KELLER CENTER RESEARCH REPORT

Exposing Social Media Analytics

By Sarah A. Fischbach, MBA

Real estate professionals must leverage social media but engaging with potential customers via the right social media can be complicated. In addition, making sense of the growing number of social media tools available can be incredibly overwhelming. Our objective in this article is to help the real estate professional better understand several of the tools available and thereby make better assessments of his/her choices in the social media landscape.

To begin, social media analytical tools provide a glimpse at where customers are talking and what they are saying. While there are numerous tools available, our research focused on three analytical tools worthy of consideration: Social Mention, Alterian SM2 and TrackUR.

Available technology for assessing social media allows for capturing thousands of websites, blogs, and social media tools and incorporating derived data into a single analytic tool. Such analytical tools help companies and agents to analyze their presence online and achieve a critical marketing goal, return on investment. These tools are available at little or no cost and can create time savings for those who desire to manage their online communication. So, let us introduce several social media analytical tools and establish guidelines to help you understand how to use them profitably.

Social Media Research

Social media is the component of the online world where people interact with one another, often changing roles from reader to author and seeking various benefits of social interaction. Several recent American Marketing Association webcasts have noted that it is insufficient to merely be on the social media radar but rather you must track your social media return on investment (ROI). As more companies and real estate agents become involved with social media tools, it is important to understand the ground rules.

As the internet rapidly grows throughout the world, more real estate agents are focusing on their on-line presence to keep up with the consumer demands. It is common knowledge that consumers are much more prepared before moving to a new home, knowing more about the local area and available housing options than just five years earlier. Customers are able to search housing, schools, and the local community before meeting face-to-face with the real estate agent. This on-line activity has created a demand for real estate agents to focus on their online relationships. The well-informed buyer seeks to engage online with his/her real estate agent, creating real opportunity to bond with the potential customer before the face-to-face meeting.

The downturn in the economy and the increase in homes for sale are reshaping how customers are buying and selling homes. Customers are buying and selling. Real estate agents and their companies as well as other industries have found creative ways to stay ahead of the competition. For example, one real estate agency, Pacific Cannery Lofts, created videos of driving times from downtown locations to their for-sale properties. The videos were very low cost and uploaded to www.YouTube.com to provide viewers with a glimpse at the loft's convenient location. [1] The videos increased sales for Pacific Cannery Loft properties and have been a great way to create awareness with new customers.

This example is just one of many ways real estate professionals are reaching out to customers through social media technology. Being innovative and reaching out to the customer can save time, money and create awareness. Putting videos online might not be the answer for you but creating awareness through social media should be explored. The following section will bring light to how potential customers are communicating and provide a starting point for your social media campaign.

Social Media Analytical Tools Study

Our research resulted from a call by practitioners to help understand how to analyze online network communities. Blogging and social media are a major component of the new technology landscape and these tools are under-researched by the academic community. We conducted our research via content analysis, which is the gathering and coding of data following a set of rigid guidelines to identify valuable themes hidden within the data. Content analysis is appropriate for social media analytical tools because so much information is passed through from consumer to company and consumer to consumer. Understanding what is communicated through the information can help companies and specifically real estate agents understand where to start a social media campaign.

In our research, we share how we tracked online customer conversations online using a well established list of 14 information evaluation criteria to assess the information transmitted through the selected social media analytical tools. Three coders were used to establish reliability. The following research questions will be discussed:

- Q1: Do the social media analytical tools selected capture customer conversations?
- Q2: What are the differences between the three monitoring tools?
- Q3: Based on these analytical tools, on which online social media networks are consumers communicating?
- Q4: How can real estate companies use these findings to set up and monitor their presence with social media tools?

We selected three tools for analysis (Social Mention, SM2 Alterian and TrackUR) as these specific analytical tools search all media sources including blogs, facebook, MySpace, twitter, flickr, LinkedIn, Google and many more. The analysis covers over 100 media sources archived in 2009-2010 period. 6000 entries were examined to help better understand customer communication.

Research Question 1: Do the social media analytical tools selected capture customer conversations? Our examination yields interesting results, such as 69% of the communication appearing in social media arises from independent research conducted outside the companies' online networks. In turn, 29% of the communication is concerned with testimonials and endorsements for the product or the company. The performance of the company or product is discussed 20% of the time. Further, 18% of the social media communication relates to the availability of the product to the consumer. Finally, 17% of the communication links the reader to further information about the firm. The data supports research question 1, establishing that the social media analytical tools selected are capturing customer conversations. Research question 2 considers the specific findings on the different product categories.

