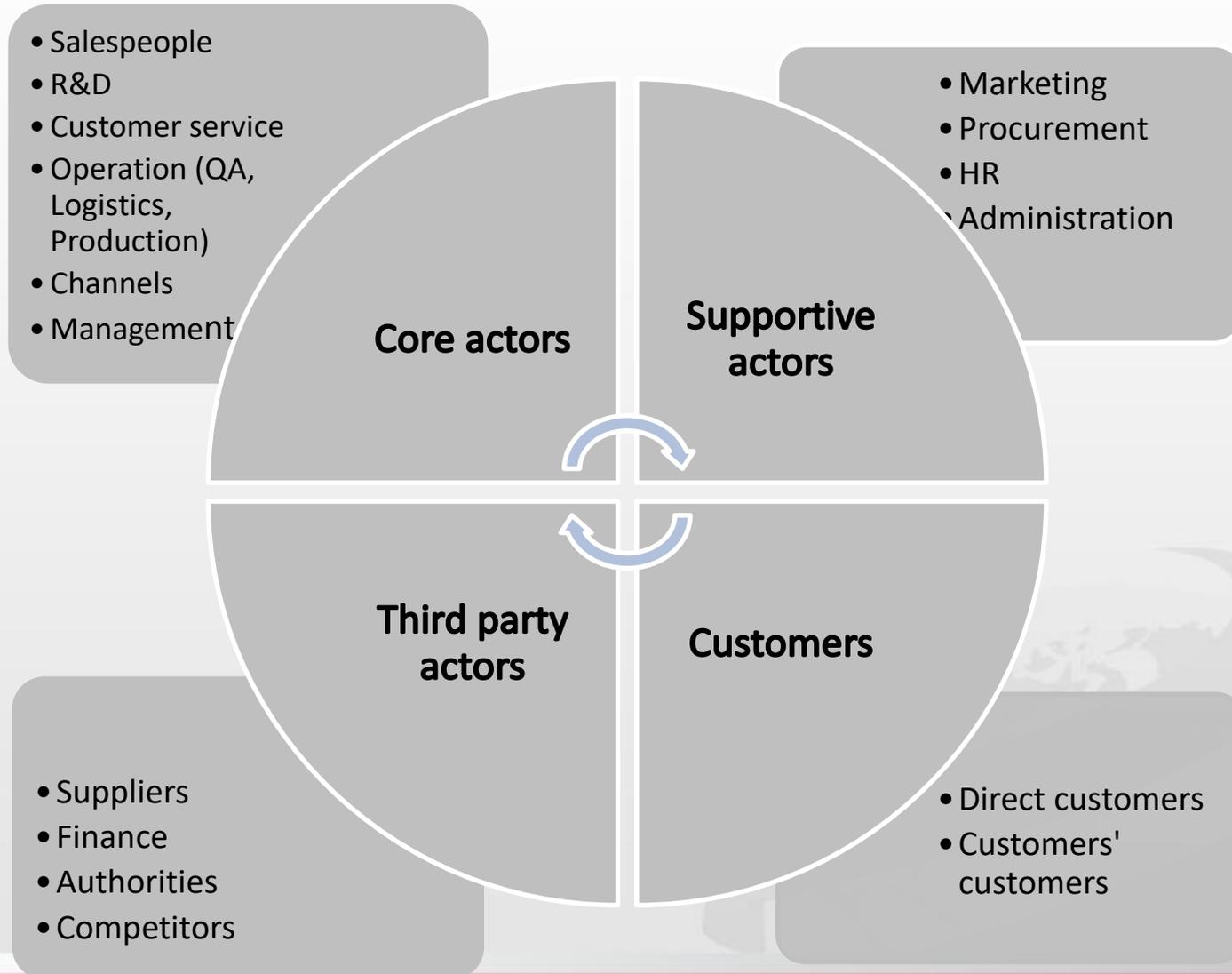
Focus group discussions

- The researcher gave a short presentation on the topic, the group discussed the topic independently, and then a group interview was conducted.
- The researcher acted as the facilitator.
- The interviews lasted 45–110 minutes.
- King's (1998) template analysis was employed.
- Data were reduced to chunks related to the research questions, and the chunks were reduced to raw codes. Themes were identified from the raw codes by comparing similarities and differences. Then sub-codes and major codes were created.
- Coding was assisted by employing the ATLAS.ti coding program.



Summary of results

1. The scope of the sales ecosystem





Customers...

- *"That customers participate in the product programs or projects at an early product development stage. They commit to the situation when problems arise due to timetable, technological or budget issues. They understand the situation and are cooperative."*
- *"The customer can strongly be a part of an ecosystem by nominating a responsible person at each contact point when creating a common order and delivery system: a production assistant vs a production assistant, a sales manager vs a sales manager and so on. They are married with the project and product families leading to a deep cooperation"*
- *"The ecosystem should include the end customer and the user experience leading to better understanding of customer needs when developing new products."*



2. Actors' roles in the different stages of the relationship

The roles of actors are industry- and company-specific in the different stages of the relationship and they vary from case to case.

- during the initiation stage, the salespeople and R&D are an initiator
- during the maintenance stage, the salespeople, customer service, operation, and channels are a maintainer
- during the development stage, salespeople, R&D, and management are a developer
- All stages are salespeople-driven, and the other actors' stakes vary from one stage to another.



Actors' roles...

- **Initiation stage:** *"When initiating working relationships with a customer, the role of a salesperson and the role of marketing is emphasized and then the role of sales management."*
- **Maintenance stage:** *"...salespeople still take care of the relationship but depending on the product or project, the production and project development come in with the business."*
- **Development stage:** *"At its best, management can deepen the relationship, provided it is not involved in day-to-day issues but taking more a catalytic role in the development of the relationship."*



3. Relationship value created by the sales ecosystem

- Exploiting the sales ecosystem may help create relationship value:
 - through the smooth operation of daily deliveries
 - better cost management
 - better customer experience
 - increased customer satisfaction
 - better service
 - extended customer loyalty



Relationship value...

- *“The customer gets world-class service and a world-class product thanks to an effective ecosystem.”*
- *“The customer perceives that everything works perfectly in that company.”*
- *“Thanks to it [the sales ecosystem], the customer expectations relating to the rapidity and effectivity of service are met and through that the customer satisfaction remains high. The customer gets what he or she wants without recognizing any underlying ecosystem.”*



4. Orchestrating the sales ecosystem

- Orchestrating the sales ecosystem requires the management and leadership competencies and practices implemented by a successful firm:
 - target setting
 - trust building between actors
 - transparency
 - open communication
 - promoting actors' self-management practices
 - lowering or removing silos or boundaries and possible tensions between actors.



Orchestrating the sales ecosystem...

- *"That everybody would understand for whom or why he or she is working, not thinking only about their own job but doing the job from the customer's viewpoint."*
- *"Openness and transparency are important due to the complexity of a firm's ecosystem."*
- *"It manifests [the working ecosystem] as cost effectiveness in all functions the ecosystem covers, it improves the manageability of all activities and engages the employees."*



Discussion and conclusion

- The phenomenon 'ecosystem' was recognized by the interviewees.
- The concept of the sales ecosystem was not regarded as a buzzword.
- The concept was regarded as synonymous with team selling, but most of the interviewees agreed that the sales ecosystem is a wider and more complex approach.
- By using the sales ecosystem concept, the customer focus can be concretized much better than by the expression 'in the company everybody sells.'



Discussion and conclusion

- This study expands knowledge of business ecosystems and relationship management in the contemporary business environment → helps sales organizations deliver a customer experience (Lemon and Verhoef 2016) that meets the buyers' expectations, co-creates customer value (Vargo and Lusch 2016), and improves the firm's competitiveness.
- In addition, the study makes a methodological contribution.
- Collecting data in a workshop opened new lines of thought about the unknown topic.



Managerial implications

- Orchestrating the sales ecosystem challenges management in multiple ways:
 - making the ecosystem visible
 - delegating tasks and responsibilities
 - increasing teamwork
 - flattening hierarchies
 - contributing to the actors' self-management





Managerial implications

- The self-management practice is not an end in itself; its usability depends on the business culture of the country.
- This practice works well in Nordic business contexts.
- It is not automatically suitable for business cultures that are strongly influenced by hierarchy.





Managerial implications

- When recruiting new personnel into the company, it is important that the person appointed is made familiar with the sales ecosystem and his or her role in the system, not only with his or her job, to avoid the silo effect.
- Tensions between marketing and sales can be removed or reduced by organizing sales and marketing under the same command instead of in separate organizations.



Summary

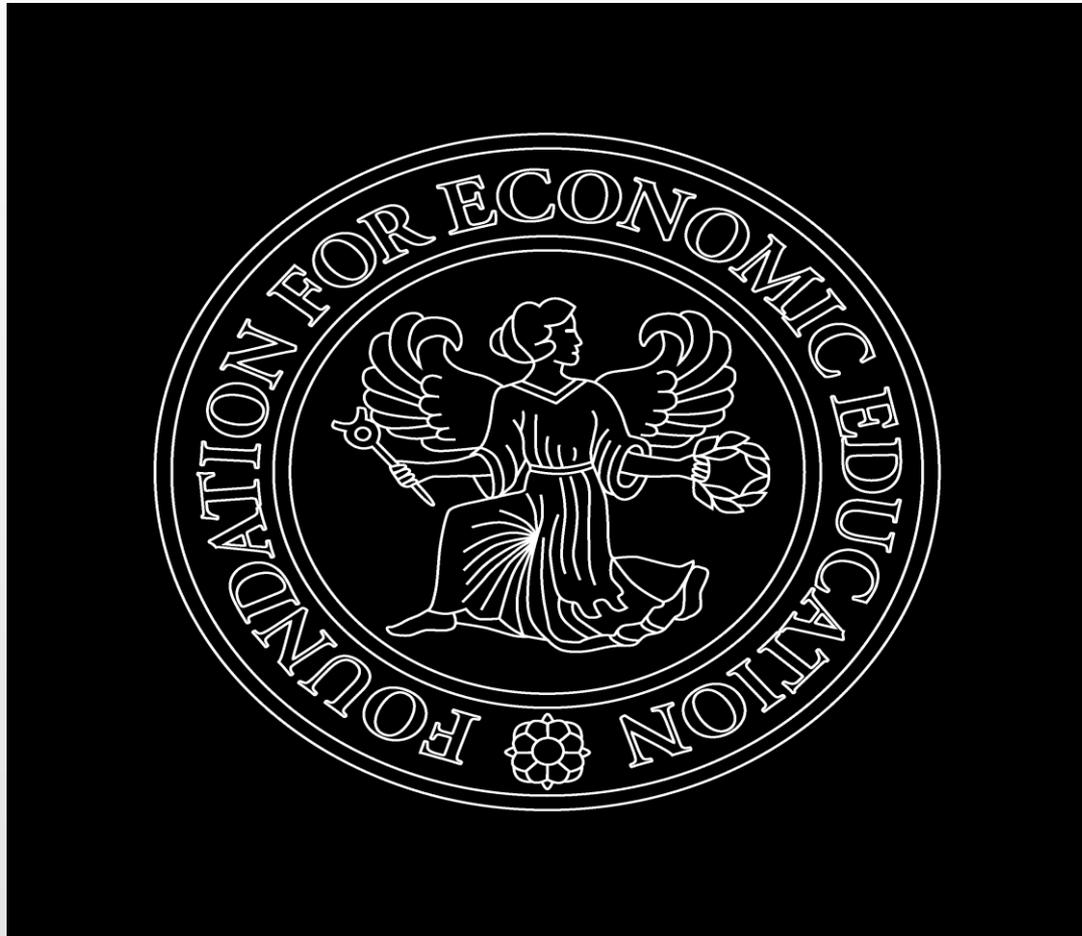
- Four central themes were identified for the sales ecosystem in customer relationship management:
 1. the scope of the sales ecosystem
 2. the actors' roles in the different stages of the relationship
 3. relationship value through the sales ecosystem
 4. orchestrating the sales ecosystem
- The research could be complemented by a specialized and industry-specific analysis of the four main topics.
- Do customers perceive that the ecosystem meets their expectations?



Focus group 1, 30.10.2018, duration 110 minutes		
Title of the interviewee	Industry	Total experience in years
1. Consultant	Several industries	32
2. Consultant	Electronics	22
3. Account manager	Telecommunications	19
4. Manager	Technology	9
5. Entrepreneur	Services	14
6. Logistic expert	Logistics	22
7. Export manager	Wholesale and e-commerce	22
8. Export manager	Environmental services	23
9. Lecturer	Education	10
Focus group 2, 13.12.2018, duration 75 minutes		
1. Software specialist	Construction	14
2. Lecturer	Education	10
3. Logistic expert	Logistics	5
4. Plant director	Textile	25
5. Business development manager	Mining and metals	18
6. Sales assistant	Packaging technology	9
7. Country accounting manager	Finance	20
8. Guard	Security services	9
9. Sales representative	Mechanical engineering	12
Person-to-person interviews, 31.10.2018, duration 45 minutes		
1. Project manager	Telecommunications	30
2. Commercial director	Shipbuilding	29
Focus group 3, 24.1.2019, duration 60 minutes		
1. Salesperson	Retail trade	3
2. Sales assistant	Construction	9
3. Sales representative	Furniture, retail trade	8
4. Financial advisor	Banking and financing	10



The Foundation for Economic Education, founded in 1919, promotes research in business and economics by awarding grants and scholarships.



How cooperation with business intermediaries can boost sales?



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1 Creating ecosystems to boost sales

Multinational project ***Snowman***:

Supporting Non-technological Innovations in Owner-managed Manufacturing SMEs through increased capacity of business intermediaries

- Trust-creation between intermediaries and owner-managers.
- Thirteen project partners in five countries: Germany, Poland, Lithuania, Finland, and Denmark

Context

- Potential for innovation, growth and increased employment in the ecosystems of companies and intermediaries is partly missing because of a lack of networking or unsuitable tools.
- Research question: **How could intermediaries support companies to innovate and grow?**

2 Non-technical innovations

Definition:

- Implementation of a new design in product or packaging
- Product licensing, new method of selling (direct or exclusive),
- A new concept of product presentation
- A new organization of the information on the web site
- A new way of price management
- A new loyalty actions
- Use of trademarks
- New brand symbol

(OSLO Manual 2015)

In this research

- Marketing innovations
 - Brands engaging with external partners
 - Iterative marketing plans as opposite to linear
 - Focusing on offering customer experience instead of a marketing campaign
 - Media ecosystem working towards accessing the best fidelity of data
 - Social (media) ecosystems enhancing customer engagement
- Organizational innovations
 - Responsibilities
 - Accountability
 - Command lines
 - Information flows
 - Thought leadership
 - Digital learning environments

3 Multinational research on intermediaries boosting business growth

Information about methods and practices for counseling

- SURVEY by 9 national intermediary organizations. Ca. 200 respondents in Germany, Poland, Lithuania, Finland, and Denmark
- 76 INTERVIEWS with owner-managers in Poland, Lithuania, Finland, and Denmark.
- The most frequent method: individual interviews.
- Identified tools like the Business Model Canvas, Value Proposition Canvas, Lean Canvas, Business Innovation Tree, Life Cycle Methodology and Growth Wheel.
- Innovation audit to review the existing procedures regarding the R&D projects.

Findings

- Creating ecosystems and networks was found to be a part of routine work in the Lithuania and Finland
- A more rare method in Poland or in Denmark.
- Methods used for facilitation: six thinking hats, Action learning group coaching, dynamic problem-solving group process, and discussion panels and other workshops.

(SNOwMan 2018)

Recommendations to boost sales

- Counselling services: Check the real obstacles for using services related to non-technological innovations.
- Owner-managers and intermediaries: Start using the offered support
 - What methods they know and what fits them the most.
- How owner-managers would like to be consulted
- The importance and value of consultations

Relevance and applicability for practice

- Often there is not exact innovation strategy to support especially non-technological innovativeness in order to boost sales.
 - Lack of time and personnel.
 - The role of non-technological innovations in supporting technical innovations and the growth of the company are unclear.
- Marketing innovations, especially possibilities of digitalization were perceived as the most interesting non-technological innovations.
- Highest effects of implementing non-technological innovations were seen among business partners, customers and staff.
- Universities should increase their cooperation with companies by informing and marketing the huge and different resources they have for R&D.

