Impact and Competence Development of Sales Competition

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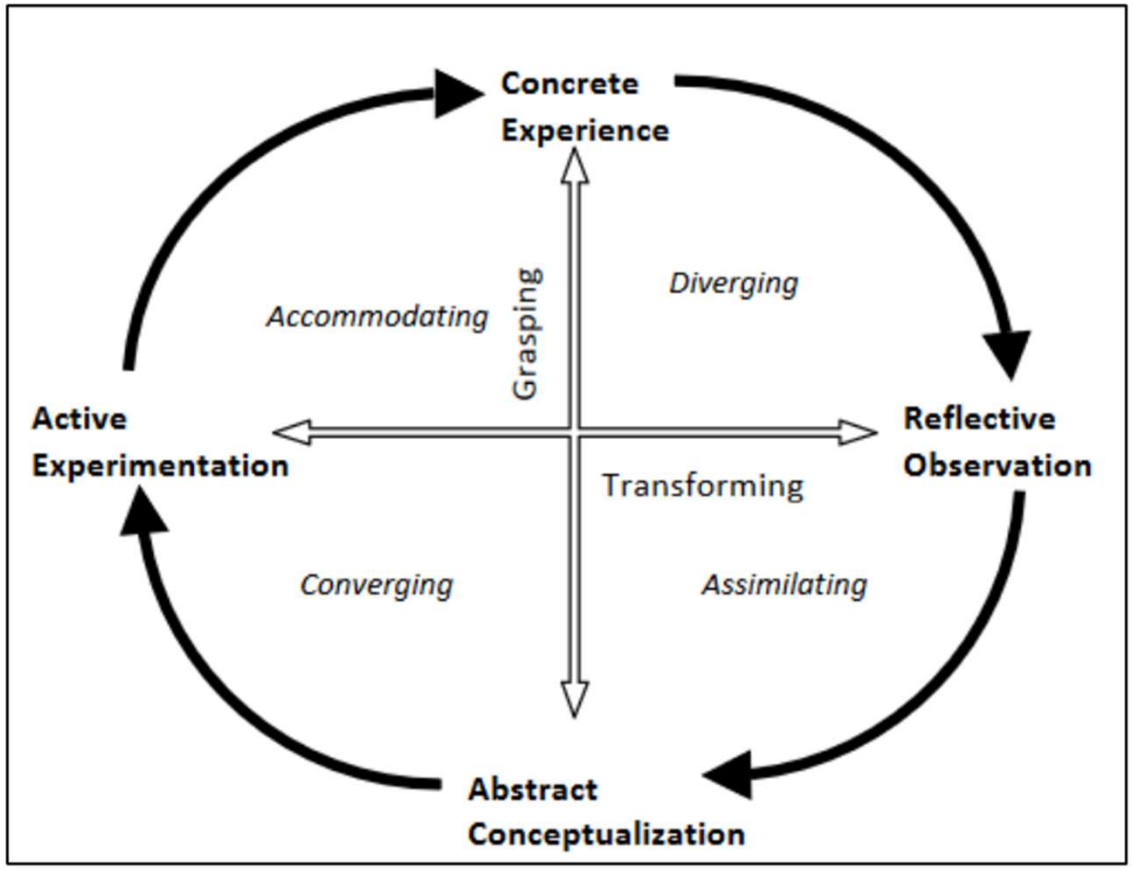
Introduction

- Sales competitions are case-scenario based sales situations where student competitors interact with a buyer within a pre-set time.
- The case scenario attempts to simulate the real-life sales meeting as closely as possible and potentially include the entire sales process.
- Each sales interaction is assessed by a pre-trained jury that uses a set of assessment criteria to evaluate sales students' capacity to master the sales situation by utilizing numerical evaluation
- Our paper mainly focuses on
  - How Sales Competitions affect sales competencies and
  - what kind of benefits people receive from participating in sales competitions
- It is an early-stage explorative study (still collecting data)

Theoretical Background: Learning Cycle

- Kolb's (1984) learning cycle
- Sales competitions an ideal learning format for this if set in an appropriate framework.
- Participants obtain **concrete experience** and are provided the opportunity to **reflect** on their efforts based on the judge's assessment and/or feedback.
- This allows them to then **conceptualize** and experiment (e.g., in the next round or later at work), before starting a new learning cycle.



