How Artificial Intelligence Can Help Salespeople Bounce Back From A Business Failure?

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Artificial Intelligence

Revenue Forecast for AI Softwares : $62.5 billion in 2022 (+ 21.3% /2021)

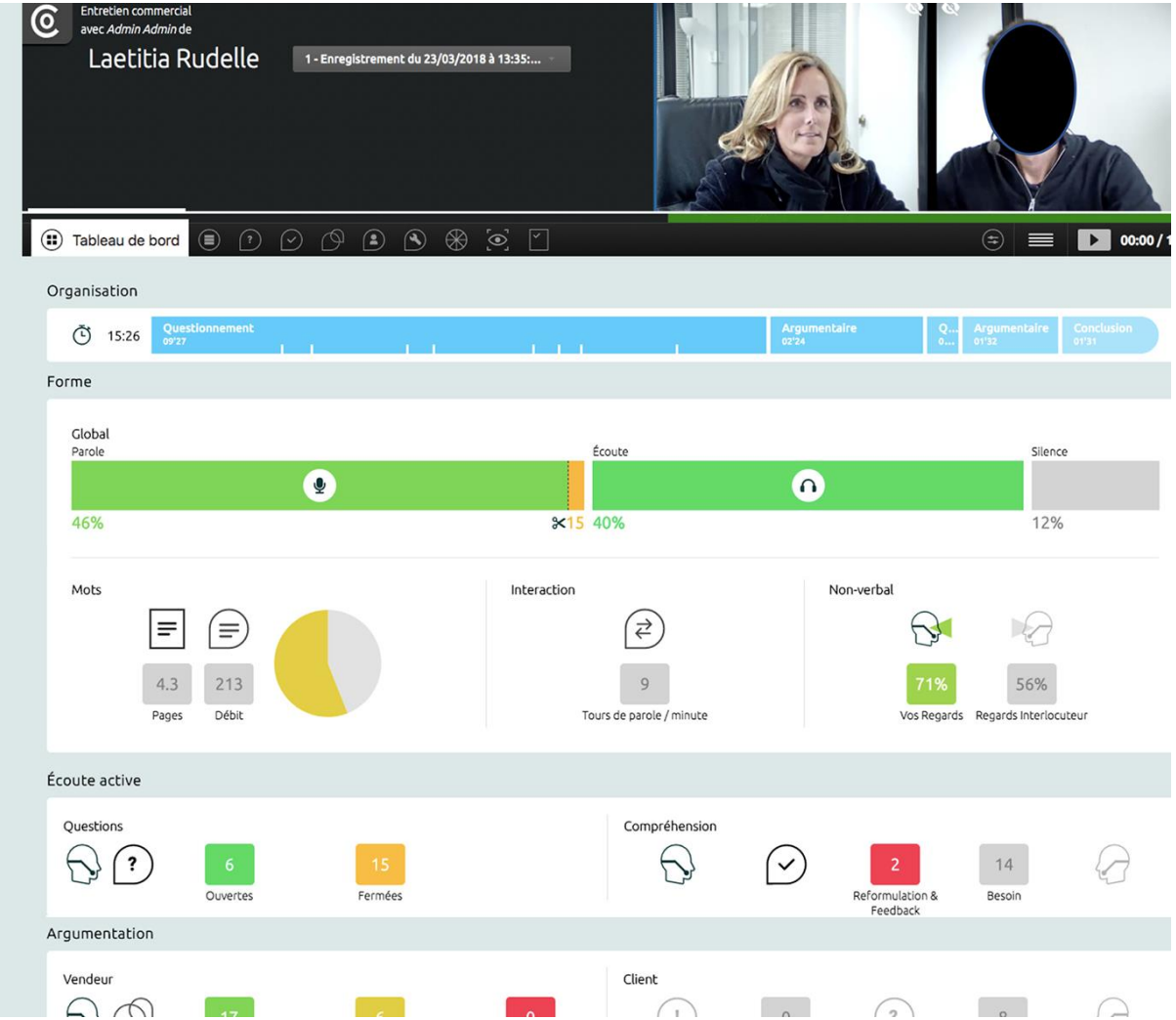
AI Softwares : interpret external data, learn from this data and use this learning to perform specific tasks