Future work

- Solutions for improving counseling process between companies and intermediaries
- Tools and methods that both companies and intermediaries will find effective and value-creating.

Mastering digital transformation in sales: A research agenda going forward

GSSI 2019

Timo Kaski

Deva Rangajaran

Paolo Guenzi



What do we mean by Digital Transformation in sales?



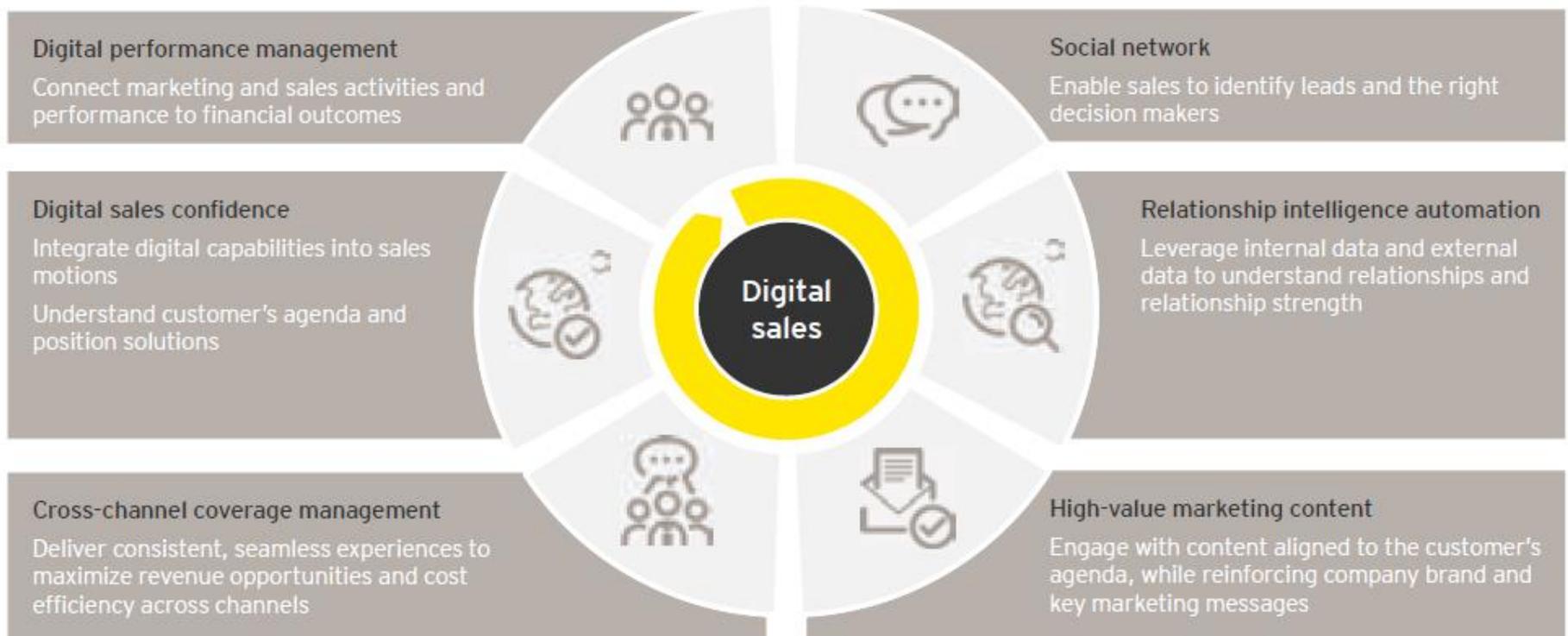
The purpose of Digital Transformation in Sales is to make better use of digital technology, such as AI, in managing sales process

Digitalization changes the selling landscape: some examples

- E-commerce market- 12 trillion USD by 2020 (Frost and Sullivan 2017)
- 89% of customers use the internet to do research
- “Amazon like” purchase experience transforms B2B: 50% of B2B customers want personalized information being made available on online formats
- AI is capable to find new opportunities, predict service needs, optimize pricing etc.
- Machines can learn to handle ever more complex tasks



What does «digital transformation in sales» mean, in practice?



Source: E&Y. 2019



Difficult implementation: the example of social selling



Social selling = when salespeople use social media to interact directly with their target audience

Two-thirds of companies do not have any sort of social media strategy for their sales teams. As one of the most powerful and effective branches of digital sales, **social selling seems underutilized by organizations to their detriment**

(Sales Management Association, 2017)

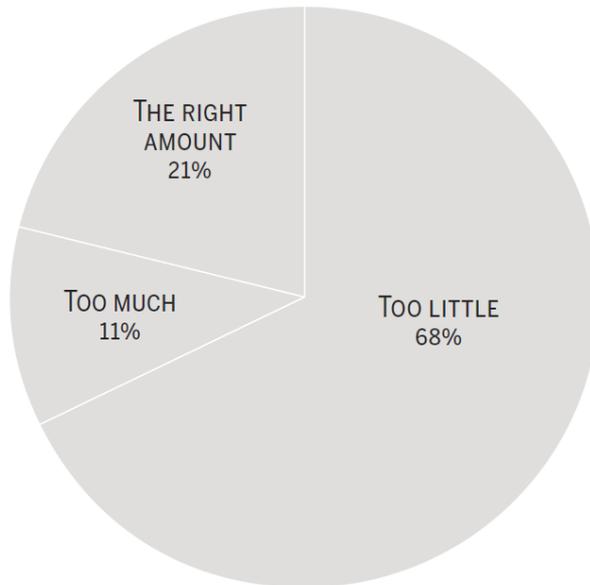


Difficult implementation: the example of analytics

Only **42%** of companies say they have a culture of data driven decision making

The average companies only analyze **12%** of the data they collect

FIRM INVESTMENT IN SALES REPORTING AND ANALYTICS
PERCENTAGE DISTRIBUTION OF FIRMS



4.2 **CURRENT SALES REPORTING AND ANALYTICS INVESTMENTS**

Most firms (68%) consider themselves underinvested in sales reporting and analytics technology. Just one in five (21%) rate their investment as “the right amount,” and 11% consider their investment excessive.

This underinvestment is likely due to uncertain returns in current sales reporting and analytics technology.

More than half of firms (54%) say their investments’ return is less than sufficient, 29% rate reporting and analytics technology ROI as sufficient, and 18% as more than sufficient.

N=92 FIRMS

4.2.1 MOST FIRMS RATE THEIR TECHNOLOGY INVESTMENTS IN REPORTING AND ANALYTICS AS LESS THAN ADEQUATE.

Source: Sales Management Association



Difficult implementation: the example of digital tools for salespeople



75%
said sales tools are an integral part of the sales process, BUT...



Challenges with Sales Tools



This study is an initial step to explore how to manage digital transformation in sales

Objective 1: Explore literature

=> Current state understanding

Objective 2: Propose a research agenda going forward

=> try to combine our insights from multiple studies on B2B sales organizations



Literature suggests a consistent and coordinated set of actions at multiple levels

- Hess and Benlian 2015; Reichheld et. al 2002
 - Customer centricity is needed across the whole organization
- Zoltners et. al 2008
 - Digital technology can be usefull in sales when sales and marketing strategy is aligned with the organization's overall strategy
- Paesbrugghe et. al 2018
 - Updating sales strategy to align with the new customer world and customer's buying behavior

⇒ We suggest to adopt "7 S" model (Waterman, Peters, & Phillips, 1980; Palatkova, 2011) as a comprehensive framework for defining a research agenda and systematically managing today's digital transformation projects



A suggested research agenda: how will digital technologies....

1. Strategy: ... transform strategy design and implementation, especially to better aligning sales strategy to an organization's strategy, and making the latter more customer centric?
2. Structure: ...re-shape the design of organizational structure and stimulate the reduction of cross-functional silos?
3. Skills:transform sales processes and sales resources allocation? What data management policies are needed? How to manage data privacy concerns (customers' and salespeople's)?
4. Systems: ...transform performance management, reward, training and development systems? How to create digital trust?
5. Staff: ...transform the capabilities of salespeople and sales supervisors?
6. Shared values (Culture): ... be supported/facilitated by specific corporate cultures, and transform their underlying values?
7. Style (Leadership): ...transform the leadership styles requested to drive and implement changes?



The Influence of B2B Customer Testimonial Videos on Viewer Social Media Engagement

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GSSI 2019 Conference



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MOTIVATION FOR STUDY

- Obtaining information in B2B sector is challenging
 - Seller: how to reach potential customers?
 - Buyer: dependence on peer interactions
- B2B purchasing is complex and risky
 - The greater the degree of perceived risk, the greater the importance of information source, especially acquired through of WOM influence (Murray, 1991)
- Power of social media is evident in B2C
 - B2B has been slower to adopt
- Digitalization and social media revolutionizing the dynamics of B2B communication
 - Buyers are entering the sales process earlier due to more access to information and have greater selectivity in partner choice (Karjaluoto, Mustonen, & Ulkuniemi, 2015)
 - Salo's (2017) review of social media research in B2B marketing, only 5/40 articles examined were empirical studies



As social networks and digital media continue to increase in importance in the customer information and decision-making process, it is vital to form best practices of its use in the B2B arena.

LITERATURE REVIEW

Role of Social and Digital Media in a B2B Context

- B2B firms are hesitant to use social media due to (Michaelidou, Siamagka, & Christodoulides, 2011):
 - (1) the belief that social media is not vital to a firm's operations
 - (2) uncertainty whether social media helps brand awareness
 - (3) concern that a firm's staff is not familiar with the use of social media
 - (4) competitors do not use social media
- Less than 25% of B2B firms use social media as a platform to reach their main marketing goals, even though studies have shown that social media usage builds trust (Michaelidou et al., 2011)
- The literature agrees that there are issues regarding resource allocation such as time, money, and expertise to focus on developing B2B sales proficiency on social media (Siamagka, Christodoulides, Michaelidou, & Valvi, 2015)



Perhaps these concerns can be laid to rest with greater evaluation of the benefits and strategies of B2B advertising on social media platforms..

LITERATURE REVIEW

Customer Testimonials

- Testimonials are based on direct experience with a product or service (Shimp, Wood, & Smarandescu, 2007)
 - Form of “second hand” experience
 - People obtain info vicariously about experience qualities and put a great degree of trust into personal sources (Zeithaml, 1981)
- In services, WOM is perceived as more credible and less biased than traditional marketing efforts (Zeithaml, 1981)
 - Testimonials in the customer’s own words are less likely to be rejected by a message receiver who is skeptical of a persuasion attempt (Shimp et al., 2007; Friestad & Wright, 1994)
 - Enhanced perceived credibility of information received by a customer testimonial compared to a company spokesperson in a business communication context (Howes & Sallot, 2013)
- Testimonials are significantly more cost effective than mass media advertisements and may result in wider buzz generation, especially when the testimonial involves a high-profile firm (Shimp et al., 2007)

Research Question(s)

Testimonial Selection: What makes a “good” testimonial firm?

Testimonial Content: What makes a “good” testimonial?



CONTEXT

- Social media platforms: YouTube, LinkedIn, Instagram, Twitter, Tumblr, Pinterest, etc.
- YouTube is one of the largest platforms of video content sharing and therefore warrants further inspection
- YouTube captures various metrics of a viewer's interaction and engagement that assist in analyzing the effectiveness of a video
- Humanizing faceless companies by having a third-party endorser speak on its behalf allows a proactive yet accessible approach to interact with other organizations, both strengthening existing relationships and building new ones
- Trade literature increasing use of content marketing through online videos (Cisco, *Visual Networking Index Report*, 2015)
 - Internet video will account for 79% global Internet traffic by 2020
 - Video will continue to deepen its dominance of Internet traffic as volumes increase four-fold between 2015 and 2020
- More empirical research on YouTube video studies warranted in the B2B space

Multichannel
MEDIA

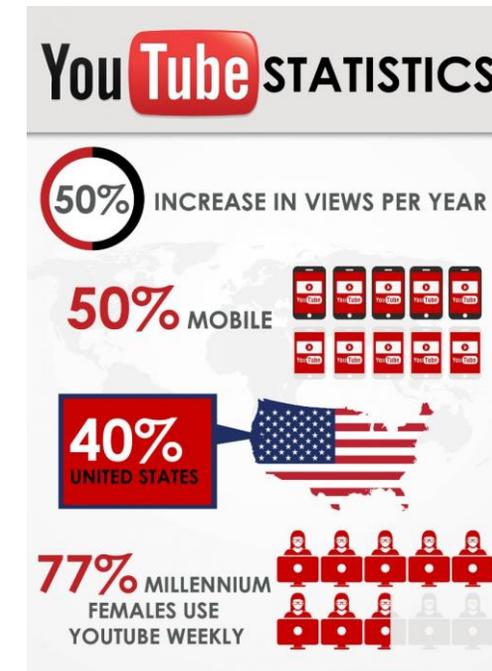
NEWS BLOGS EVENTS SLIDESHOWS TECHNOLOGY VIDEO PR FEED NEED TO KNOW RESOURCES TV JOBS NEWSLETTER

HOME > NEWS > TECHNOLOGY

Cisco: Video to Consume 79% of Internet Traffic by 2020

Up from 63% in 2015

JEFF BAUMGARTNER - UPDATED ON MAR 29, 2018



THEORETICAL DEVELOPMENT – SIGNALING THEORY

Testimonial Firm Selection

- Signaling theory works to help “parties resolve information asymmetries about latent and unobservable quality” (Connelly, Certo, Ireland, & Reutzel, 2011, p. 42)
- A potential participant’s decision to join a B2B e-marketplace is largely influenced by (1) who currently conducts business with the company and (2) the extent of benefits to be gained from participation (Son, Tu, & Benbasat, 2006)
 - Endorsements can promote different aspects of trust such as *competence* and *integrity* of a firm (Son et al., 2006)
 - Testimonials are a way for firms to show transparency and openness, thus enhancing the credibility of the messages between senders and their audiences (Levy & Gvili, 2015)

Testimonial Video Content

- Content with greater rational (rather than emotional) language that signals greater concrete, informational, and factual details are more warranted in a B2B context (in contrast to B2C decision making) (Dooley, 2012)
- Affiliative language can indicate a stronger attachment/relationship between the testimonial and focal firm to a potential buyer and this trust can then transfer to third parties (Son et al., 2006)
- Future language implies intent to continue relationship and enhanced capability moving forward (Gilbert, Gill, & Wilson, 2002)

This research seeks to apply signaling theory, in that a testimonial firm and video content communicates (signals) the value of the supplier firm to other vested parties (potential customers).