Research Question 2: What are the differences between the three monitoring tools? Based on our research, the differences between the analytical tools should be of interest to practitioners. The information collected using the AlterianSM2 system was primarily associated with the company of interest. When searching social media for Keller Williams Realty, the other analytical tools (Social Media and TrackUR) gathered more extraneous information, such as information on "Keller-Price." When conducting a similar search for Prudential Realty, the results from Social Media dn TrackUR provided results for "Prudential Financial." Most searching systems allow you to eliminate words or search within specific categories in order to control for blocked information cues. We kept all system searches to the company-specific name without blocking key words in order to analyze the systems fairly. In sum, AlterianSM2 supplied information that was on target for the specific company. However it is important to note that the data collected through Social Mention yielded valuable content for the real estate products. Ultimately, you should locate the program that provides the most data for your specific needs.

Research Question 3: Based on these analytical tools, on which online social media networks are consumers communicating? For the purpose of setting up an appropriate monitoring program for existing companies, we felt that it would be interesting to discern which online social media networks companies were utilizing. The most frequent results for real estate products derive from www.twitter.com and specific blog networks. There were few similarities to which blogs customers were communicating via between the companies chosen for study. This finding places more emphasis on the need to use a social media analytical tool to run reports for a specific company.

Research Question 4: How can real estate companies use these findings to set up and monitor their presence with social media tools? Our research creates an interesting prescription for real estate professionals who desire to enter the social media arena (see the table). Since customers are communicating through online networks, real estate professionals must run social media analytical reports on their specific brand or company name and region to understand where people are communicating in the social media space.

MANAGERIAL IMPLICATIONS

The content analysis produced several useful insights and demonstrated the importance of social media tools in understanding customer communication patterns. First, it is important to run reports for your specific company using a social media analytical tools. Doing this research will direct the company to the specific social media outlets your geographic target market are utilizing. For example, in Las Cruces, New Mexico the majority of real estate agents do not find customers on twitter but in Albuquerque, New Mexico this tool is used more frequently. The size of your city and geographic location can influence the type of tools customers are using. Secondly, the content analysis uncovered the type of communication used for real estate agents. On the social media tools you should be discussing availability of housing options as well as the real estate agents available to assist and links to further information for the customer. Third, the findings from the study show the customers are looking for and passing on testimonial information about companies. Running your social media analysis can help your company better understand just what type of testimonials are being transmitted via social media on your specific company. This information can give you insight into what your potential customers are hearing about your company so you can support or intervene when needed. Finally, it is important to discuss company performance. Customers do not want to be surprised about your companies success or failure. Being truthful with the customer will help build a positive long lasting relationship. (See social media guidelines below)

One concern for busy professionals is how much effort should or can you give to social media – using it and analyzing how clients are using it. Successful sales and marketing campaigns can be conducted through a series of whispers to individuals searching for what the firm has to offer.[2] Social media is a great way to listen to what your clients say and can help you make decisions that offer a competitive advantage. Overall, the process of analyzing social media conversations can be useful in helping you better understand your clients' needs and wants.

Social Media Guidelines for Real Estate Professionals

1. Focus on research started at your company directed to the public
2. Discuss availability of housing, real estate agents and locations
3. Focus on testimonials and endorsements
4. Give links to further information
5. Discuss company performance
6. Use company specific blogs to keep customers engaged

It is important to be "in the conversation," no matter what type of clients you are targeting. Clients are conveying information between each other and you should be "present" to see what clients are looking for and address their needs. In today's market it is important to maintain a competitive advantage and create unique strategies to gain client awareness. Of course, research on social media conversations is not a finite process. Not all clients are engaged with social media but participation is growing every day. As professional sales representatives, it is important to stay on top of technology as what is popular today may not be so a year from now. Hence, engage with social media to understand where the audience is going so you can evolve with them.

References

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[1]For more information about the Pacific Cannery Videos, visit: www.youtube.com/watch?v=rHYHKfeZn54

[2]Morarity, L. (2009), "Whisper to a Scream," *Marketing Health Services,* 9-13.