AI in Sales

- Prospecting
- Pre-approach
- Approach
- Presentation
- Handling objections
- Closing
- Follow-up

- Data analytics to identify leads (eg., Salesforce einstein)
- Contact + conversation with prospects (e.g., salesbots)
- Meeting planning (eg., Drift)
- **Coaching to improve sales rep's skills (eg.,Outreach, Cogito)**
- Suggested arguments with pop-up (e.g., augmented sales reps)
- Real-time pricing recommendations
- « Building stronger customer relationships across multiple touchpoints » (Arli et al., 2018)

Sales Coaching



Occurs between the coach (e.g., sales manager) and the coachee (e.g., salesperson) (Nguyen et al., 2019)

Coaching (Dahling et al., 2016):

(1) providing continual constructive, developmental feedback to subordinates,

(2) serving as a behavioral model for good performance,

(3) working collaboratively with each subordinate to set engaging, challenging goals that motivate performance

Theoretical Background

Positive psychology: Psychological capital (Luthans et al., 2007)

- Positive psychological factors have to be further studied in the sales literature (Friend et al., 2016)
- 4 dimensions : Self-efficacy, Optimism, Resilience, Hope
- Hope: persistance toward goals and, if necessary, ability to redirect actions toward goals in order to succeed (Snyder, 2002)
- Important to strenghten positive psychology when coaching

Research Questions

AI as a positive sales coach

RQ 1 : How Do Salespeople React to Manager vs AI Coaching ?

RQ 2 : How to improve IA coaching ?

Study 1: Effects of Managers vs AI Coaching

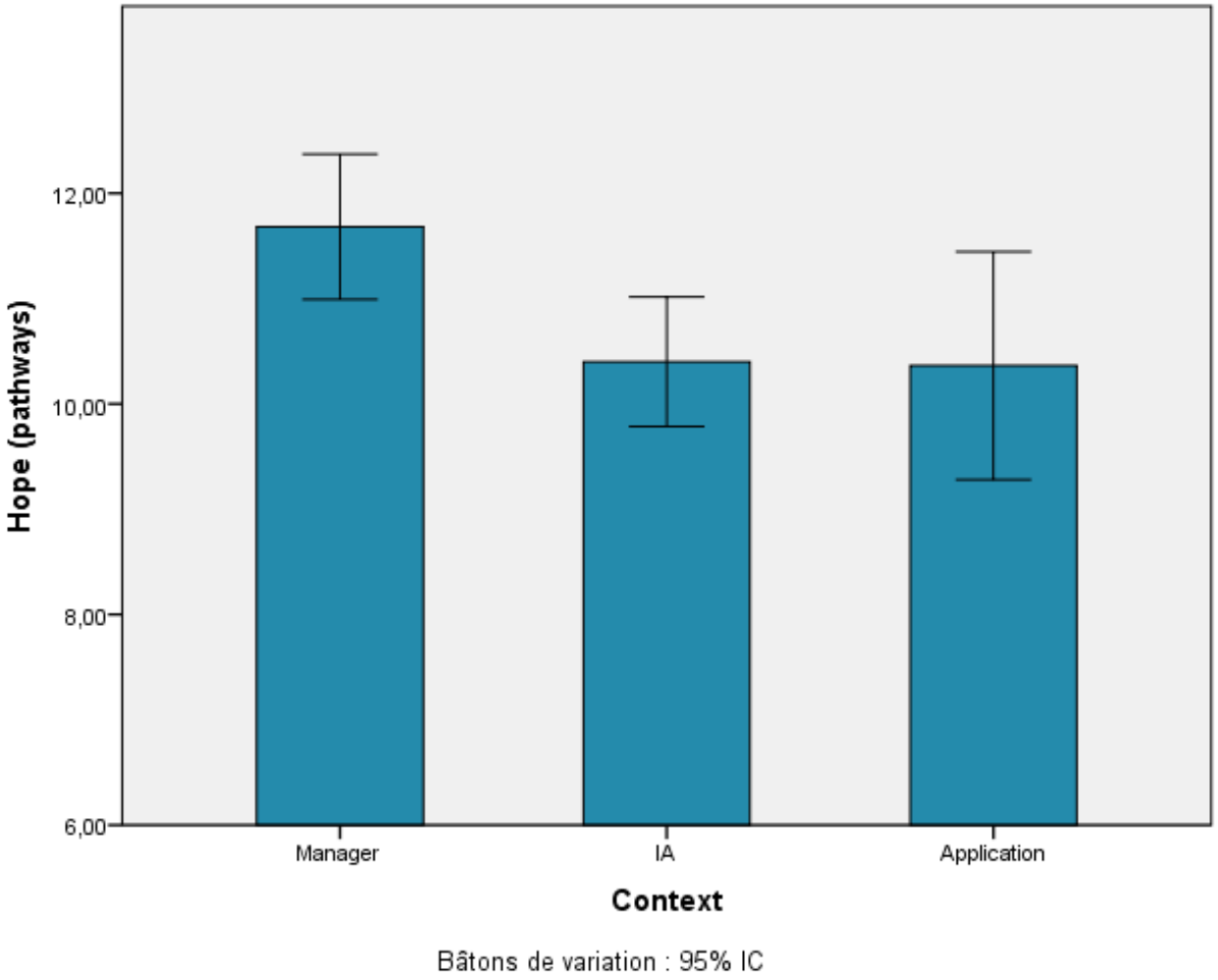
You are a sales engineer in a construction company. (1) *Your manager/* (2) *an AI application/* (3) *an application* joins you during your customer meetings. One of your sales presentation is a failure, even though it is an important issue for the company and for you. After this meeting, (1) *the manager/* (2) *AI/* (3) *Application* analyzes your sales presentation for you to improve.