HYPOTHESES DEVELOPMENT – TESTIMONIAL FIRM CHARACTERISTICS

HYPOTHESIS 1

- The impact of message acceptance and overall confidence tends to be greater when provided by larger, well-known organizations (Son et al., 2006)
- The more recognizable and identifiable the testimonial firm is, the more “credible the receiver perceives the information to be” (Levy & Gvili, 2015, p. 98)

➡ **H1: Testimonial videos with firms larger in **employee size** will receive more shares.**

HYPOTHESIS 2

- The higher the testimonial firm is regarded in terms of its financial performance, the more credible it will be the eyes of a potential customers (Levy & Gvili, 2015)
- Message acceptance is greater for firms that are perceived as successful and highly credible (Son et al., 2006)

➡ **H2: Testimonial videos including firms with greater **profitability** will receive more shares.**

HYPOTHESES DEVELOPMENT – VIDEO CONTENT CHARACTERISTICS

HYPOTHESIS 3

- B2C research indicates that when availability of processing resources are low, consumers make decisions based on affect rather than cognition; when resources are high, consumers make decisions based on cognition rather than affect (Shiv & Fedorikhin, 1999)
 - Availability of processing resources are high in a B2B context due to importance/complexity/financial amount of decision
- B2B purchase process is more rational than the B2C purchase process rendering emotions and feelings not as relevant as more factual information is used to justify decision making (Kuhn, Alpert, & Pope, 2008; Dooley, 2012)
 - Value is derived by product/service's functional attributes (Kuhn et al., 2008; Mudambi, Doyle, & Wong, 1997)

➔ **H3_{a-b}: Testimonial videos with (a) more **affective** language will receive fewer shares, while video content with (b) more **cognitive** language will receive more shares.**

HYPOTHESIS 4

- Value of relationships in B2B marketing (Ulaga & Eggert, 2006)
 - Employee and purchaser relationships are more important in a B2B setting than in a B2C context (Leek, Christodoulides, 2012; Walter, Ritter, & Gemünden, 2001)
- Indicators of strong relationships builds trust and social capital (Son et al., 2006)
 - Trust can transfer to third parties when a close association has been established between two organizations (Son et al., 2006)

➔ **H4: Testimonial videos with more **affiliation** language will receive more shares.**

HYPOTHESES DEVELOPMENT – VIDEO CONTENT CHARACTERISTICS

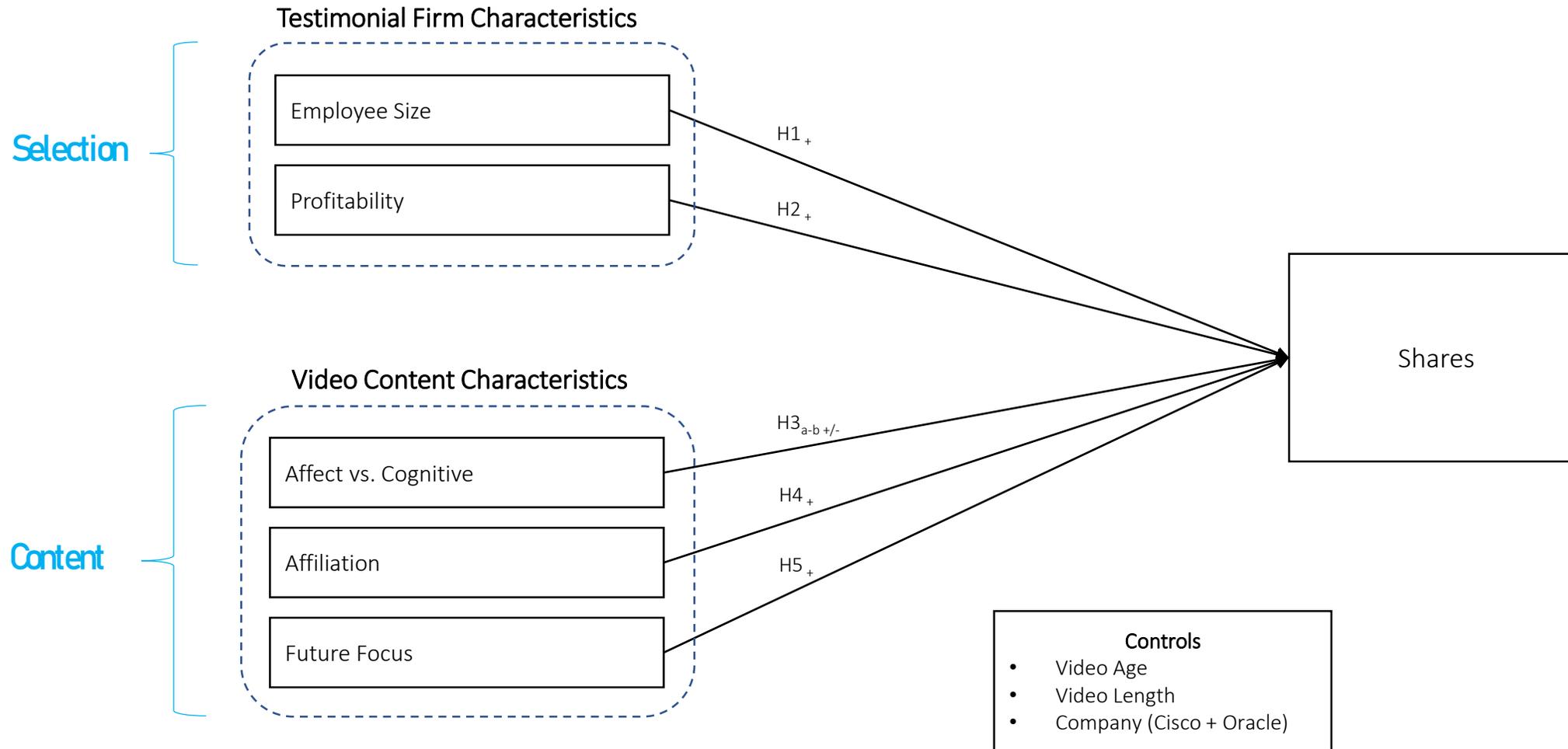
HYPOTHESIS 5

- According to Construal Level Theory (CLT), buyers respond differently towards temporally framed messages based on their orientation towards the present versus the future (Joireman, Strathman, & Balliet, 2006; Liberman & Trope, 2003)
 - Some buyers more heavily weigh the future consequences of their behaviors when making decisions (Kees, 2011)
 - B2B buyers are big picture oriented and therefore will respond more favorably to language that represents success in the long-term (Leek & Christodoulides, 2011)
 - Future language implies intent to continue relationship & enhanced capability moving forward (Gilbert, Gill, & Wilson, 2002)



H5: Testimonial videos with more **future focus language will receive more shares.**

RESEARCH MODEL



RESEARCH DESIGN

Sample

- Three of the top B2B firms in the technology, software, and ERP sector (BrandZ's Top 20)
 - Gathered all YouTube videos links for Cisco, Oracle, and SAP (7,008 videos)
 - Total of 1,222 customer testimonial video links (Cisco: 209, Oracle: 694, SAP: 319)
 - **18,600 hours total viewing time**
 - 175 videos from publicity traded firms (Cisco: 42, Oracle: 122, SAP: 11) with over **3,360 total hours viewed**
 - 170 after data cleaning and removal of outliers
 - Videos from 2012+



CONTEXT



PETstock Sees Amazing Uplift in Customer Engagement with OMC

367 views

4 0 SHARE SAVE ...



Oracle
Published on Aug 28, 2018

SUBSCRIBE 61K

Hear how PETstock uses Oracle Marketing Cloud to communicate to its members through email and SMS in more meaningful and personal ways, achieving a 17% increase in opted in and a 27% increase in open rates for its campaigns.

SHOW MORE

RESEARCH DESIGN

- Purpose: gather and evaluate a comprehensive list of characteristics of testimonials firms and the video's content, investigating what components are crucial to a testimonial's overall effectiveness
- **Design**
 - Experimental study utilizing a primary dataset created by compiling the available statistics on YouTube
 - Data includes number of shares, comments, likes, dislikes, views, total hours watched, date published, age, length, description, transcript tags, and the average view duration of the content
 - Gathering info in COMPUSTAT regarding the testimonial firm such as employee size, total sales/revenue, current assets, and net income
 - Using LIWC 2015 text analysis software to evaluate video content by analysis of the testimonial transcripts
- **Outcome Variable** = shares
- **Criterion Variables** = the IVs in this study included both the testimonial firm selection and content in testimonial video
 - Testimonial firm criterion variables include employee size (thousands) and the firm's profitability (millions) as measured by ROE
 - Video content criterion = affective, cognitive, affiliation, and future focus language in video transcript
- **Controls** included in the analysis: video age (days), length (seconds), and focal firm (Cisco and Oracle relative to SAP)
- **Analysis:** Poisson Regression
 - DV is a count variable: count data should not be analyzed by log-transforming it, but instead models based on Poisson and negative binomial distributions should be used (O'Hara & Kotze, 2010)

RESEARCH DESIGN – LIWC Text Analysis

Table 1
LIWC Categories for Transcript Text Analysis

Category	Examples
Affective Processes	Happy, cried
Positive Emotion	Love, nice, sweet
Negative Emotion	Hurt, worried, sad
Cognitive Processes	Cause, know, ought
Insight	Think, know
Causation	Because, effect
Discrepancy	Should, would
Tentative	Maybe, perhaps
Certainty	Always, never
Differentiation	Hasn't, but, else
Affiliation	Ally, friend, social
Future Focus	May, will, soon
Notes: Text mining conducted using the 2015 LIWC Program	

Linguistic Inquiry and Word Count “LIWC” text analysis (Pennebaker, Boyd, & Jordan, 2015)

- Text analysis allows for an objective, reproducible, and reliable transformation of text into quantitative data (Ludwig, Ruyter, Friedman, Bruggen, Wetzels, & Pfann, 2013)
- Use of text analysis in B2B literature (Marinova, Singh, & Singh, 2018, *JMR*)

RESULTS

Table 2

Descriptive Statistics

<i>Variable</i>	Mean	S.D.	Min	Max
Age (days)	509.48	346.58	77	1,864
Length_In (seconds)	4.54	.67	3.26	6.94
Cisco	.25	.43	0	1
Oracle	.71	.46	0	1
Employee Size (thousands)	74.20	93.29	.101	380.30
Return on Equity (millions)	.07	.71	-8.40	1.12
Affective Processes	3.36	2.10	0	10.87
Cognitive Processes	9.27	4.27	0	19.83
Affiliation	6.19	3.54	0	14.55
Future Focus	.76	.93	0	6.94
Shares	13.51	20.70	0	146

Table 3

Correlation Matrix

	1	2	3	4	5	6	7	8	9	10	11
1. Shares	1.00										
2. Employee Size	.24*	1.00									
3. Return on Equity	.05	.36*	1.00								
4. Affective Processes	.02	.10	.01	1.00							
5. Cognitive Processes	.03	.01	.06	.45*	1.00						
6. Affiliation	.03	.01	.07	.34*	.56*	1.00					
7. Future Focus	.06	.01	.07	.12	.23*	.13	1.00				
8. Age (days)	-.04	.07	.09	.15	.03	-.04	.03	1.00			
9. Length_In (seconds)	.19*	-.03	.01	.17*	.05	-.08	.04	.43*	1.00		
10. Cisco	.01	.04	.07	.20*	-.05	-.10	-.02	.40*	.37*	1.00	
11. Oracle	.02	-.05	-.09	-.19*	.06	.08	.02	-.56*	-.44*	-.89*	1.00

*p<.05

RESULTS

Table 4

Poisson Regression Results: Testimonial Firm and Video Content Characteristics Influence on Video Shares

	<i>B</i>	<i>SE</i>	<i>z</i>	<i>p</i>	<i>LLCI</i>	<i>ULCU</i>
<i>Constant</i>	-1.20	.21	-5.77	.000	-1.61	-.79
Video Age	-.001	.00	-6.93	.000	-.0007	-.0004
Video Length_In	.58	.03	17.97	.000	.52	.64
Cisco	.31	.13	2.41	.016	.06	.57
Oracle	.45	.13	3.43	.001	.19	.71
Employee Size	.26	.01	17.83	.000	.23	.29
Return on Equity	-.09	.04	-2.24	.025	-.17	-.01
Affective Processes	-.05	.01	-3.51	.000	-.07	-.02
Cognitive Processes	-.004	.01	-0.66	.512	-.02	.01
Affiliation	.03	.01	4.42	.000	.02	.05
Future Focus	.08	.02	3.35	.001	.03	.12
R²	17.91%					

*95% Confidence Interval

RESULTS

- Poisson regression resulted in a pseudo R^2 of 17.91%
- H1 suggested that testimonial firms larger in **employee size** will receive more shares.
 - *Support was found* for H1 ($\beta=.26$, $p=.000$)
- H2 proposed that testimonial firms with greater **profitability** will receive more shares.
 - However, *evidence was found in the opposite direction* for H2 ($\beta=-.09$, $p=.025$) indicating that a firm's profitability measured by return on equity is negatively related to video shares
- H3_{a-b} predicted that testimonial videos with (a) more **affective** language will receive fewer shares, while video content with (b) more **cognitive** language will receive more shares.
 - *Support was found* H3_a ($\beta=-.05$, $p=.000$); however, *no support was found* for H3_b ($\beta=-.004$, $p=.512$)
- H4 suggested that testimonial videos with more **affiliation** language will receive more shares.
 - *Support was found* for H4 ($\beta=.03$, $p=.000$)
- H5 proposed that testimonial videos with more **future focus** language will receive more shares.
 - *Support was found* for H5 ($\beta=.08$, $p=.001$)

IMPLICATIONS & CONTRIBUTIONS

The use of social media has dramatically changed the way testimonials can be presented to potential customer

This research offers practical and relevant suggestions in the selection of a testimonial firm and the video content



Managerial Implications

- The preliminary findings of this study suggest selecting testimonial firms **large in size**
- Profitability may not be an effective characteristic of a testimonial firm as **previously struggling testimonial companies may show true value of a focal firm's products/services**
- Sentiment analysis of transcripts of the videos informs strategic guidelines in content creation (i.e., content that avoids over use of affective language while increasing use of affiliation and future focus language)



Theoretical Contributions

- Offers theoretically-grounded social media strategy in a B2B context
- Applies **signaling theory** to explain the importance of testimonials in B2B sales to relay the quality of a focal firm to potential customers
- Implement social media content that signals important tenets under relationship marketing (i.e., **value** through the use of less affective language, **strong partnerships** through the use of affiliation language, and **enduring commitments** through the use of focus on future language)

LIMITATIONS & FUTURE DIRECTIONS



Limitations

- Analysis only included three B2B technology firms (in one industry) - more companies should be included in future analysis for greater representation
- The current study fails to capture financial impact of the release of a customer testimonial on YouTube - future research to focus on a single company to link video to sales
- Text analysis did not specify who said what in testimonial transcripts
- Additional social media metrics could be evaluated



Future Research

- While this study can be viewed as an exploratory empirical investigation of the effectiveness of a testimonial video, it opens the door for deeper analysis moving forward.
- Greater specificity in evaluation of video content
 - Organizational rank, tenure, and/or attractiveness of testimonial employee
 - Facial analysis
 - Was the actual product or service shown in use?
 - Production quality (use of music, special effects, infographics, number of scenes)
 - Speaker porosity

Thank you 😊

MAPPING CO-CREATION PRACTICES

GSSI CONFERENCE 2019 PANAMA
PH.D. FELLOW KARINA BURGENDORFF JENSEN



Mapping co-creation practices

- Co-Creation of value: Service logic & Service Dominant logic (Ballantyne and Varey, 2006; Grönroos and Ravald, 2009; Prahalad and Ramaswamy, 2004)
- Customer, Supplier and Encounter processes (Payne, Storbacka, & Frow, 2008)
- Aarikka-Steenroos & Jaakkola 2012
- Co-ideation, co-valuation, co-diagnosing, co-testing, co-designing and embedding (Marcos-Cuevas, Nätti, Palo, & Baumann, 2016)

The process is different from traditional sales processes!

But what are the practical steps/the sales process for co-creation selling?