Theoretical Background: Selling Competencies

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- Korpela's overview (2015) as the basis for the questionnaire and analysis of open answers.

Selling competencies	Knowledge, skills and abilities
Knowledge-related competencies	• Product expertise • Knowledge brokering • Knowledge of a customer's business • Knowledge of a customer's purchasing procedures • Understanding logistics issues
Salesmanship competencies	• Understanding customer requirements • Ability to create a customized solution • Sales presentation skills • Price setting skills • Adaptability to the negotiation style of the buyer • Closing skills
Interpersonal competencies	• Communication skills • Effective interaction with buyers
Relationship competencies	• Ability to recognize the rationale for the initiation of the relationship • Relationship skills in the initiation phase • Ability to build trust through actions • Ensuring customer satisfaction in the maintenance phase • Ability to nurture the customer relationship • Salespeople's proactivity in the development phase

Past findings

- Inks et al. (2020): Sales competitions promote critical thinking, problem solving techniques, active learning, and internalization of theory and learning at a deeper level (Inks et al., 2020).
- Mackenzie et al. (2022): sales competitions improve students' understanding of both customers and the business situation, thereby increasing confidence in their communication skills
- Mani et al (2016): sales role-plays translate into improved success in job interviews

Additional studies not fully comparable:

- Cummins, Loe, and Peltier (2016): sales competition "positively impacted students' perceptions of a sales career, salespeople, salesperson ethics, sales knowledge, and intent to pursue a sales career." [→ based only o on analyzing the winning video from a sales competition!]
- Herlache et al. (2018): a cross-cultural negotiation role play "increased student knowledge of sales and negotiations while simultaneously improving attitudes toward, and confidence in, international collaboration."

Study design

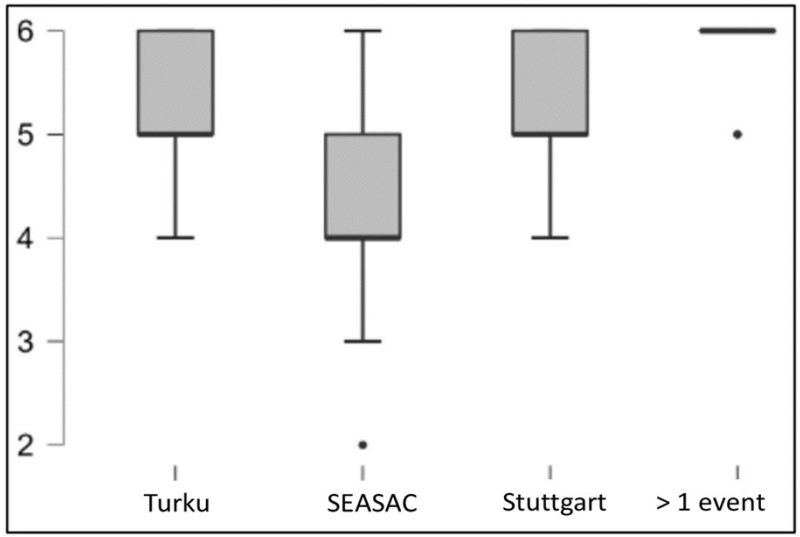
- Total number of respondents: 59 (36% response rate)
- We contacted all participants of past sales competitions we conducted
- Surveys were provided in either in English, Finnish, or German.
- Response-breakdown:
  - Finnish (37.9% of the participants),
  - German (36.2%) and
  - Thai (8.9 %)
  - Indonesian (8.9%)
- Seven of the respondents were judges or buyers during the competition, while the rest were competitors.