3 x 1 experimental design

64 B2B salespeople randomly assigned to one situation (M_{age}=44.6; 60% women, 40% men, 96% with more than 3 years sales experience)

DVs: Situational hope (Snyder et al., 1996); Anxiety (Edwards et al., 2015)

Study 1: Effects of Managers vs AI Coaching



- There was a significant effect of manager's coaching on hope (p=.034).
- Respondents are more anxious with a manager compared with AI (p=.038).
- Benefits of AI could be neutral: No fear of AI, just a tool

Study 2: Improved AI Coaching

Construal-level theory

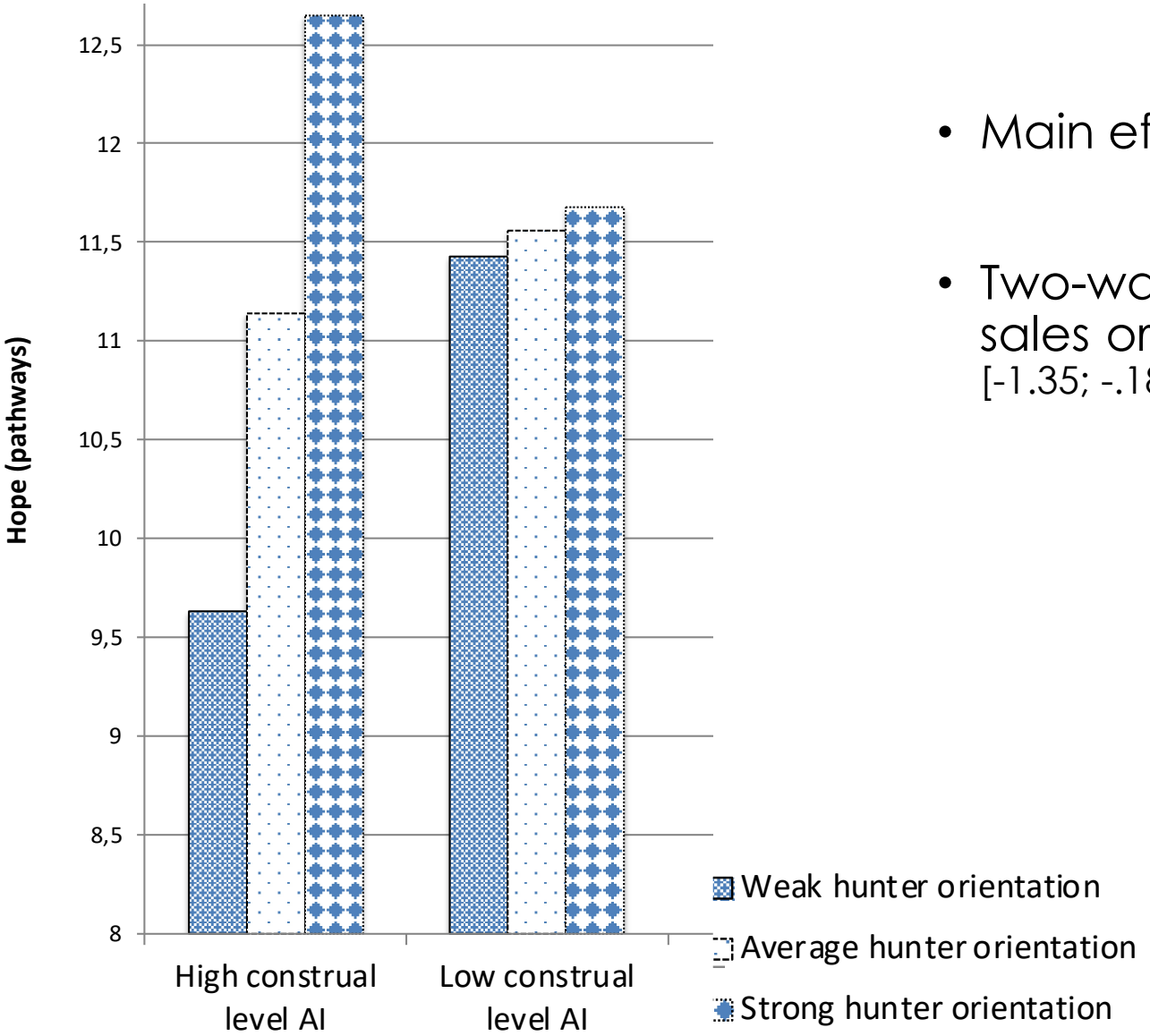
- Individuals perceive a future innovation at an abstract level or a concrete level.
- If a future event is presented in an abstract way, individuals will consider it as distant.
- If a future event is presented in a concrete way, individuals will have more opportunity to visualize the potential benefits (Trope & Liberman, 2010).

Study 2: Improved AI Coaching

	Situation
High construal level	**You are a sales engineer in a construction company. *An AI application* joins you during your customer meetings. One of your sales presentation is a failure, even though it is an important issue for the company and for you.** **After this meeting, *AI* analyzes your sales presentation for you to improve.**
Low construal level	**You are a sales engineer in a construction company. *An AI application* joins you during your customer meetings. One of your sales presentation is a failure, even though it is an important issue for the company and for you.** **After this meeting, *AI* analyzes your sales presentation by assessing the quality of your questionning, analysing the presentation of your offer, your objections handing and finaly your capacity to conclude the sale.**

2 × 1 between-subjects design
71 active salespeople (panel)
Manipulation check: Situation 2 considered as more concrete than situation 1 (p=.02)
DVs: Situational hope (Snyder et al., 1996) ; Sales orientation (DeCarlo&Lam, 2016)

Study 2: Improved AI Coaching



- Main effects: Construal level (Low)-> Hope
- Two-way interaction between construal-level and sales orientation on Hope (b = -.77, p = .01 with 95% CI = [-1.35; -.18])

Discussion & Future Research

- The manager matters
- The demystification of AI (interaction AI and human)
- AI coaching should be personalized (hunter vs farmer)

Future research:

- How can sales organizations motivate their salespeople by using AI ?
- Consequences of repeated AI sales coaching

Q & A

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