Action research/Case study

- Systemic action research (Burns 2007)
- Making a change, monitoring and describing.
- Creating change and knowledge simultaneously
- Including practitioners in the research process. If it is about them – include them.
- Collecting, coding, analyzing and feedback
- Following one (at a time – total of 31) company during a three-year period of changes



The Case: Kruse Vask

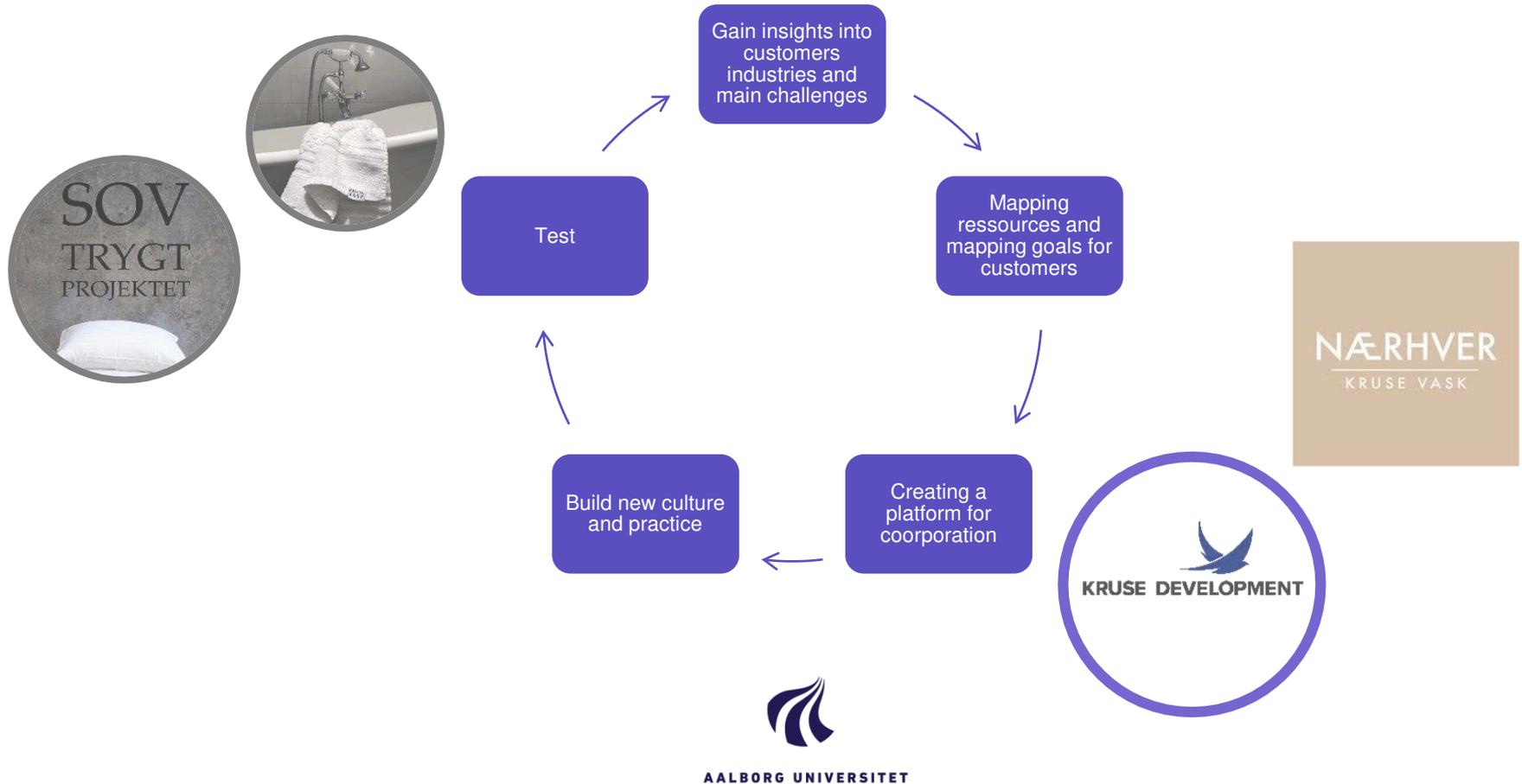
- Family-owned industrial laundry. 56 years old and operates in a mature and saturated market.
- The smallest among larger competitors in the Danish market. The company rents linens (tablecloths, napkins, bedding, chefs-clothing etc.) to restaurants, hotels and production companies.

The main goal was to achieve the following outputs:

- Improve the sales process and move from transactional sales to co-creation sales.
- Differentiation from competitors (who all deliver basically same services and products)
- Move away from price-wars with competitors
- Develop a unique value proposition
- Practicing value co-creation processes
- Building a sales eco-system
- Increase customer loyalty



Steps of the co-creation process



Outcome

- Sales process has significantly changed in the company. From hard bargaining, customer focus on price and traditional canvas sales to a co-creative platform for customer acquisition and retention.
- 95 % of new customers are now recommended from other customers or from someone in the network.
- Another significant change is the level of insights about customers and potential customers that the company now has.
- Only develop solutions and products together with customers and potential customers.



Discussion

- Pre-existing conditions making co-creation possible
- Different value-practices (Burgdorff 2018)
- Challengening for companies to adjust sales process
- Whole system change required
- Size and structure of the eco-systems surrounding Kruse development
- Learning
- Competencies for practicing co-creation
- Not for everybody – but hen for who?





SMEs' Sales Operations and Growth: Current Drivers and Obstacles Based on Literature Review

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GSSI, 5-8th of June, 2019

The background of the study

- B2B environment has faced significant changes due to disrupting factors, like the empowerment of B2B buyers by availability of information, digitalization and globalization (Grove et al., 2018; Cuevas 2018).
- At today's economy, the opportunities for growth are more and more technology related. The research also points out an undergoing challenge in B2B sales as the implementation of the technology lacks (Rodriguez et al., 2012).
- In many countries SMEs have a remarkable role for building future work opportunities. However, only a small number of SMEs have set growth targets to a strategy.
- Previous research has highlighted SMEs lacking skills in organizing the sales operations as well as leading the sales and growth (Hautamäki et al., 2017; Malshe et al., 2017)
- It seems that the recent research of the SMEs has not focused on companies' sales process and how to gain growth through selling overall. More research is needed to understand the impact of sales process optimization on organization's performance (Rodriguez et al., 2016).

Formulating the problem

- In recent years SMEs have been the point of interest of constant research. Especially their internationalization patterns has gained interest.
- However, there seems to be a lack of sales research around SMEs and their possibilities to grow through sales.
- Therefore, we wanted to search more what are the SMEs' current sales-driven operations for growth and what encourages SMEs replicating their current sales model to grow their business and what are the main obstacles.
- Thus, the purpose of this study is to find answers to research question: *What are the SMEs sales-driven operations for growth?* To identify the gaps in the existing literature, a traditional literature review was conducted.

Research method

- Traditional literature review was conducted of the research within last 5 years by using the key words “sales”, “selling”, “scalable” sales model”, “sales process” “operations” “SMEs”, “growth”, “B2B”. Other supporting keywords used were: “challenges”, “obstacles”, “drivers”
- 246 articles were recognized, which were reviewed more closely to find relevance for the themes compared to this review’s main interest areas, which were “SMEs”, “sales operations” or “sales models” and “growth”.
- The relevant articles were categorized under three themes:
 1. SMEs’ current sales operations helping in growth
 2. Drivers towards growth driven sales models
 3. Obstacles towards growth driven sales models

The main findings

SMEs' sales operations linkages to companies' growth

- The organizations' capability to implement sales processes which are formal and repeatable may lead to consistent sales performance (Rodriguez et al. 2016).
- In a case study of the Finnish technology startups scalability of the business model was among the four reasons for causing variety in Finnish' SMEs ambitions for growth (Wallin et al., 2016)
- In the sales context that has changed in many ways, the functioning modern sales operations would need simultaneous dual approach that enables both transactional type of selling and consultative or strategic selling (Cuevas, 2018).
- More and more B2B-transactions happen in digital platforms in near future and therefore buying itself does not always need sales person's involvement anymore. Yet, at the same time more complex service and solution offering require strong face-to-face relationship in other types of customer cases (Arli et al.,2018; Alhonen et al., 2018).

The main findings

SMEs' sales operations linkages to companies' growth

- For example for Finnish SMEs, a typical growth pattern is to expand the business to international markets. But as the digital ecosystems are coming more and more common and global digital delivery channels become more common, the growth ambition can be very different (Wallin, et al., 2016).
- For those type of SMEs, internationalizing country-by-country may not be that relevant, but instead the focus on how many users or customers they have, and how they are able to grow the user or customer base while keeping their operational efficiency at a high level (Wallin, et al., 2016).
- Therefore, those type of SMEs the scalability of their businesses may not be strongly linked to the number of employees and growth pattern may be something else than typical foreign trade pattern (Wallin, et al., 2016).

The main findings

Drives for growth

Small size gives flexibility

- Small company size provides the companies opportunities to try different sales models, learn from them and fine-tune further especially in digital business environments. This type of process called also pivoting makes it possible to make experiments in new context but it is also highly demanding for the small companies (Rasmussen and Petersen, 2017; Prindible and Petrick, 2015; Muhos et al., 2018)

Networking

- The SME's ability to increase resources through relationships and networks seem to have positive impact on sales performance by strengthening customer relationships (Bocconcelli et al., 2016 & 2017; Román and Rodríguez, 2015).
- As the sales resources for a small company are scarce, finding right partners to spread word of mouth of the solution and fostering dialogue in networks is key (Rasmussen and Petersen, 2017). By fostering the dynamic networks, SMEs could be more responsive flexible and responsive to customer needs (Mikhailova and Olsen, 2016).

The main findings

Investments in technology

- The digital transformation should be seen as possibility to open new types of value networks and ways of further promoting companies' growth (Pagani and Pardo, 2017).
- Daily sales tasks and sales management have several routine tasks that could be automated like inside sales, documentation, detailed call reports and provisioning of product/service data (Syam and Sharma, 2018).
- With the help of machine learning and AI is the salesperson's repetitive and non-productive processes could be automated and due to that the time could be spent to more productive customer relation tasks (Syam and Sharma, 2018).

Obstacles for growth

- SMEs had often realized the limitations of their business model decisions that had influenced on the scalability of their business. Those companies' business was either highly labor intensive (e.g., consulting) or the sales, marketing or distribution were very labor intensive (Wallin, et al., 2016).

Managerial insights

- The SMEs' sales strategies need to be transformed and not rely on what has worked before.
- It seems that there is a need for both transactional type digital sales models as well as consultative problem-solving sales models within the same company. That is why it would be critical for growth-seeking SMEs to define their sales models and develop it further on towards sales models which work with their targeted customers.
- Even though the customers may want more customized experience, due to SMEs limited resources, tailor-making the sales process to each customer may not be possible, without integration of sales supportive technology, like digital sales and marketing tools and artificial intelligence in use as part of the SMEs' sales model.
- Adaption of sales technology is necessary for improving the sales performance in digital age, but pure technology does not lead to better sales performance (Rodriguez et al., 2016).

For discussion

- This study has provided a limited overview of the topic and therefore more concise and empirical research is needed.
- Sales related literature, especially on SMEs' sales models and their relation to growth is limited and there seems to be a gap to be filled.
- This review limits out the SMEs personal sales skills, the sales commissions or outsourced sales forces to grow the sales operations.
- The development in SMEs' sales skills could tackle some of these obstacles in SMEs growth and this could be seen also as an important area for academy to contribute both academically and practically.

Sales Education and Philanthropy: U.S. Sales Curriculum Transcends Boundaries and Elevates Employability and Income Level's in Latin America

MIKELLE BARBERI-WEIL, TIM BORDER, BLAKE NIELSON

WEBER STATE UNIVERSITY





Literature Review

What We Know:

- ***Soft skills of selling*** know no boundaries and are rooted in basic human interaction. A new definition of selling can be described as the phenomenon of human-driven interaction between and within individuals/organizations in order to bring about economic exchange within a value-creating context (Dixon & Tanner, 2012).
- ***Sales education has significantly grown*** in importance because selling skills are highly demanded in the marketplace, thus providing higher levels of employability (Marcos-Cuevas, Critten, & Squire, 2014).
- The ***Global Sales Science Institute*** was founded in 2007 to bring together the study and practice of sales and sales management internationally to further ***advance global collaboration in sales research, practice, and education*** (Marcos-Cuevas et al., 2014).

The ideal society for many can be described with equal opportunities for success and upward social (and economic) mobility (Kajonius & Carlander, 2017).

Literature Review



What We Don't Know:

- ***Adaptability*** was a major component for the transfer of sales curriculum knowledge.
- ***Culture*** is the way in which a group solves problems and reconciles dilemmas (Attia, Honeycutt, & Jantan, 2008).
- ***Funding and support***
- ***Understanding needs*** that will prompt more ***knowledge translation*** programming outreach
Self-employment and the sales process is also crucial in developing countries.

Literature Review

How We Filled in the Gap:

- **Mobilization of resources through partnership**

Cross-sector social partnerships (CSSPs)—collaborative arrangements between businesses, nonprofits, and government agencies—are increasingly considered by corporate nonprofit, and government leaders as a potential solution to social issues and a mechanism to increase organizational benefits (Schmate & Cooper, 2018).

- **The idea that professional selling skills are universal and transferable across cultural sectors**

Several positive trends in developing countries – from political reform, to a growing openness to investment, to the development of low-cost wireless communication networks—are reducing the barriers further while also providing businesses with greater access to even the poorest city slums and rural areas (Prahalad & Hammond, 2002).

Through targeted outreach programming and knowledge transferring, strides can be made in connecting resources for the betterment of marginalized communities.

WSU Sales Curriculum Shared



Mentoring Sales Instructors



WSU Students Guest Lecturing



Networking With Community



Mentoring Sales Graduates



Cultural Experience



“Being able to represent WSU and the sales program in Peru was an experience of a lifetime. Being able to see my degree come to life was so exciting. Seeing how our sales courses can change peoples lives made me appreciate the education I got even more. I found it invaluable applying my skills and making connections throughout the world.”

-Matt Everett WSU Student

“The opportunity to go to Guatemala was one of the most memorable experiences of my education and my life. I didn’t realize how much of an impact it would have on these wonderful people and on myself. They welcomed us with open arms and appreciated so deeply the service we provided. I will never forget how happy I felt as I was able to use my education to help others get theirs.”

-Mariah Carlson WSU Student

Findings

- Participants did a pre-test and post-test for income
- Reported in local currency and converted to dollars
- Total sample of 116 participants and growing
- 80 females and 36 males, average age of 29
- Had the goal that half would increase their income immediately
 - 62% had an increase in Guatemala
 - 43% had an increase in Nicaragua

Findings

Table 1: Descriptive Statistics of Sample

	Sample Size	Mean	Std. Deviation	Std. Error Mean
Guatemala Pre-Test Income	34	254.38	296.26	50.81
Guatemala Post-Test Income	34	435.21	495.79	85.03
Nicaragua Pre-Test Income	82	39.64	76.09	8.40
Nicaragua Post-Test Income	82	101.32	111.87	12.35

Findings

Table 2: Cohen's D and P -Value for Paired Samples T-Test

	Effect Size Cohen's D	P value
Guatemala	.29	.00*
Nicaragua	.33	.00*

* $p < .01$

Discussion

- Will continue to grow program and data set
 - Never forget about individual people
- Long term income would be interesting
- Internal benefits
 - Donors
 - Sales Center Board
 - Department
 - University wide credibility
- People are willing to help



Conclusion

- Start of a bigger conversation
- This is not a one and only opportunity
- Student involvement and service trips
- Hopeful for other efforts around the globe
- Start at home







Social Media Use by B2B Salespeople and its Impact on Performance: Evidence from Africa

by

Eddie Inyang, PhD

Stacey Schetzle, PhD



Introduction

- Social Media has emerged has an important tool in the B2B Sales Process.
 - Social Media has become so important to selling that a new term “Social Selling” has been coined.
 - Forrester Research has found 77% of sales organizations have adopted social selling and expect social media to be the primary method salespeople find and engage with prospects.
- 



Introduction

- ▶ With African GDP expected to increase by \$1.5 Trillion (from 2.2T to 3.7T) by 2030, many multinational companies are looking to Africa for growth opportunities. (Ernst & Young 2018; Brookings Institute, 2018)
- ▶ The effectiveness of various sales strategies can vary depending on cultural factors. (Park and Dietz 2006)



Gap in Literature

- There is a paucity in the literature of the drivers of social media adoption as part of the sales process among B2B salespeople. In the SFA literature, the failure to adopt new technology has been as high as 75% (Jelinek et al. 2006)
- There has been very little empirical research on the performance outcomes of social media usage by B2B salespeople (Itani et al. 2017; Marshall et al. 2012)
- There is a call for sales researchers to “internationalize” sales research as most published sales research have used salespeople from the U.S. and Europe as samples. (Panagopoulos et al. 2011)



Research Questions

- What are some of the drivers or antecedents of social media usage by B2B salespeople?
 - Does social media usage by African B2B salespeople have a positive impact on performance?
 - Are there cultural factors that can inhibit the effectiveness of using social media in the sales process by African B2B salespeople?
- 



Theoretical Background

- ▶ In the sales literature, for sales technology to have an impact on sales performance, motivating use of the technology is a critical factor (Hunter and Perrault 2007)
- ▶ The UTAUT Model developed in the IS literature has been used extensively in the sales literature to explore sales technology adoption (Venkatesh et al. 2003; Weinstein and Mullins 2012; Baker and Delpechitre 2013; Spreer and Rauschnabel 2016)