About the Author

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Sarah Fischbach is a PhD candidate at New Mexico State University in Las Cruces, New Mexico. Coming from an industry background in personal selling, marketing and small business, she is able to apply practical knowledge to the problems that face industry today. Sarah is fairly new in her research career but has started with her feet on the ground. In her first semester at New Mexico State University she received acceptance for a special session presentation at the *National Conference on Sales Management* for April 2010. She presented her research on *"Customized Communication through Technology."* Sarah has also worked closely with the NMSU Center for the Arts. Under the leadership of Dr. Collin Payne, Sarah assisted in conducting focus groups marketing campaigns to bring NMSU and the Las Cruces community together. Her presentation for NMSU Center for the Arts will be featured in the *Marketing Research for Dummies* book supplemental DVD written by Dr. Michael Hyman. Sarah has several research and publications in progress related to technology and personal selling.

Necessary Condition #4 – The Right Prospects

By Charles Fifield, Senior Lecturer and Baylor Sales Coach

To increase sales productivity, salespersons' interacting with the right prospects is an essential core competency to success. The inability or unwillingness to effectively prospect is probably the leading cause of salesperson failure. Underperforming salespeople are unable to close enough transactions because they don't have enough qualified prospects to engage. They don't have enough interactions (opportunities) because they don't initiate contact with the right prospects in sufficient numbers. Prospecting reluctance is more often than not caused by many emotional factors which fortunately are acquired or learned. Therefore, these habits can be modified with the right coaching or countermeasures.

A leading cause of sales activity waste is calling on the wrong or non-qualified prospects. If a salesperson is calling on the wrong prospect, the more advanced sales skills have no foundation upon which to build a sales opportunity. In other words, it will be challenging to successfully match of your capabilities with the prospect's needs or wants. Prospecting (working) smarter is an essential factor to realizing the desired productivity gains – find more qualified prospects that can and will buy from you!

Discovering the right prospects requires a disciplined and target-minded approach. The process begins with the end in mind or knowing and clearly defining your target customer and the desired business end. For example, a salesperson seeking to earn $250,000 per year will rightfully have a basic target market, pipeline management metrics and a day-to-day business operation that is materially different than the salesperson who would be satisfied earning $50,000 per year. Therefore, based on your desired end, what are the characteristics of the right prospect? What factors should be evaluated in your screening process to exclude waste-laden suspects from your to-be-contacted prospects?

Questions To Determine Quality of Prospect

The following seven questions help to determine if a prospect has the right stuff:

1. *Does the lead have a probable need or want for the product/service to be offered?* The answer to this question is not always easily ascertained, so it is important to perform quality pre-call research and ask well-designed questions during the initial phase of the sales call. One essential piece of information is why the product or service is wanted? This enables the salesperson to move from implicit needs and wants to those more explicitly defined.

2. *Can the lead be approached favorably?* This is more often than not a direct function of the prospect's source. The better the source, the higher the probability of being able to approach the prospect in a favorable manner. Two sources of leads are generally the most preferred –

buyer direct inquiries and referred leads. If the prospective buyer makes the initial inquiry, then the selling process is usually easier to initiate. Also, getting a prospect's name and the critical qualification information from a satisfied and well-respected customer greatly simplifies the task. The gaining of referred leads is very difficult for most salespeople, but an invaluable skill.

This is usually a result of one or more of the following errors by the salesperson who:

- Does not consider the gaining of referred leads to be an essential part of the relationship and the related compensation to be earned.
- Failed to effectively communicate early in the buyer-seller relationship that referred leads would be expected.
- Fears rejection.
- Doesn't feel worthy of the buyer's referred leads.
- Doesn't understand the research process required to successfully gain high quantities of quality referred leads.
- Did not learn this advanced skill during training, and therefore is without the prerequisite tools and habits.

Other favored sources of prospects include centers of influence and networking. To be successful with either of these, the salesperson must be proactive in selectively engaging individuals or organizations with the potential to later yield the desired prospects.

3. *Is the timing right?* Some salespeople say that good timing is everything in sales. While good timing might not be *EVERYTHING*, good timing rarely hurts. In real estate sales, the canvassing of the market for listings that are underperforming is a ready source of pre-qualified leads. It has been said that the best prospect is your respected competitor's customer. Relevant questions to consider include, when does an existing listing agreement with a competitor expire? And is a pending sale really a probable close?

4. *Does the lead have the financial capability to make a purchase?* Making sure that prospective buyers have the financial means to make a purchase is critically important. Otherwise, the salesperson will quite often be wasting valuable time.

5. *Does the lead have the authority to make a buying decision?* Every sales situation mandates that the salesperson quickly evaluate the buying center and the buying decision's various influences. In residential real estate situations, this may include the husband/father, the wife/mother, the children, an attorney or an accountant and possibly a friend. In the end, it is important to plan your sales approach in order to match the buyer's decision-making process and ultimately confer with the economic decision-maker when the timing is right.