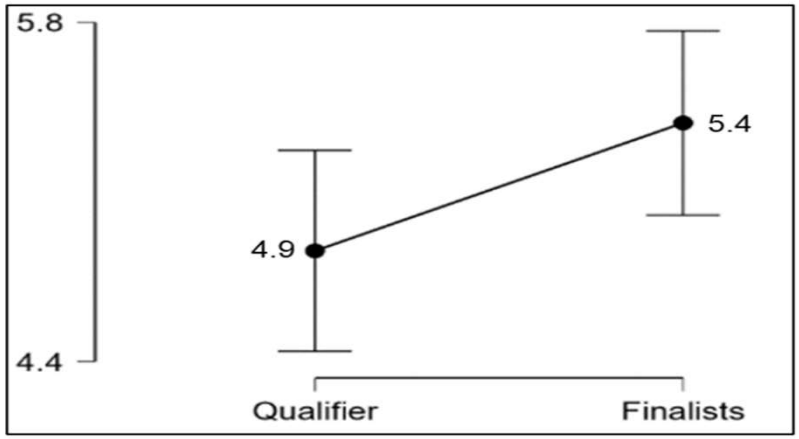
	Qualifier	Semi-Finalist	Finalist	Total
Students	19 (45.2%)	12 (28.6%)	11 (26.2%)	42
Graduates	5 (50.0%)	2 (20.0%)	3 (30.0%)	10
Total	24 (46.2%)	14 (26.9%)	14 (26.9%)	52

Perceived Usefulness

- High satisfaction with sales competitions: 5.2 (6 best, 1 worst), range from 4 to 6
- Significant difference for the three events analysed ($p < .001$; $\omega^2 = 0.26$),
- Post hoc test: Turku Sales Competition vs SEASAC Sales Competition ($p_{tukey} = .015$).

- Finalists evaluate the event significantly better than those having only participated in the qualifier round ($p = .013$; $r_{BS} = -0.359$)





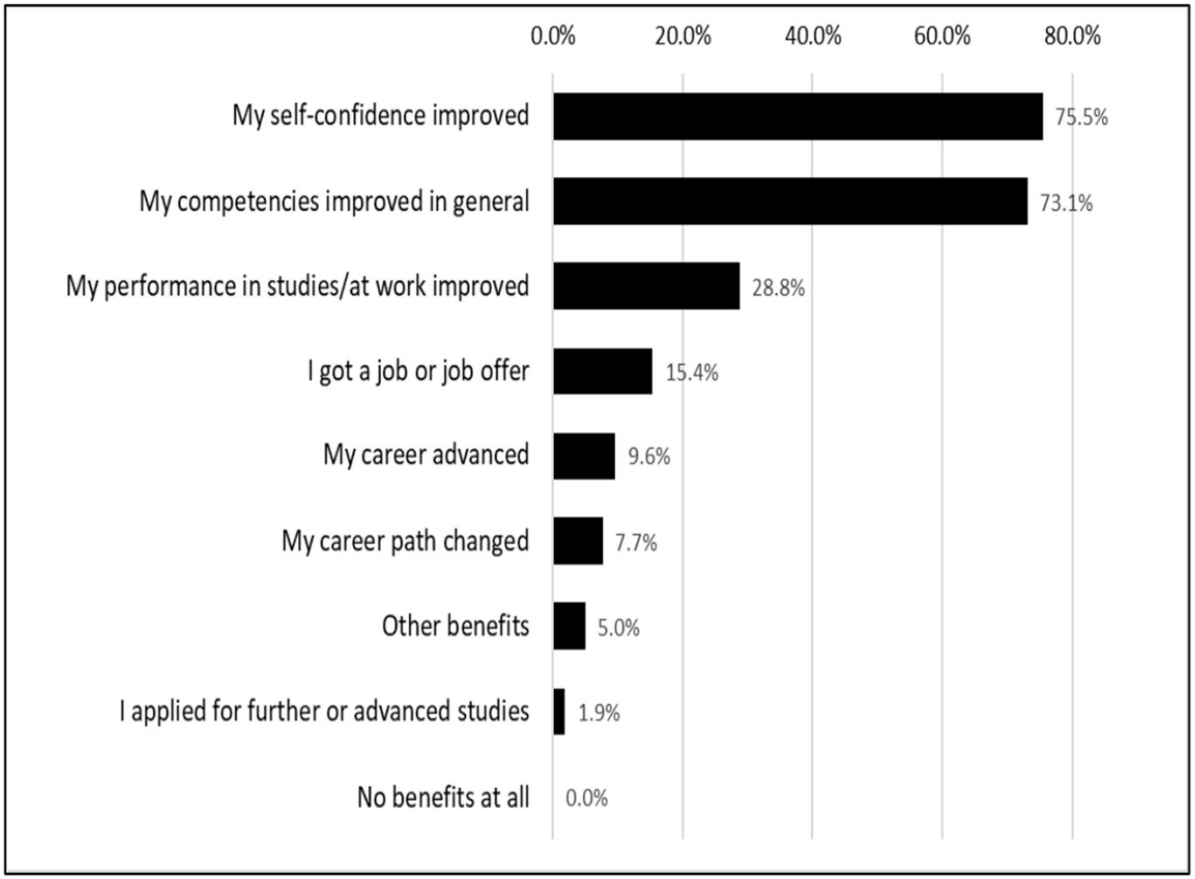
Influencing Factors On Perceived Usefulness