Theoretical Background

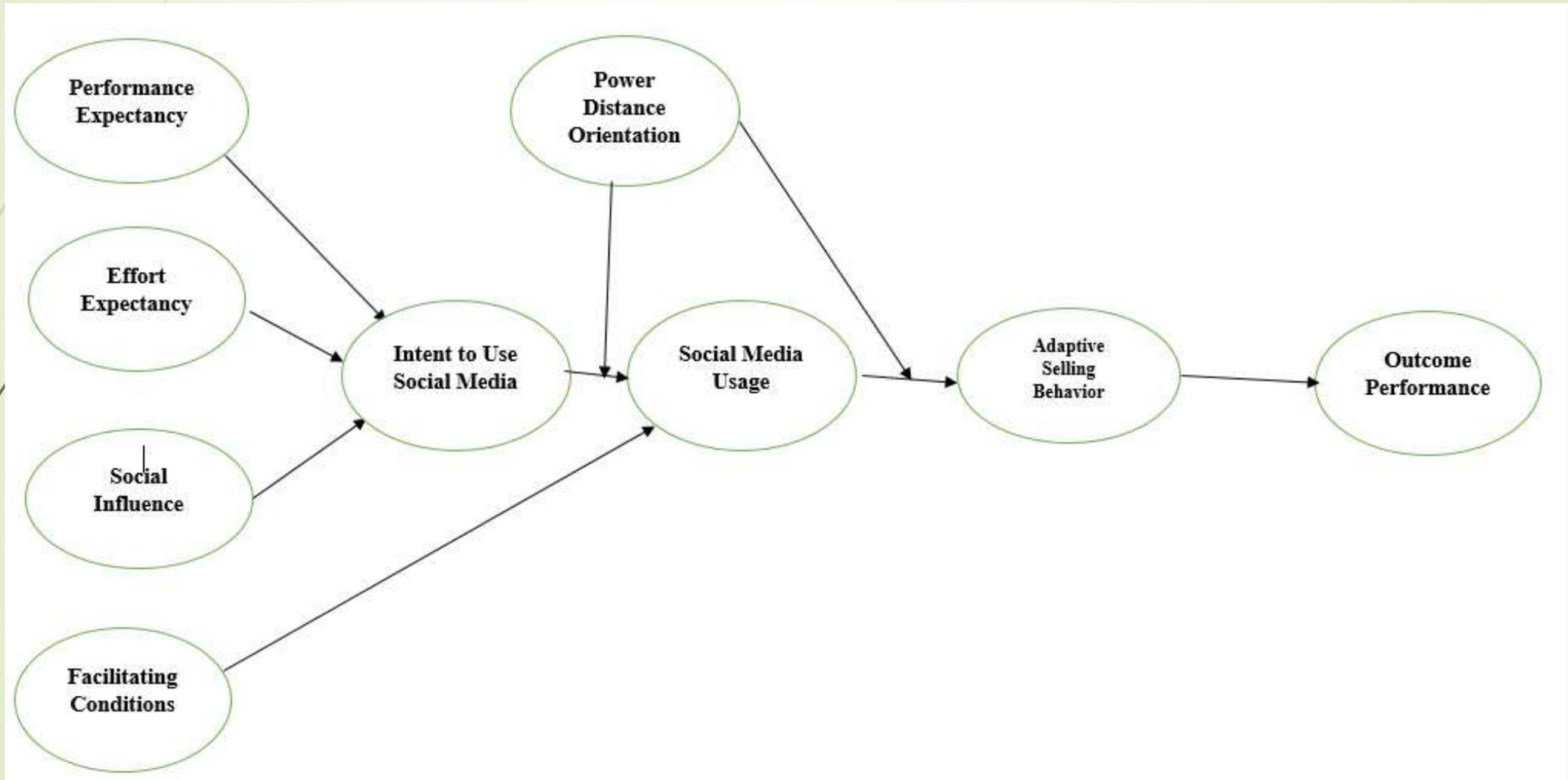
- ▶ The UTAUT model argues that factors influencing technology adoption include: performance expectancy, effort expectancy, social influence and facilitating conditions (Venkatesh et al. 2003)
- ▶ Adaptive Selling which is the altering of sales behaviors during customer interactions, is a key predictor of sales performance in the sales literature (Franke and Parke 2006)



Theoretical Background contd.

- Power distance orientation is an individual-level measure of one of the four Hofstede's cultural orientations and refers to the degree to which individuals in a society accept inequality (Hofstede 1981; Kirkman et al. 2009).
 - Power distance orientation has been found to be very relevant to employee behaviors. High PD employees tend to be less willing to engage with higher status individuals due to their beliefs about societal norms (Kirkman et al. 2009; Auh et al. 2016).
- 

Conceptual Model





Sample and Measures

- 470 Salespeople from various countries in Africa were contacted via LinkedIn to participate in the survey. 145 salespeople completed the survey questionnaire for a response rate of 30.8%.
- Survey respondents came from the following countries; Egypt, Ghana, Kenya, Nigeria, Tanzania and South Africa.
- As it was not feasible to obtain salespeople from all 54 countries in Africa, the above countries were chosen because; they are Anglophone, and account for about 48% of African GDP.
- All measures used are from established scales.



Method

- PLS-SEM with WarpPLS 6.0 was used to examine the relationships between constructs.
 - PLS-SEM was chosen over CB-SEM because:
 - The data had a non-normal distribution
 - The sample size was small relative to the number of constructs in the model (Hair et al. 2016).
 - The goal of the study is prediction and the identification of key driver constructs.
- 



Results –Measurement Model

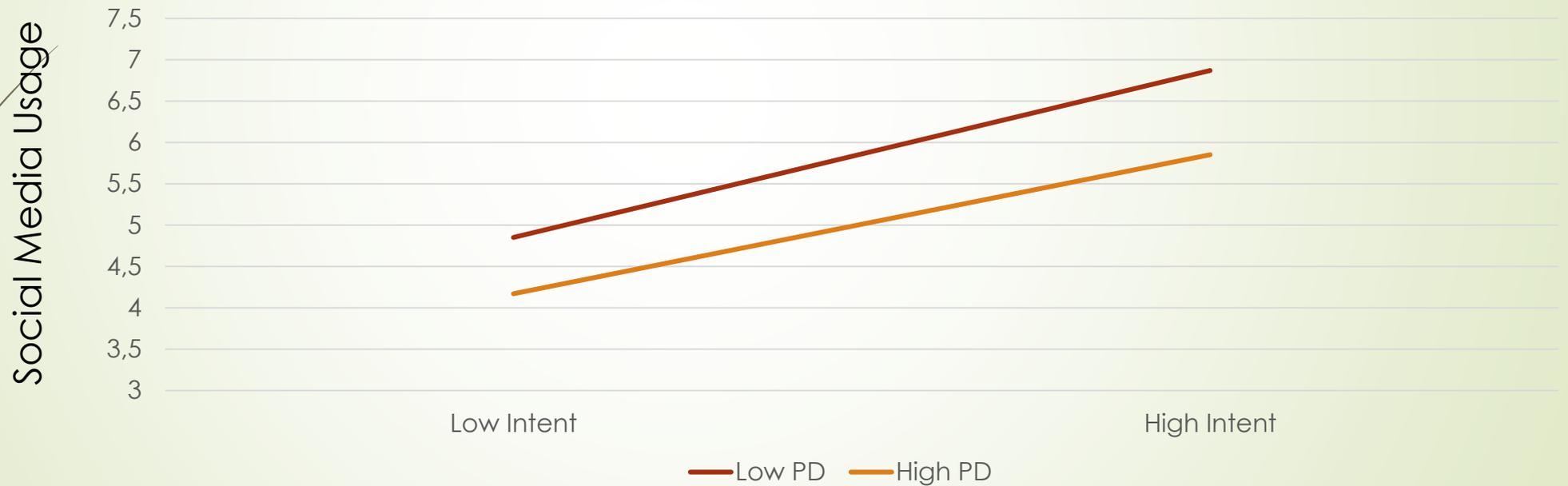
- All indicator loadings exceed the 0.70 threshold (Hair et al. 2016)
- Composite reliability for all constructs exceed the 0.70 threshold demonstrating convergent validity (Hair et al. 2016)
- The square root of the AVE of each construct exceeded the correlation with any other construct (Fornell and Larcker 1981)
- The VIF scores for all constructs in the model are below 4, indicating multicollinearity is not an issue (Garson, 2016)

Results

Hypotheses	Coeff.	P-value	Result
H1: Performance Expectancy – Intent to Use SM	-11.6	0.08	not supported
H2: Effort Expectancy – Intent to Use SM	0.47	<0.001	supported
H3: Social Influence – Intent to Use SM	0.10	0.12	not supported
H4: Facilitating Conditions – Social Media Usage	0.35	<0.001	supported
H5: Intent to Use SM – Social Media Usage	0.22	0.003	supported
H6: Social Media Usage – Adaptive Selling	0.28	<0.001	supported
H7: Adaptive Selling – Outcome Performance	0.31	<0.001	supported
H8a: Intent to Use SM X Power Distance Orientation – Social Media Usage	-0.42	<0.001	supported
H8b: Social Media Usage X Power Distance Orientation – Adaptive Selling	-0.34	<0.001	supported

Interaction Results

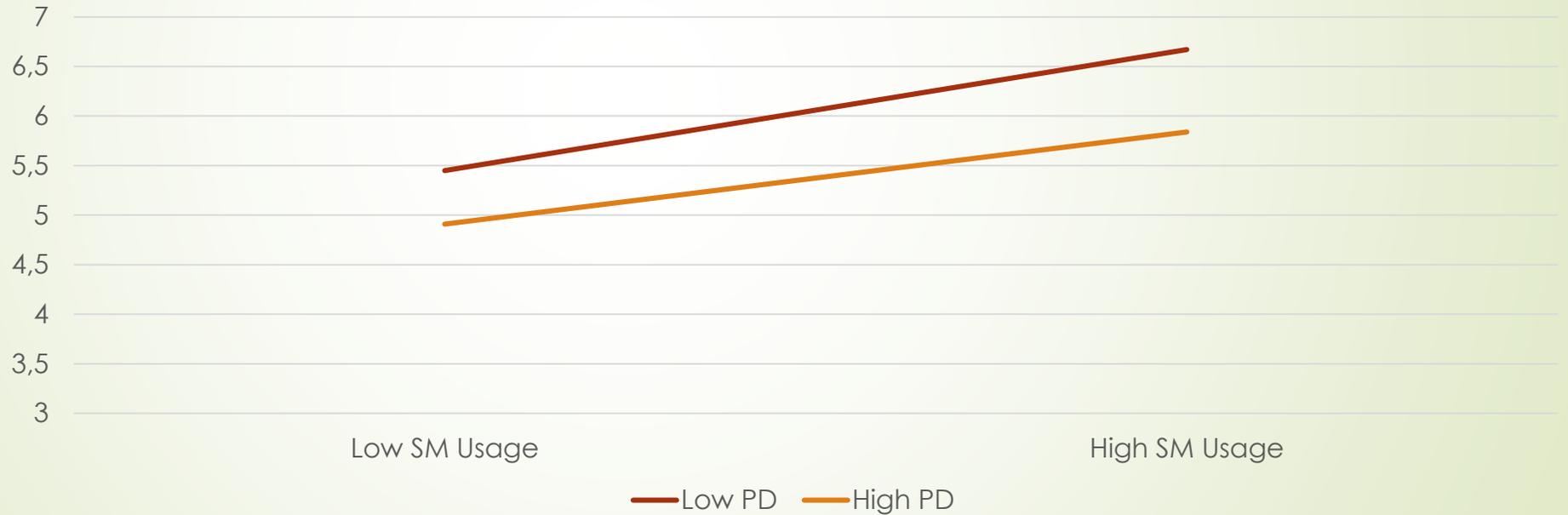
Interaction Effects of Intent to Use x Power Distance on Social Media Usage



Interaction Results contd.

Adaptive Selling

Interaction Effects of Social Media Usage x Power Distance on Adaptive Selling





Theoretical Implications

- Answers the call for more sales research with an international focus. This study is one of the few empirical studies in sales research with a sample of African B2B salespeople.
 - Identifies some of the drivers of social media adoption by salespeople.
 - Demonstrates that cultural orientations such as power distance, can inhibit the adoption and effectiveness of social media tools.
- 



Managerial Implications

- Confirms prior finding in the literature that when B2B salespeople use social media it has a positive effect on performance. This results also apply in an international setting such as Africa.
 - However, sales leaders managing a sales force in Africa should be aware that the effectiveness of “social selling” can be inhibited due to salesperson reluctance to contact prospects who their perceive to be higher status on social media.
- 



→ **Questions?**



Workshop on Sales Engineering

Liisa Kairisto-Mertanen, Finland

Jobst Görne, Germany

Ellen Pullins, USA

Jorge Bullemore, Chile

Roman Anlanger, Austria



Who are we in the workshop?

Liisa Kairisto-Mertanen, Finland

Jobst Görne, Germany

Ellen Pullins, USA

Jorge Bullemore, Chile

Roman Anlangier, Austria



Global Sales
Science Institute

Dr. Liisa Kairisto- Mertanen



- Executive lecturer at Turku University of Applied Sciences
- Ph.D. in business administration
- One of the developers of Innopeda®
- Developer of sales education in Finland
 - in engineering
 - in business
- Member of board at European Sales Competition Association
- Member of board in GSSI



Dr.-Ing. Jobst Görne



- PhD on Engineering at Aalen University (RWTH)
- Over 30 years of experience in Sales Engineering – academically and industry wise
- Professor in the Sales Engineering program at Aalen University, Germany
- Director of Steinbeis Institute of Sales Engineering Management
- Member of the Board of GSSI, member of AASE, chair of Alumni Association IVA
- Giving lectures on technical and commercial subjects in the bachelor and master program
- Working on exchange/joint programs with TUAS, HS Karlsruhe, UCA Clermont-Ferrand

Dr. Ellen Bolman Pullins



- Schmidt Research Professor of Sales & Sales Management; Professor of Marketing & International Business at the University of Toledo
- Ph.D., The Ohio State University
- Fulbright Scholar, Finland 2015
- Co-Founder of GSSI (current board member), Former Academic Council, AMA, Former Chair, AMA Sales SIG, Former Executive Director of NCSM, Current SEF board member, ERBs –JPSSM, JBR, JS
- Actively researching in professional selling an interest in understanding how the salesperson interfaces with the customer and how management can incent and develop these behaviors.





Dr. Jorge Bullemore



- Sales Management and Personal Selling Senior Consultant (Barna Consulting Group)
- Work as a consultant for international companies as Engie, Equifax, Principal, SURA, Vorwerk, SIEMON, YPF, BBVA, MAPFRE, among others.
- Senior Lecturer at U. de Chile, U. Adolfo Ibáñez, U. del Desarrollo (Chile), ESAN Graduate School of Business (Perú) and U. Lleida (Spain).
- As a Ph.D. (U. De Lleida, Spain) Jorge is interested in researching in sales and sales management.