6. *Is the lead eligible to be approached?* Eligibility is another important qualifying consideration. For example, factors that may determine eligibility are geographic location or customer type. Many businesses operate on the basis of exclusive sales territories. Also, some sales organizations operate with specific customers, house accounts, managed by the corporate headquarters.

7. *Does the prospect satisfy the salesperson's "admissions policy?"* An important qualifying characteristic is whether or not the prospect meets the salesperson's personal selection standards. For example, a certain prospect, although otherwise qualifying, may have lifestyle issues that are deemed unattractive by a salesperson. Salespeople can choose within legal limits with whom they will offer their services.

To minimize sales activity waste, salespeople need to develop a lead qualification system, other than intuition, to assist them in both qualifying and determining the relative value of leads. Many employ either a funnel-like screening process or a relatively simple grading system which classifies each prospect according to a grading scale (e.g., A, B or C). The resulting advantage is that the salesperson's focus is initially on the best classified candidates and only after those have been exhausted do they advance to others. It is common for a C-classified prospect to be never contacted.

Information management technology has developed many software tools to enable salespeople to more effectively and efficiently manage their time and their chosen prospecting process. Salespeople can often link into a corporate system designed to assist them to better manage their prospecting, time and territories.

In summary, consistently interacting with qualified prospects is a necessary condition to achieving highly productive sales results. A productive selling process begins with a clearly defined targeted customer, consistent with a business plan. Next, the salesperson must develop appropriate sources to generate the desired leads. Prospecting sources and methods vary for different types of selling and the salesperson's professional experience. Those lead generation methods include but are not limited to cold calls, walk-ins, open houses, ads, sales letters, networking, centers of influence, trade shows, the internet, seminars and referred leads from satisfied customers. As suspects are located, not all sales leads will qualify as good prospects. Therefore, each one must be systematically screened or filtered to assess whether or not it is a qualified prospect. Modern lead qualification and management software systems can facilitate this process.

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Chuck Fifield is a Senior Lecturer for Baylor University's Hankamer School of Business, Marketing Department – Professional Sales and Communications and serves as the faculty consultant to Baylor's Sales Team and Uproar Music and Entertainment Group, a student managed business. He joined the faculty at Baylor University in 2001, where he has also taught in the Graduate Business School (Operations Management), the Management Department (Negotiations and Conflict Resolution) and the Economics Department (Principles of Macroeconomics). Chuck has taught or guest lectured at other Texas-based Universities in the fields of sales, international business, money and banking and finance/investments. Professor Fifield has conducted sales research and training for several organizations, including most recently State Farm Insurance. Prior to joining Baylor, Chuck was a financial consultant to businesses located throughout the U.S. for nearly thirty years. He owned and operated several financial service businesses in the fields of securities, real estate, oil and gas and insurance.

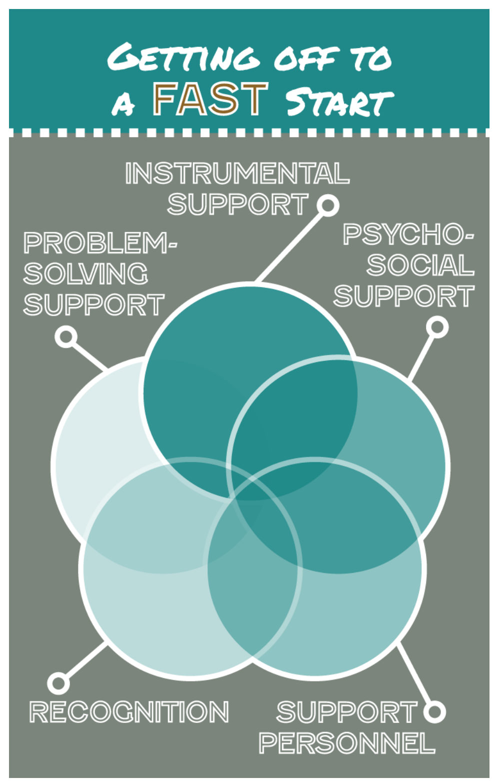
Getting Off to a Fast Start *(of interest to new agents)*

By Bruce Robertson, PhD and Andrea Dixon, PhD

Runners to the starting blocks... Take your mark... Wait for the starter's pistol. A sprinter knows the drill. S/he begins a race so many times in the course of his/her running career that the actions "before the gun" become second-nature. Winners know how to get out of the blocks quickly when the gun goes off.