Regression analysis with the following variables:

- If one was a finalist or not (Rank); had preparatory training (Training), the participant's nationality
- (Nationality) and if the event was in a foreign language (Language).
- Model not significant ($p = .052$), small coefficient of determination ($R^2 = .174$).
- **Language** with a next-to-significant effect ($p = .052$), while none of the other variables were significant.

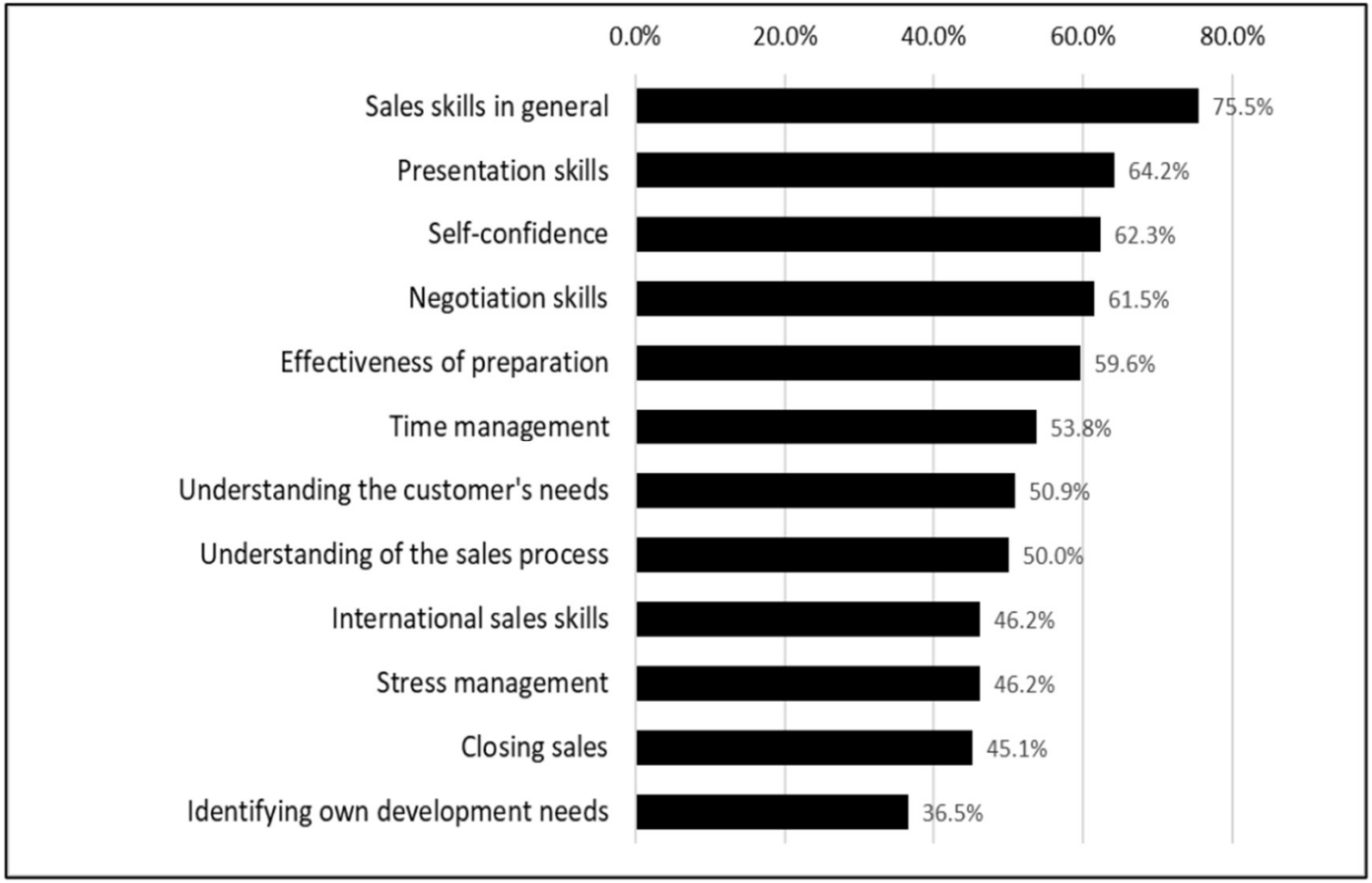
Impact on Personal Domains

- Self-confidence and general improvements mentioned the most
- In line with other studies
- No significant differences between those who made it into the second round (semi-finalists and finalists) compared to those who did not.



Impact on Sales Competencies

- Sales skills in general mentioned the most



Other Benefits Mentioned

What benefits did you obtain from participating in the sales competition?	Occurrences (n=71)	Percentage
Sales skills	22	31.0%
• Concrete sales skills	10	14.1%
• Knowledge on sales in general	9	12.7%
• Knowledge on sales process	3	4.2%
Real-world experiences	15	21.1%
• Preparing for "real-life sales"	13	18.3%
• Experience for job applications	2	2.8%
Self-confidence	13	18.3%
Networking	9	12.7%
Other	12	16.9%
• Learning English	2	2.8%
• International experience	3	4.2%
• Others	7	9.9%

Summary and Outlook

- We expected that sales competitions would mainly affect the development of concrete sales competencies and that we would see some effect in the personal domain, such as improvements in confidence. This was not the case.
- With reference to the theory of learning, this seems to be an appropriate model for the kind of learning taking place. When applying it, instructors should focus on all four bases, not only concrete experience and active experimentation.

Outlook:

- It has to be seen if sales competitions may also improve more specific competencies besides presentation, negotiation, and effective preparation skills.
- This could be done by making use of a specific competency model, adjust the training intervention before and then measure the impact. Our study has only a small relation to the sales competency model.
- Intercultural experiences should also be addressed in more detail.
- Intervention-like experiments could also be conducted to evaluate specific changes and test for certain interventional differences (kind of training, cultural background etc.)

Next steps:

- In the process of acquiring more data (currently 75), trends seem to be stable (self-confidence, usefulness)
- Addition of sales competitions outside Europe

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