Prof. (FH) Mag. (FH) Roman Anlanger



Global Sales
Science Institute



- Director of Studies “Technical Sales and Distribution Management” at the University of Applied Sciences BFI Vienna, Austria
- Academic lead of “International Marketing Week” – European Network
- Written the bestsellers “Trojanisches Marketing I and II”
- Member of AASE (Academic Association of Sales Engineering)
- XING Ambassador



Agenda

- What is Sales Engineering? - Liisa
- The Economical Impact of Sales Engineering - Jobst
- What does it mean to educate Sales Engineers - Jobst
- Sales Engineering in the US - Ellen
- Sales Engineering in Southern America - Jorge
- Sales Engineering in Europe - Roman



What is Sales Engineering? A Definition

- Sales Engineers are responsible for establishing transactions of technical industrial goods, which are manufactured according to the needs and specification of the customers
- This requires
 - Understanding of the technical and commercial requirements of the customers
 - Creating customized technical solutions which meet the commercial expectations
 - Negotiating the technical and commercial solutions to the satisfaction of both parties



Prerequisites of Sales Engineering

- Sound and broad technical knowledge
- Detailed cost calculation knowledge
- Persons with technical and commercial creativity and curiosity
- Orientation towards people, less towards objects
- Persons with strong position inside the own company
- Language and negotiation skills



Some World Data Facts

- World GDP is 78.000 Bill. EUR (2018)
- Industrial Production Worldwide is 18.000 Bill. EUR (2018)
- Production of Vehicles, Machines and Electric Devices (typical Sales Engineering Products) is 7.000 Bill. EUR (2018)
- Consequence: the B2C market is about 10 times bigger than the market for Sales Engineering
- Sales Engineering has been in the shadow of consumer sales



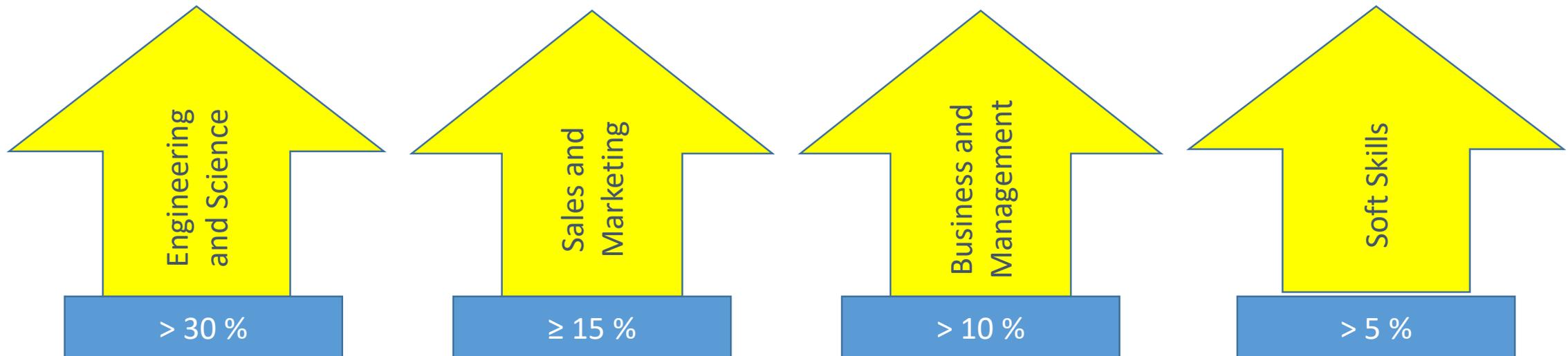
Qualitative Facts

- Vehicles, Machines and Electric Devices are enablers for the production of ANYTHING important to modern societies
- They are inevitable for the social life like communication, health, food, energy
- Sales Engineers should be trained professionally and carefully
- Currently the Purchasing Departments are empowered at a high speed
- It is crucial to counter-balance this development by the professionalization and scientification of Sales Engineering



Education of Sales Engineers

- Following AASE* recommendations, Sales Engineers should have the minimum shares in the four pillars of education:



- * For further details: https://doi.org/10.1007/978-3-319-60372-8_16



Educating Sales Engineers

- Detailed technical, commercial and business knowledge is a must
- Creativity and curiosity in the technico-commercial business is needed
- Students need to be made independent, self motivated and need to be prepared to face highly stressful situations. Person orientation instead of object orientation is a must. Practical training is required
- It can be easier to bring technical knowledge to extroverted young people with sales ambitions than a sales orientation to born engineers
- Sales Engineering courses show up to 35% of female students in Aalen University

Issues (Mulki 2019)



Global Sales
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- Typical Industries for Sales Engineers include Consulting, Industrial/Agricultural Equipment, Systems Integrators, Industrial Chemicals and Supplies, Contractors and HVAC Suppliers, Industrial Tooling, Machines, Automation, Manufacturing, Transportation, IT Services (Technology), Health Services
- Sales Engineer Job postings do not mention sales/marketing -- Less than 1% mention sales in their job title and 15% sales/marketing in job description (Sly, Bumblauskas, & Peters*, 2010)
- Very few universities offer technical sales or sales training for engineers
 - Do not see value -lack of understanding of the need
 - Viewed with stereotypes and as lower paying
 - Missed opportunities for jobs and career growth
- Competition and/or Procedural issues between Engineering and Business School – Assignment of resources and tuition

*Sly, Dave, Dan Bumblauskas, and Dr. Frank Peters. (2010). *Development of an Engineering Sales Program with Industry* Paper presented at the Midwest Section Conference of American Society for Engineering Education

Example Courses of Study

University of Florida Technical Sales Minor:

- *Introduction to Financial accounting*
- *Selling Strategically*
- *Sales engineer seminar*
- *Civil engineering and Cost analysis*
- *Process economics and optimization*
- *Engineering Economy*
- *Agriculture and Food Marketing*

Penn State Behrend Technical Sales Minor:

- *Supply Chain Management*
- *Introduction to Statistics for Business*
- *Personal Selling*
- *Project Management for Engineers*
- *Project Management*
- *Logistics Systems Analysis and Design*
- *Purchasing and Materials Management*

Iowa State Engineering Sales Minor:

- *Technical Sales For Engineers*
- *Technical Sales For Engineers II*
- *Principles Of Marketing*
- *Personal Sales Or Consumer Behavior*
- *Functional Aspects Of Sales Force Management*
- *Marketing Management Decision Making.*
- *Engineering Economic Analysis, Principles Of Finance, or Engineering Economic Analysis & Issues In Civil Engineering*

University of Toledo Sales Minor for Engineers:

- *Professional Sales*
- *Sales Technologies and Strategies*
- *Advanced Sales*
- *and two of the following:*
 - *Purchasing & Business Relationship Management*
 - *International Sales Negotiation*
 - *Sales for the Social Good (Special Topics class)*
 - *Sales Force Leadership*
 - *Principles of Marketing*
- *Opportunity for Sales Majors to pick up tech background*

University Courses For Engineers (Partial List from USCA survey)

<i>University</i>	<i>Program Description</i>
U of Central Florida	STEM specific professional selling course. Portfolio project, cases, exams and group role plays. Uses SPIN and Challenger.
Texas A&M	<p>Sales Boot Camps for Engineering Students</p> <ul style="list-style-type: none"> <li data-bbox="754 542 2476 828">• <i>The Power of Professional Selling: Immersion Program for Engineers – collaboration between Business School, Professional Selling Initiative, College of Engineering, Career Center, Industry Partners</i> <li data-bbox="754 842 2476 1128">• <i>The program is designed to provide 50 engineering students with an opportunity to develop communication and sales skills in a week-long immersion program where they will learn, practice, and network.</i>
Bryant University, Ohio University, UT Dallas, & others	Any-major-can-take, including engineering, sales minors or sales certificates. EX. Bryant offers 4 classes – Personal Selling, Sales Management, Marketing Internship + 1 elective (customizeable)



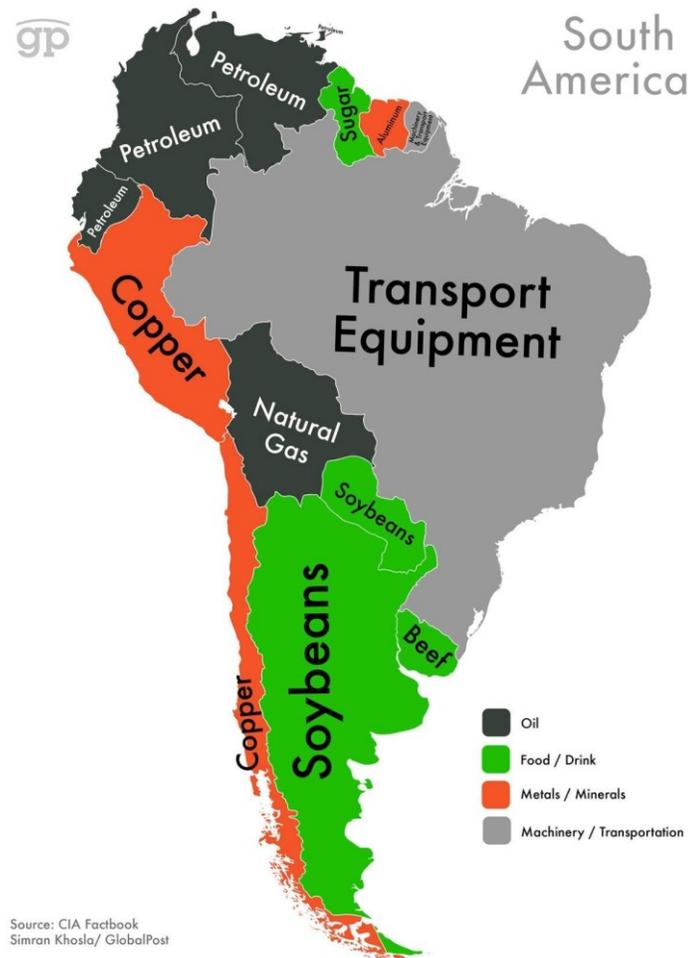
South America



- 13 countries.
- Population: over 420 millions (Brazil over 200 millions)
- Primary spanish-speaking countries
- GDP (PPPP) > \$4,2 trillions
- Important cultural differences among Anglo-Saxon countries



Sales Engineering Education



- Commodity base economies: Copper, Soy beans, Petroleum, among others.
- Sale of equipment for complex processes, representation and B2B selling of global brands (Caterpillar, Komatsu, etc.)
- Almost none of formal Sales Engineering Education.
- Traditional Engineering backgrounds recruitment. Almost no Sales Engineering certification or program.



Sales Engineering Education

Country	University	Program	Under / Graduate
Brazil	IETEC	Engenharia de Vendas	Graduate
Brazil	Mackenzie Rio	Engenharia de Vendas	Graduate
Brazil	Centro Universitário Fundação Santo André	MBA em engenharia de vendas	Graduate

Opportunities



Global Sales
Science Institute



- Convince universities that the training in Sales Engineering is relevant, and a future career.
- Create and develop programs that maintain a mesh of content and quality similar to what the developed countries has.
- Development of applied research bearing in mind the cultural component.



Sales Engineering Education in Europe

Complexity

Action Research

Networking

Three columns of SEE in Europe



Global Sales
Science Institute

Sales Engineering Education in Europe



Networking
International Marketing Weeks
Sales Competitions
Erasmus +





Sales Engineering Education in Europe



Complexity

Concepts of team teaching

Group reflection

Action research



Next level of intercultural learning – a new approach to a sales study program

Margarethe Überwimmer, Robert Füreder

HAGENBERG | LINZ | STEYR | WELS



UNIVERSITY
OF APPLIED SCIENCES
UPPER AUSTRIA

Background

- EU, Northern America and China – regions of utmost importance in the aspect of economy (GDP, number of inhabitants)

(IMF, 2018; Marquis, Raynard, 2015)

- Upper Austria – one of the most dominating industrial areas in EU

(Thogersen et al., 2015; Statistik Austria)

- Upper Austria – model region for industrial services

(ESIC)

Triple Degree Universities

CETYS University, Mexico



FH Upper Austria, Austria



Providence University, Taiwan



Success factor for international business: Languages and cultural knowledge

Question in the CEE Barometer Study:

“What is an absolut **MUST DO** in order to be successful in business? “

(n=232; Answers in %; open question)





Necessary knowledge and skills for international business success

- Knowledge how to work effectively with people from other countries and cultures
- Understanding of the host country, its market and its people
- International marketing and international trade knowledge
- Awareness of other cultures and settings
- Cross-cultural communication skills, including language skills
- International entrepreneurship and entrepreneurial thinking
- Understanding business models and various industries

Triple Degree - Study Content

CETYS University, Mexico

Entrepreneurship and Business Models
Ethics and social responsibility



FH Upper Austria, Austria

International Sales Management
International Marketing Management (B2B)



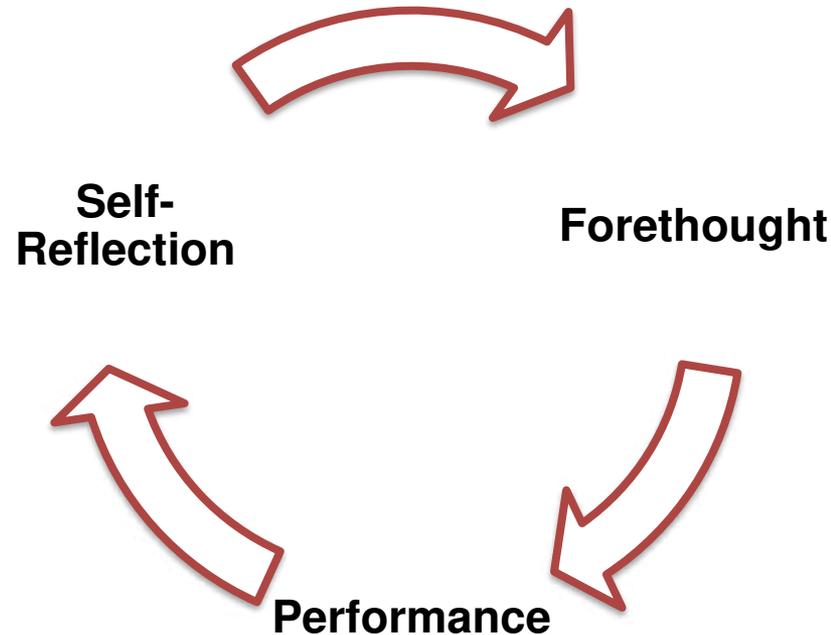
Providence University, Taiwan

Digitalization - Omni channel
Human resource management

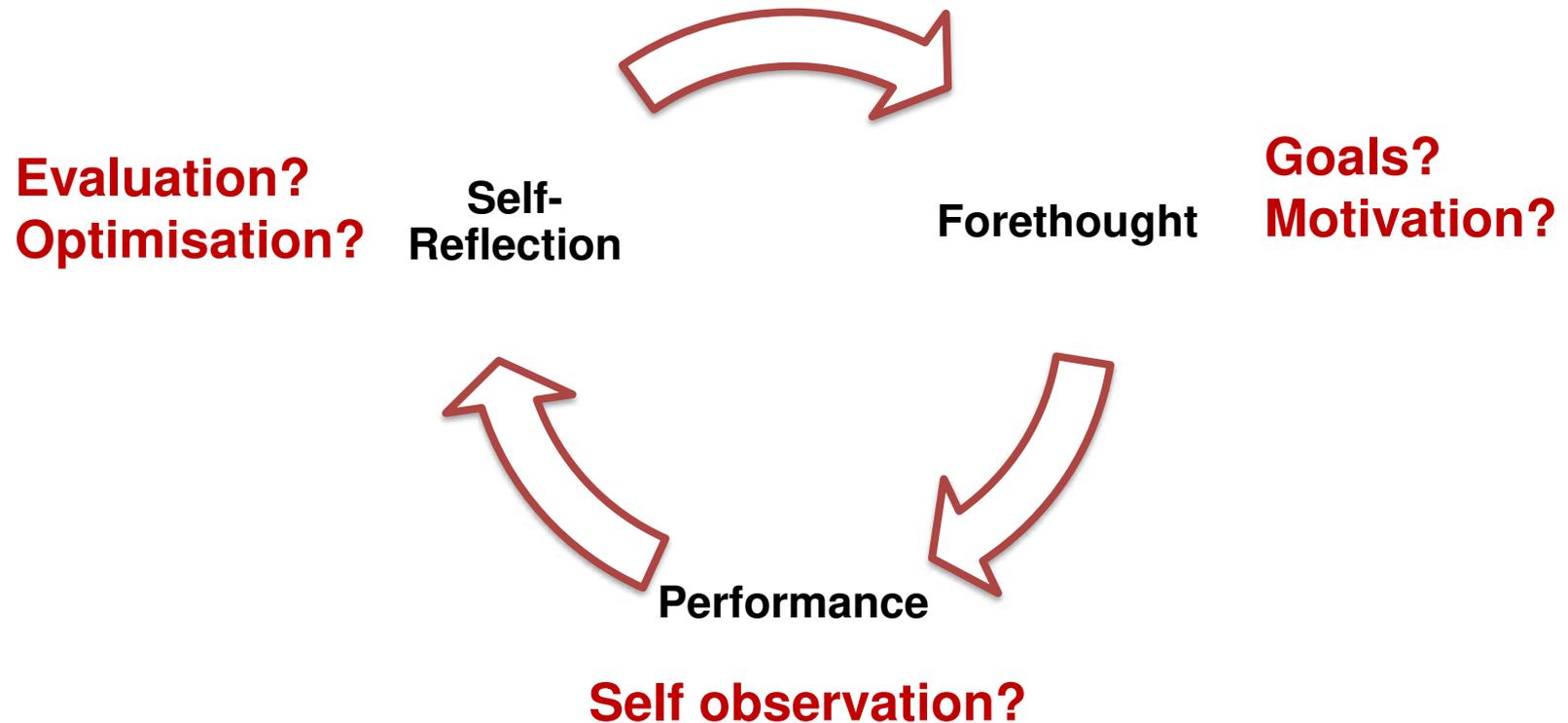


1 st Semester		2 nd and 3 rd Semester Studying together with Latin American, European and Asian students			4 th Semester
Sept. – Dec.		Jan. – Mid April	May – Mid Aug	Mid Sept. – Mid Dec./Jan.	March – June
home university		CETYS (Mexico) 	PU (Taiwan) 	FH OÖ (Austria) 	home university