Business professionals are a little different. We don't restart our careers multiple times a year (hopefully) so thinking about what to do to get off to a fast start isn't second-nature for us. In fact, we oftentimes assume that our "start" will be no different than anyone else's start. Research shows the fallacy of such an assumption. New employees do have different "before the gun" experiences, as reported by Rollag, Parise, and Cross 2005 in the *MIT Sloan Management Review.* So, how the company and its managers facilitate the starting routine for employees in general does matter. Further, our research, which was focused on sales professionals, clearly delineates ways in which an agency can help new agents get off to a fast start as they begin their real estate careers.

What We Found (Our Results)



Successful field leaders often imply that getting new salespeople off to a fast start is all about hiring the "right" people. In fairness, this does not mean there are "right" or "wrong" people. For someone new to the field of real estate, hiring the "right" person means making sure there is a "fit" or match between the values and beliefs of the candidate, the requirements of the career, the values and beliefs of the broker or agent you are joining, and the firm or brand you will be representing.

To help you assess your fit with any career, you need a realistic view of the job's real pros and cons. In real estate, you must understand the uncertainty of commission work and the time and financial investments required for success. To assess your fit with a particular broker or agency, meet as many people in the organization as possible. Focus on understanding the firm's systems and ways of doing business to determine your fit to this particular part of the real estate industry.

According to our research, one way of ensuring that you've adequately assessed this fit issue in advance of taking a new position is to explore the career opportunity with multiple firms. Only by such comparison can you determine which part of the industry (i.e., which broker or agency) represents the best place for you. Many successful field leaders will encourage you to "shop around" to be sure you see a good fit with their operation.

Even when the fit is good, there are "before the gun" actions taken by field leaders and salespeople that can be quite different in organizations/situations where a new sales associate gets off to a fast start. Many of the actions are either orchestrated by the field leader or requested by the new associate (and facilitated by the field leader). Our research suggests five areas that can help get you out of the starting blocks quickly.

Instrumental Support Systems

Getting off to a fast start, the critical piece is not sales. Making a sale is the end result. Seeing people and seeing the right kinds of people, and getting referrals… are the critical part of it.

Since the learning curve for a new real estate associate is so steep, you need access to training programs that are digestible and focus heavily on applications in order to get off to a fast start. The goal is to transform the deluge of available information, like water from a fire hydrant, into a manageable stream of the most useful know-how, like a gentle spray from a garden hose. Look for training programs where the knowledge is presented in chunks, essential elements are delivered through simplified concepts, and role play and application are emphasized. Look for training sessions that feature stories and vignettes because contextual learning approaches provide a "stickier" method for important knowledge and skills. Look for training programs that focus on three key areas: prospecting, gathering referrals and developing relationships with clients. If you can master these areas early on, you will succeed and you will get off to a fast start.

In addition, ask the agency leader what informal training is available to help you achieve your professional goals. Salespeople who get off to a fast start have sales leaders who intentionally structure their work relationships, making introductions to people who can be resources for specific business issues, experts on market segments, and/or conduits to important others who can help you build your business. If your broker or agency conveys the attitude, "good luck and just tell me when you need help," it is possible that you are not joining a team that will help you get out of the blocks quickly and become the winner that you desire.

Problem-Solving Support

For [my people], I'll call and get things done. I immediately address any concern they have. Like now, let's drop this, make a phone call, handle it. 24/7. Cell phone, home number, we're in this together.

While mentoring relationships can certainly provide instrumental support (just discussed) as well as psycho-social support (discussed in just a moment), our research also identifies a mentoring system as crucial for ensuring new agents have someone to turn to immediately when they are facing a work-related problem. We define mentors as experienced associates or specialists who have been linked with new salespeople to provide work-related support. Collegiality becomes a real part of an organization's environment when the culture includes strong mentoring relationships. Having experienced associates provide assistance, support and counsel to new associates is a highly valued form of support for new associates. Leaders of high performing organizations control this process by purposefully engineering situations that allow new agents to identify and select mentors and role models, so that the behaviors the new real estate agent models are representative of the culture and norms the broker wants established. In high performing units, mentors provide informal support and problem-solving assistance, not formal supervision.

As a new real estate professional you are building a business and you work on your business 24/7 (or so some days it seems). Gone is the era when contact with clients was ordered and well paced. The client expects 24/7 access to information and to you. While serving your clients, you may need assistance or require answers to questions. This is an important area to explore; determine how you will be supported so you can best support your clients. Will you be connected to a mentor for such help? Is there another primary go-to person in place? What happens when s/he is on vacation or traveling? Is another person clearly available as a replacement?

Psycho-Social Support

The manager/representative relationship was very important to me. He was very encouraging. He would say, "You are doing the work, it just hasn't happened yet. Keep on doing what you are doing. You'll break through." If I had lost his faith, I would have looked for a new job.

Each company, broker or agency, the leaders, and associates exhibit distinct norms and characteristics forming an organizational identity. High performance leaders focus on maintaining the integrity of their firm's culture. To get off to a fast start, new associates will need to tap into informal networks and camaraderie to build their psychosocial support network. If there is not a fit between you and others in the firm, your ability to access this network will be compromised. At the highest level, field leaders use interviews between existing associates and prospective associates to jump start the process of matching mentoring partners.

Sales roles today can feel somewhat isolating and lonely. The sooner you can assimilate yourself into the culture, the sooner you will experience the firm's network of camaraderie and informal support. Our research found that high performing field leaders use rituals such as welcome events and standard introductions to such connections. Team-building lunches, sharing career war stories, and contests pairing new associates with more experienced associates build such connections.

As a new associate, your relationship with your broker or agent can be a lifeline during the first few months in the career. Look for a leader who understands the value of this connection and who nurtures new associates through purposeful, high touch relationships. Since you will be investing heavily in this new career, you need to know that your leader is equally invested in your future. Before you join that agency or broker firm, ask yourself, "Do I think this leader will provide the kind of psycho-social support that I need to be successful? Is this leader upbeat and optimistic when s/he is interacting with me?

Recognition Support

I always go with a personal pat on the back, right in front of everybody. Say he got his first close. I want to make sure others hear and say something to him as well.

As you examine various companies and agencies, ask specifically about their motivation and recognition programs. Any type of sales role offers daily disappointments and challenges that can block the visibility of long-term rewards. Through our research, we found that high performance sales leaders use short-term or incremental rewards and recognition to enforce specific behaviors and create habits linked to long-term success. Talk with other associates to find out what kind of contests might be offered to help keep agents motivated. See if the contests are designed to reinforce specific parts of the sales process allowing you to build and refine important skills. Find out if the leader demonstrates encouraging behaviors (pats on the back, hand-written notes) to help his/her associates along to success.

Support Personnel

I don't have to worry about the headaches of payroll, secretarial, computers, programs. These are all outsourced through the agency.

Before you get started down the track, you need to really know and connect with the support personnel in the agency. If you are reading this article before deciding on which broker or agency to join, we encourage you to get to know the support personnel as one of the deciding factors about the opportunity. In fact, one of the benefits of joining a broker or an agency is so you don't have to deal with all of the headaches of running an entirely independent practice.

How We Studied This Process (Research Method)

Working with an industry trade association, we identified field leaders in the top ten percent in terms of retention and production for early-career sales associates (or salespeople with three or fewer years' experience). We contacted these field leaders to identify:

1. Salespeople who joined directly from college
2. Salespeople who joined the organization due to a career change (left a non-sales position)
3. Salespeople who joined the organization from another sales role
4. Salespeople who left a related career (but were not in a sales position)
5. Sales leaders who successfully launch new salespeople

This process resulted in a list of about 400 potential participants. A professional recruiter (using a stratified random sampling approach) scheduled 60 one-on-one interviews with salespeople (36) and sales leaders (24) representing the categories listed above.

We led the participants through a three-stage discussion of: (1) their actions prior to taking the job, (2) the actions of the field leader, others inside the firm, and others outside the firm and the salesperson during the first week on the job, and (3) specific behaviors identified from published research. After exploring these areas in depth, we used a parallel process to examine success factors since joining the firm.

The audio-taped interviews were transcribed yielding 834 pages. We independently analyzed the transcripts to identify fine grained "issues" and then content-analyzed the transcripts to identify themes consistent with existing research, additional factors not represented in the published work, and applications or examples of how these factors are implemented in the field.

Summary

If you have assessed your fit, explored several agencies where you might affiliate, and decided that this real estate career is a race you want to win, you are in the starting blocks. If you've found the agency that provides instrumental support, problem-solving support, psycho-social support, recognition, and support personnel, then you are ready to take your mark. When the gun goes off, you'll be off to a fast start as you build this new career!

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Suggested Reading

Rollag, K., S. Parise and R. Cross (2005), “Getting New Hires Up to Speed Quickly,” *MIT Sloan Management Review*, 46(2), 34-41.