Three Phases of Intercultural Learning



Life-long Intercultural Learning Process

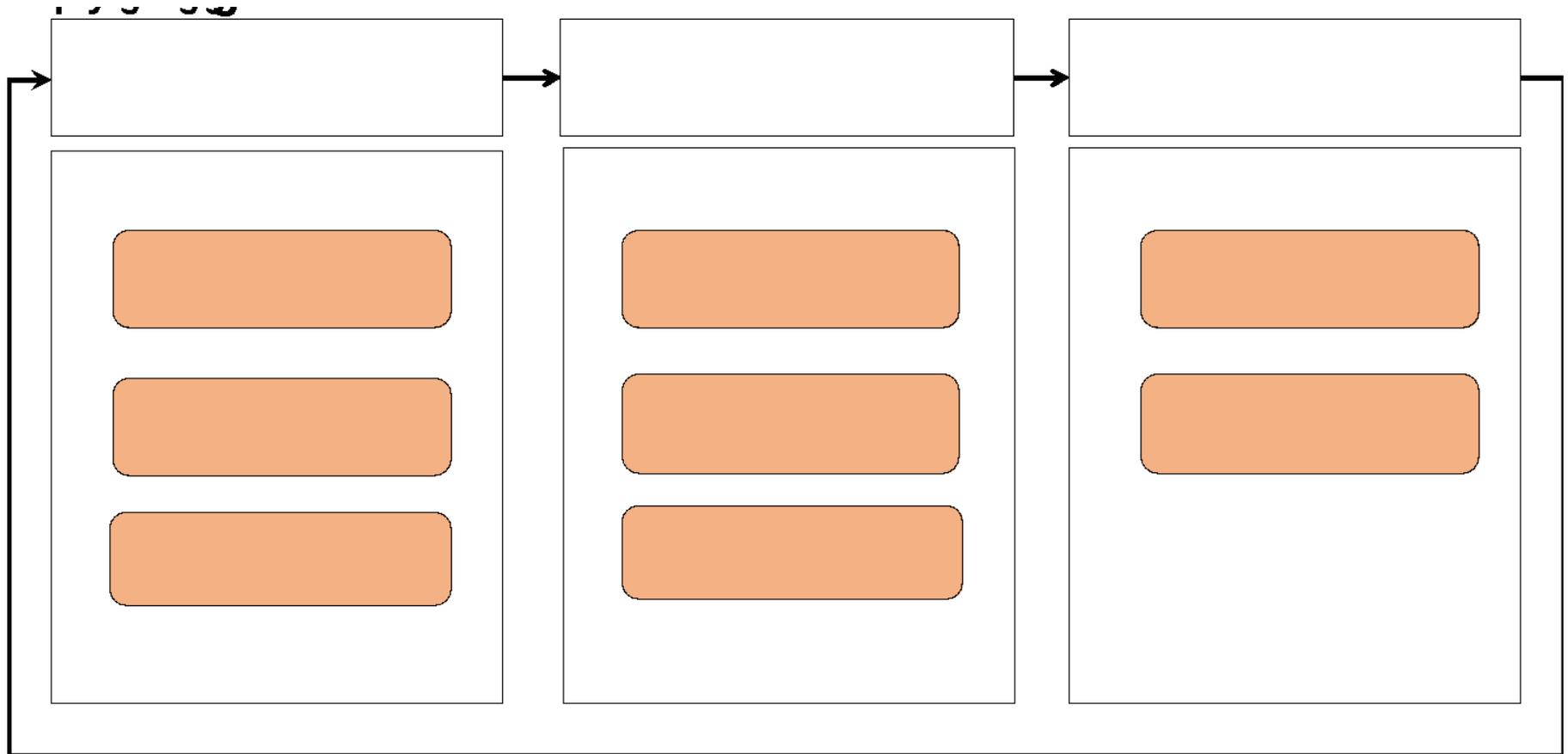


Which goals do self-regulated learner set?

Compositional models of intercultural competencies differentiate several sub-dimensions of intercultural competence, e.g.

- **Cognitive** “To improve my intercultural competence, I set myself the goal to acquire a broad cultural and country-specific knowledge.”
- **Affective** “To improve my intercultural competence, I set myself the goal to improve my ability to better understand others’ feelings.”
- **Pragmatic** “To improve my intercultural competence, I set myself the goal to improve my conflict resolution strategies.”

MPICO Model



Questionnaire Development

– Forethought Phase:

- › Intercultural Learning Goals (3x 4 items)
- › Intercultural Self Efficacy (4 items)
- › Intercultural Intrinsic Interest (4 items)

– Performance Phase:

- › Emotional Reaction (2 items)
- › Self Monitoring (4 items)
- › Self Experimentation (4 items)

– Self-Reflection Phase:

- › Dealing with Failure (4 items)
- › Situation Analysis (4 items)

The answer options of all items ranged between “strongly agree” (5) to “strongly disagree” (0).

MPICO Test

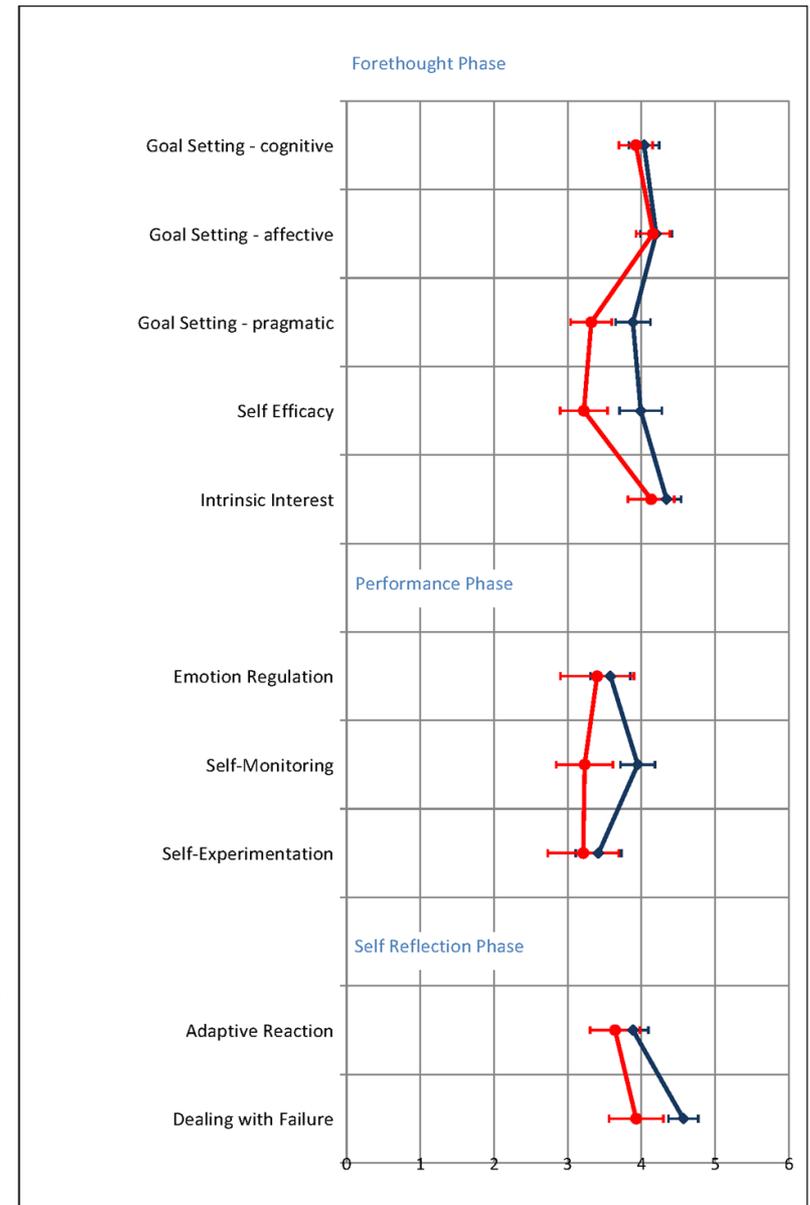
MPICO = Managers' Process Model of Intercultural Competencies

Instrument to measure intercultural competences

... online ...

www.global-business.at/mpico

coming soon



How did the partner search for the triple degree partner work

- **partner universities located in relevant export markets**
- **willingness and**
- **Ability**
- **similar philosophy in terms of developing transfer competence**
- **high level of students' quality**
- **same focus of learning content**
- **ability to award a degree from all partner universities, despite having only a short stay at the partner university**

Concept of Triple Degree Global Sales and Marketing

Intake: 15 students at each partner university

1 st Semester	2 nd and 3 rd Semester Studying together with Latin American, European and Asian students			4 th Semester
Sept. – Dec.	Jan. – Mid April	May – Mid Aug	Mid Sept. – Mid Dec./Jan.	March – June
home university	CETYS (Mexico) 	PU (Taiwan) 	FH OÖ (Austria) 	home university

Teaching approach

- **Case studies (critical thinking ability, experimental learning)**
- **Workshops (learning through experience)**
- **Lectures**
- **Integrated courses**
- **Flipped classroom learning**
- **Projects for transfer**

Networking events with industry partners

- **Company visits**
- **Lectures giving inside in practical applications of theory**
- **Management talks**
- **Carrier fair**
- **Possible internship**
- **InnoCamp36.at[®]**

InnoCamp36.at[®]

29.-30. November 2019
driven by GSM

further information:
www.innocamp36.at



emporia



MC TECHNOLOGY
MEDICAL COMPLIANCE MONITORING

ENGEL

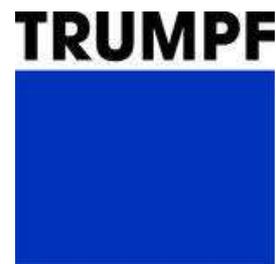


 **rosenbauer**

steyr2030
OPEN INNOVATION

voestalpine

ONE STEP AHEAD.

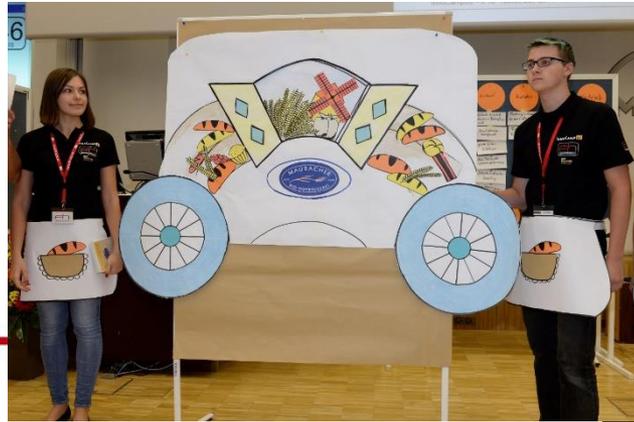


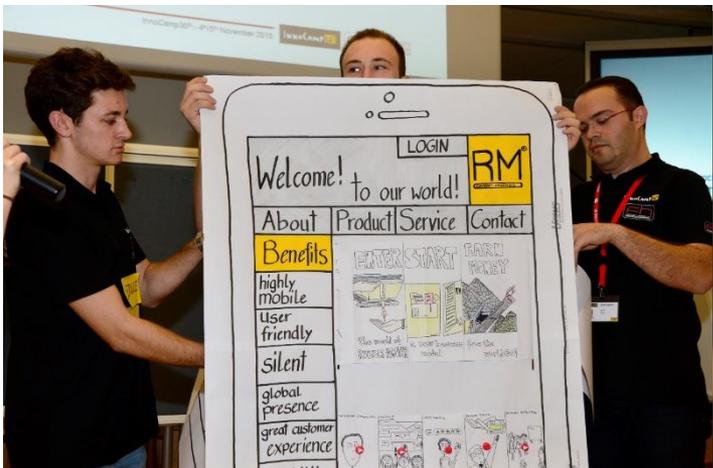
SKF





INNOCAMP 36th





Advantages

For students:

- short time span
- international experience on three continents
- expand international network
- get used being in an international environment
- entrance level three language skills, English – C2 level
- three degrees

For companies:

Triple degree graduates with ...

- knowledgeable skills in various business fields
- high command of English level
- global negotiation skills
- international network

Advantages

For universities:

- TD is a unique product
- intense contact and discussions and collaborations among faculties -> foster international relationships in education and research
- benefit together while reflecting current business development in their region through exchange of knowledge
- High acceptance from applicants -> high quality of students

Discussion

We are open for all kind of feedback



Contact Persons

Global Sales and Marketing



FH-Prof. DI Dr. Margarethe Überwimmer

Head of study program GSM
Head of Research Area Global Business Management

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FH-Prof. Ing. Mag. Robert Füreder

Deputy Head of study program GSM

Email: robert.fuereder@fh-steyr.at

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Selling and the Sales Academy in Latin America

PREPARED BY: ELLEN PULLINS & JORGE BULLEMORE

AGENDA

- :00 Introductions
- :10 The Current Situation (Chile; Columbia; Mexico; Argentina, Ecuador & Peru; Latin America Generaly)
- :35 Panel Questions
 - ▶ How is professional b2b selling different/unique vs. US/EU? Other Latin countries?
 - ▶ What keeps Sales Manager awake at night here?
 - ▶ Where do you think university sales education/ academic research is headed in LA?
- :50 Open Q&A

Introductions

- ▶ What is your experience with and academic interest in b2b selling?
- ▶ What is the status of university sales education/academic research in your country(ies)?
- ▶ Describe your own/your university's course offerings and research in the sales domain.

Selling and The Sales Academy in Mexico

Martha Rivera-Pesquera: Professor at IPADE Business School in Mexico, PhD from IESE Business School, Barcelona, Spain (2002). Her research on sales and entrepreneurs has been published in Journal of Management, HBR, Journal of Business Research, among others. She is a prolific case writer and is interested in marketing strategy, sales force management, distribution channels, and entrepreneurial selling. Her experience includes guest lecturing in Argentina, Columbia and Peru, as well as Europe.