About the Authors

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Dr. Bruce Robertson (PhD - University of Cincinnati) Is an Associate Professor of Marketing at San Francisco State University. Coming from an industrial background in sales and sales management, his research interests embrace issues related to sales leadership and leader development. Bruce has published in the *Journal of Personal Selling and Sales Management, Organization Science, Leadership Quarterly,* and other academic journals. In addition to his academic publishing, Robertson has been involved with industry research in the financial services arena.

Robertson’s teaching experience includes a variety of undergraduate and graduate courses as well as in the College’s EMBA program. Robertson has achieved recognition for his innovative use of technology developing a hybrid online/traditional class format enabling him to reach more than 1500 students per semester. He was named teaching professor of the year by the College of Business in 2003-2004. In 2011 he was named the Academy of Marketing Science’s Outstanding Marketing Teacher award winner.

Prior to joining the PhD program at Cincinnati, Robertson had extensive experience in a variety of sales and marketing positions including acting as a commodity futures representative and broker, as an assistant campaign director for a local United Way, and most recently as the national sales manager for a consumer products company.

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Dr. Andrea Dixon (PhD - Indiana University) is the Executive Director of the Keller Center for Research and the Center for Professional Selling. She holds the Frank M. & Floy Smith Holloway Endowed Professor in Marketing at Baylor University. Coming from an industrial background in research, planning and advertising, her research interests embrace behavioral issues related to sales, service and client satisfaction. Andrea has published in the *Journal of Marketing, Harvard Business Review, Organizational Science, Journal of the Academy of Marketing Science, Leadership Quarterly,* the *Journal of Personal Selling and Sales Management, The Journal of Satisfaction, Dissatisfaction and Complaining Behavior,* and several other journals. In 2002, Dixon's research published in the *Journal of Marketing* was selected as the award-winning research in the sales area.

Prior to joining Baylor, Dixon was the Executive Director of the MS-Marketing Program and the Ronald J. Dornoff Teaching Fellow at the University of Cincinnati. She has co-authored the book, *Strategic Sales Leadership: BREAKthrough Thinking for BREAKthrough Results*, and multiple industry-wide research texts. Dixon serves on two editorial review boards and co-chaired the American Marketing Association's 2007 Winter Educator Conference. While serving as a faculty member at the University of Cincinnati (U.C.) and Indiana University-Bloomington (I.U.), Dr. Dixon taught an array of graduate and undergraduate courses. One of U.C.'s MBA EXCEL Teaching Award winners, Dixon was selected for a national teaching award by Irwin Publishing, as a distinguished professor by Indiana University MBA students, and for a university-wide award by her academic colleagues at I.U. In 2008, she was named the Academy of Marketing Science's Marketing Teacher Award winner. Prior to teaching at U.C., Andrea worked closely with GAMA International as the Senior Director of Product Development and Marketing.

Conviction: Why Skills Alone Are NOT Enough

By Scott C. Watson and Ron Gajewski

Assessing the developmental needs of a sales organization normally involves measuring behaviors against a set of competencies or performance metrics, in order to pinpoint skill gaps. Identifying and assessing so-called soft skills is challenging, but with solid science and a good dose of common sense, our knowledge in this area is advancing. One company, however, posed a question for which research-based answers were not available. After covering various assessments of his team (prospecting, calling high, qualifying, financial acumen, presenting, and negotiating), the battle-tested sales VP asked, *"What about the fire in the belly?"*

He explained that some of his best sales people lacked a bit of polish and sophistication, but they believed so fervently in the value of their solutions that clients responded positively. Could we measure conviction? Could we quantify that intangible attitude some sales people possess that enables customers to "take the leap?"

We set off to identify what made up "conviction," where it comes from, and how business leaders can instill more of it in their sales and marketing teams.

Our findings? The differences in performance associated with conviction are often as large, and in some cases larger, than differences due to exemplary skills alone.

Research Background

This project involved 62 sales people at a professional services firm who completed our PowerView® assessment (100% response rate). The assessment included a full range of skills and strategies carefully selected by the management team as the must-have skills for success. As is necessary for measuring impact, we tracked cause-and-effect by identifying and measuring leading indicators and lagging indicators of performance. For this study, we expanded the battery of leading indicators to encompass knowledge, skills, and conviction.

Definition and Measurement of Leading Indicators

- Knowledge was measured in these areas: product, technology, industry trends, competitive landscape, and regulatory issues.
- Skills were assessed in these areas: prospecting, calling high, qualifying, displaying financial acumen, presenting, and negotiating.
- Conviction was defined as *your most deeply held beliefs about the value of your role and your solution.* It is belief, rooted in personal experience.