Mexico: Challenges and Opportunity

Cost in Sales Force Management

- ▶ Most of the literature related to salesforce management has been done in developed countries.
- ▶ Do western-style sales force management practices/models apply in Latin America?
- ▶ Thus, the motivation of our research is to make sense of **significant differences**, if any, between sales force management practices in developed countries and that in Latin America.
- ▶ We first explored **Mexican sales force management** by conducting five focus groups: (including a total of 35 participants from Mexico City, Monterrey and Guadalajara)
- ▶ Insights from this first phase is the focus of this presentation

Mexico: Insights

- ▶ **Selling is not seen as a profession**

- ▶ Training someone to become a salesperson is a challenge
- ▶ People just go into sales; self-trained
- ▶ Educational institution
 - ▶ There is no degree in sales; there is neither a “major” nor a “minor” in sales

- ▶ **Sales is a trial and error profession**

- ▶ is learned in the street
- ▶ is learned by the individual
- ▶ no systematical way
- ▶ perception that it can not be taught

- ▶ **Culture is a big challenge, especially for MNCs**

- ▶ MNCs build their own sales university
- ▶ But once people are trained they leave
 - ▶ low loyalty / high turnover
- ▶ MNC's have a high turnover driven largely by the fact that smaller companies can't afford investment in sales training, thus they rely on headhunting salespeople that have being trained and developed by MNC's

Mexico: Challenges and Opportunity

Cost in Sales Force Management

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Mexico: Insights

▶ **Absence of sales role models**

- ▶ Not part of the elite profession
 - ▶ It's not even considered a profession
- ▶ People are ashamed to say "I'm a salesperson" or be associated with selling
- ▶ Negative perception of selling
 - ▶ consequently the lexicon has changed (e.g., executives)

▶ **Monitoring is another challenge**

- ▶ Absence of sales managers:
 - ▶ "if you have a good salesperson it doesn't mean you have a good sales manager"
- ▶ The nature of the sales job → being on the street
- ▶ Sales managers that were "born" salespeople do not want to be in the office monitoring, supervising, or doing paper work
 - ▶ They want to be on the street
- ▶ In midsize companies: CEO that starts selling, then the company grows and he needs to hire people to help him sell. Now he is less involve in selling and is far away from the market
- ▶ Now they blind believe the sales vision

Mexico: Implications for practice

- ▶ There is a need to professionalize selling:
 - ▶ job vs. profession
- ▶ High investment in sales training
- ▶ Focus on acquisition and retention
- ▶ In many sectors, competition is based on price
 - ▶ There is no differentiation based on selling skills
- ▶ Need for a different kind of incentive compensation system
 - ▶ Is there any incentive compensation that is not commission- or bonus-based?

Selling and The Sales Academy in Chile and Peru



Jorge Bullemore: Sales management and personal selling senior consultant and lecturer, Barna Consulting Group, Chile country manager, and Lecturer at U. De Chile, U. Adolfo Ibáñez, U. Del Desarrollo (Chile), ESAN Graduate School of Business (Perú) and U. Lleida (Spain). Jorge, as a PhD (U. De Lleida, Spain) is interested in researching in sales, sales management and marketing. He has attended and participated in several sales conferences, and work for clients in Central and South America.

Selling and the Sales Academy in Chile & Peru

- ▶ As professor Rivera state, most of the **literature** related to salesforce management has been done in developed countries, just a **handful** on Chile and Peru.
- ▶ In Chile in year 2016 we developed a prospective study through the Delphi method with responses from a balanced panel of experts including managers, academics and consultants, and contrasting results by means of a survey of salespeople from different industries in Chile.
- ▶ Similar study we carried on 2018 in Peru.
- ▶ Literature gives us **several cultural differences** between Americans - Western Europeans (Anglo Saxons) and Latinamericans: for example, degree of customer intimacy, social harmony, personal space and respect for authority, among others.

Chile & Peru: Insights

▶ Shortage of formal training

- ▶ Same as happens as in Mexico: Sales Management is not part of the elite profession.
- ▶ In Chile we have less than ten quality university certification programs, and in Peru less than five.
- ▶ Only one mentioned in the SEF report @Universidad de Chile.

▶ Various Challenges

- ▶ Absence of professional sales managers.
- ▶ More and quality applied research.
- ▶ CRM and Sales Process should be strategic projects, not IT projects.
- ▶ Working better with Marketing and Human Resources areas: Business Intelligence, Marketing & Sales Metrics, Incentives, Sales Training, Recruitment, Reducing Turnover, and so on.

Chile & Peru: Implications for practice

- ▶ Adapt sales methodologies from the developed countries to the cultural reality.
- ▶ Investment in sales profession (including sales managers).
- ▶ Develop different kind of incentives compensation system.
- ▶ Increase the participation of universities and companies in developing applied knowledge.

Selling and The Sales Academy in Columbia

Ignacio Osuna

Professor and head of the marketing and operations management department at Inalde Business School, University of la Sabana in Colombia

PhD from IESE business school (Spain).

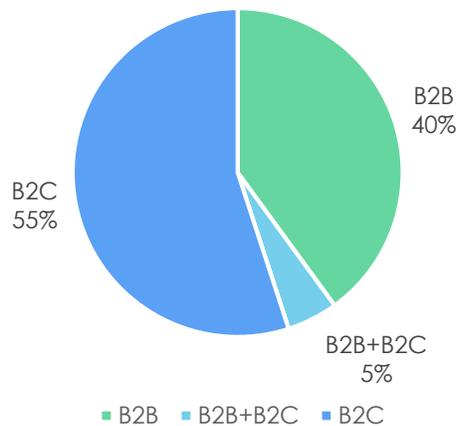
Research interests include sales force effectiveness, retail management, and profitable customer relationship management.

He has published in journal of retailing among other journals, and participated in several sales management workshops in Spain.

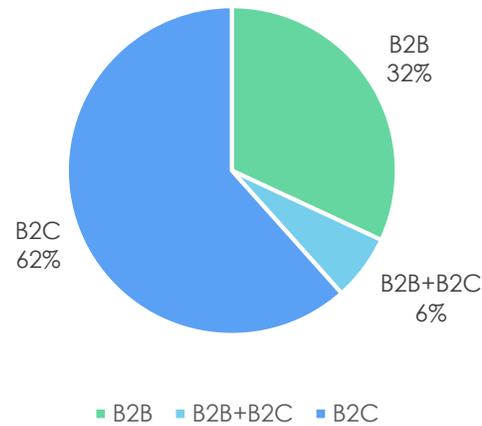
His experience includes guest lecturing in Chile, Ecuador, Peru, Dominican Republic as well as US and Spain.

Columbia: Top Selling Companies

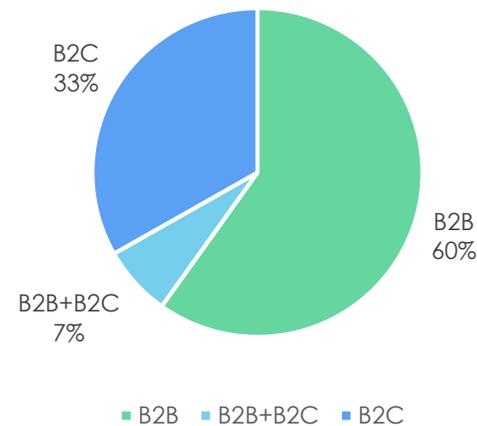
Number of Companies



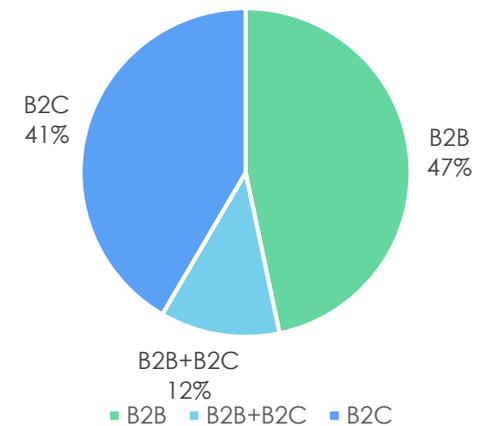
Revenue



Net Income



Equity



Average ROE

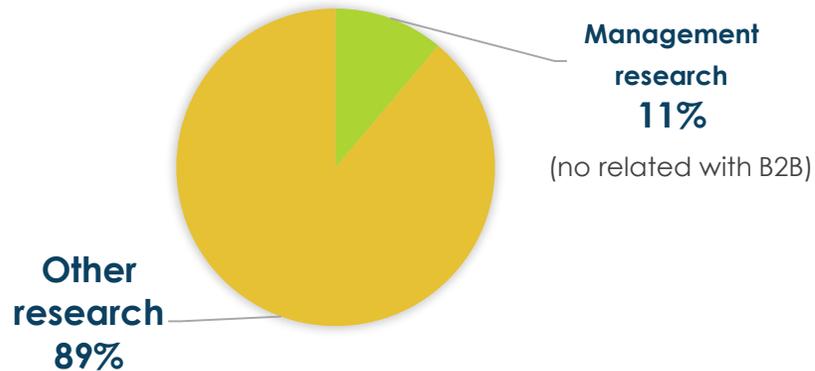


► TOP 1,000 Companies (by Revenue)
Revista Semana special edition.

Columbia: Selling and The Sales Academy

► Research

■ Colciencias Top Groups*

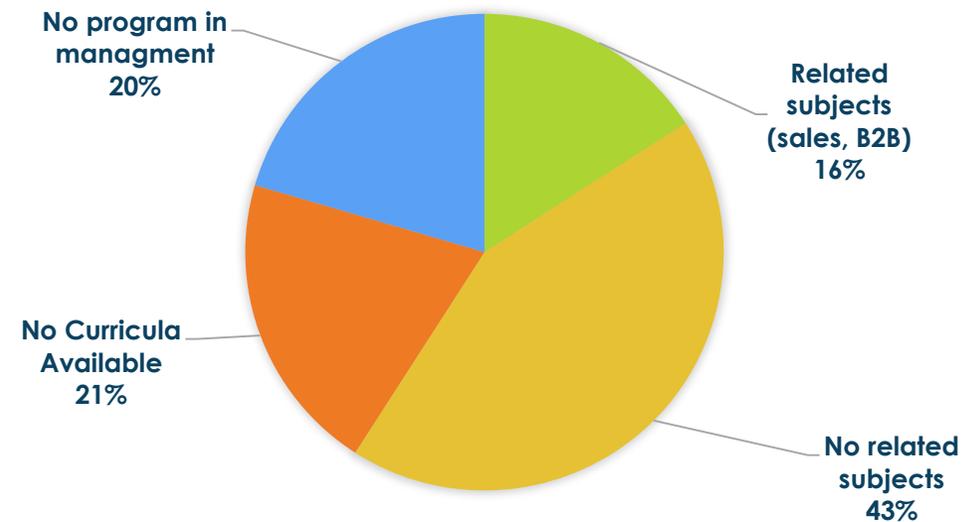


■ Literature

Scopus	
Total	5,202
Colombia	8
Latam	191

Web of Science	
Total	1.881
Colombia	2
Latam	67

► Top* Universities (n=53)



Columbia: Problems, Challenges & Opportunities

- ▶ **Problems of coordination between academy** (research, literature and university curriculum), **and sales management**
- ▶ **MNCs** have their **own training programs**, but they are "to American/European", some local **adaptation is needed**.
- ▶ Multilevel schemes are highly developed given the informality of the country's work
- ▶ **S&MCs do not train**. They prioritize expertise and therefore employee turnover is high.
- ▶ **Sales forces are "empirical" in nature**, based on past experience. In the best case Mid-Large Enterprises, skills are assessed through different instruments (i.e. PDA Assessment-Personal Development Analysis).
- ▶ There are "**tons**" **non-formal programs** and **formal** ones are "**absent**": every "expert" is a consultant that is self-considered able to instruct sales forces.
- ▶ **Sales force topics** are viewed as "**old fashion**" It is more trendy to think and invest in digital, rather than sales force effectiveness.
- ▶ "**Old**" **practices** (1980s-1990s) are the **constant**.

Selling and the Sales Academy in Argentina, Ecuador, and Beyond

Guillermo Armelini: Associate Professor of Marketing, ESE Business School, Universidad los Andes, Chile, PhD, IESE, Spain, 2009. Guillermo has worked and been educated in Argentina and Spain. He has guest-lectured in Argentina, Ecuador and Peru. Dr. Armelini has published a number of scholarly publications, trade articles, technical notes and cases. Research interests include marketing ROI, word of mouth communication, and customer management.

Additional Observations/ Discussion

Fernando Jaramillo: Professor, University of Texas at Arlington, Ph.D., University of South Florida, 2004. His research interests include sales force performance and marketing strategy and have been published broadly. Fernando has partnerships and has researched and guest taught in several different countries in Latin America and is recognized as one of the leaders in the USA sales academy on this part of the world.

Panel Discussion

- ▶ How is professional b2b selling different/unique vs. US/EU? Other Latin countries?
- ▶ What keeps Sales Manager awake at night here?
- ▶ Where do you think university sales education/academic research is headed in LA?

The Sales Ecosystem-Leveraging Referrals Impacts Conversion and Customer Retention

Bob Nadeau, Plymouth State University, USA



**GLOBAL SALES
SCIENCE INSTITUTE**

Microsystem: Interaction between Sales Reps and Customers

Sales reps influence the sales experience following a sales process, creating rapport, building trust.

Sales Reps make a conscious choice on the sources of prospecting in their pipeline.

- Warm sources like referrals have a close ratio of 44%
- Cold sources, like banner ads have a close of 10% or less



Sales Reps make a choice on the use of technology

Leveraging LinkedIn can yield more referrals

Help find Trigger Events

- Close Ratio is the highest
- Shift, Harness Trigger events: Craig Elias



Trigger Events on LinkedIn



Why don't sales reps develop more referrals?

1. Referrals are the most effective form of developing new business.
2. Why do referrals lead to a higher conversion rate?
3. Why might customers be hesitant to give referrals?
4. Pitfalls of cold sources:
 - **Low close ratio**
 - **Highly price sensitive**
 - **Lower customer retention, Lower Profitability**

Loyalty Ladder

Entanglement Strategy

- **Insurance:** Auto, Home, Life
- **Banks:** Loans, Deposits, Loans & Deposits

Pricing is cyclical: cold sources won't give you their additional business.



Processes to develop referrals

Rep: This is the best part of my job, helping a customer diversify their portfolio to reduce their risk like we did for you today.

Customer: Yes, that made a lot of sense...I feel more confident now.

Rep: Do you know what the worst part of my job is?

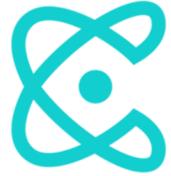
Customer: What?

Rep: Making cold calls.

Customer: I can't imagine having to do that...I couldn't do it.

Rep: That's why I need your help...would you do me a favor and consider helping me make contact with someone you think could use my services?

LinkedIn



CATALYST

-
- Larry I saw on LinkedIn you previously worked at ABC for 6 years...I've been trying to get in touch with Sue Watson (at ABC), and noticed you were 1st connections...would you consider making an introduction?
 - You're well respected in this field...I'm in the process of updating my LinkedIn profile...would you consider writing a recommendation on LinkedIn for me?

A week after that recommendation on **Linked**

-
- *“Hi Sue we’re connected to Larry Jones, and here’s what he said about me...”*
 - *Hi Sue, I got a recommendation from our mutual contact, Larry Jones and here’s what he had to say about me.”*
 - Get a video recommendation, send the link to your prospect who has the mutual contact.

Brand

What name comes to mind
when it comes to decorating
their house?

Brand

What name comes to mind when it comes to Asian women putting on make-up?

MICHELLE PHAN

BEAUTY

FASHION

WELLNESS

KNOWLEDGE

You don't have to be best...better at explaining

- age 20, started doing videos in fathers living room
- 7 million Asian women a month clued in
- Lancome started paying \$500k a year
- Made mistakes: Twitter name Rice Bunny...that fan base started telling others about Rice Bunny

Tactics



- Blogging: 94% of blogs are only read by whom?
- Videos rank higher, faster on Google...50x according to Forbes
- Post a video on **You** make the title of the file, and the video the same name



About 1,140,000 results (0.57 seconds)

Financial Representative Minneapolis - YouTube

https://www.youtube.com/watch?v=_ExqVZ4hyds



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<https://www.youtube.com/channel/UCDIPsk87a6D3QqS0DeAUMPA> ▼

This morning the **MN** Legislature's House Corrections Divisions will discuss funding for corrections prisons and ... Jeff Hayden, DFL-**Minneapolis**, and state **Rep.**

Day in the Life of a Financial Consultant - YouTube



More impact from technology

- Research on 600,000 voice mails that shows 90% of calls go to voice mail. and the VM data shows the biggest lift is on the 4th voicemail.
- Space the messages every 3 or 4 days over a 2 week period.
- Don't sell **product**....sell the next **call**.
- Mention what you know about the buyers business past, and you have an idea that might help them.
- Tweak your message each time, mention a hot topic issue unique to that industry.

Quién tiene mi primera pregunta?



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