Measuring Conviction

If conviction is the outward expression of a deeply held internal belief system, how do you measure belief? Simple questions about behavior are insufficient. Two equally skilled sales people, selling the same product or service at the same price point can convey radically different levels of conviction. Our hypothesis was that high levels of conviction, when paired with a genuine concern for the customer's needs, translated into a greater sense of trust. Higher levels of trust would then, in theory, translate into more frequent purchase decisions.

The first step to cracking the code on conviction was to put ourselves in the shoes of the customer. They're facing a business problem, but before pulling the trigger on a major purchase, a critical list of questions must be answered in the customer's mind. Will it work? Can we afford it? Is this the best option? How will it perform over the long haul? Will these people support and service us with excellence?

If these are the key decision points, obviously sales people must have clear and sufficient answers to each question. They must also have a fairly high level of conviction around each or the message will fall flat. What's more, rarely is a purchase decision made in a vacuum. Other options and competitors will be considered, if for nothing else than peace of mind for the customer.

We used a "comparative cognitive technique" to measure a sales person's conviction. Our assessment covered four key areas selected by the management team as most relevant to this professional services firm and their customers:

- strength of brand and reputation in the marketplace (how well known, and the nature of messages associated with the brand)
- range of solutions and product offerings
- quality (reliability) and performance (results)
- price vs. value (what you get vs. what it costs)

We then asked the managers to identify the two strongest competitors in each area. Sales people were told, in effect, "You're in the trenches every day, working with clients, and selling against our competitors. We need your candid insights on how we're doing in each of these areas."

We asked the reps to rate their own firm as "the best," "average," or "worst" in each of the four areas, when compared to actual competitors. Values were assigned to each factor to create an Advocacy Index™ for each sales person ranging from 0-100.

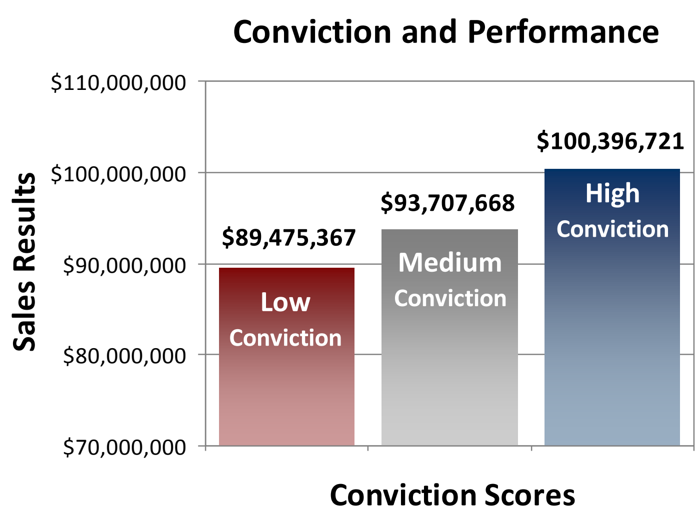
To complete the analysis, we compared various "lagging indicators" such as sales revenue and quota achievement to each rep's conviction score.

Insight #1: Skills and knowledge are only part of the equation.

By themselves, expertise (knowledge) and ability (skills) are often insufficient to move others to take action on your ideas. You must also have a genuine level of conviction.

Insight #2: Conviction is strongly linked to sales results.

We divided people into three equal-sized groups with Low, Medium, and High levels of conviction. Regardless of tenure, experience, or location, those with the highest level of conviction produced the greatest results.



Insight #3: Conviction can be cultivated and developed.

After seeing the dollar-value of conviction, the obvious and immediate question is, "How do we develop consistently high levels of conviction among our sales team?" In our experience, conviction is NOT the same as charisma. High conviction is not dependent on personality type or personal style. Rather, we've found conviction is developed and driven in at least four ways.

First-hand experience: When a specialist accurately diagnoses and treats your 11-year old daughter's seizure disorder, after three other physicians had missed the clues, your belief about the skill and value of that doctor will be unshakeable. You'll tell anyone who will listen. Why? You've personally been deeply and positively impacted by their work.

> If sales reps lack conviction, send them to visit successful clients and give them case studies showing the quantifiable benefits of your solution.

Relationships: If someone you trust has had a single terrible experience at a restaurant, their vivid story of a "surly waiter" or "sand in the salad" will strongly influence your perceptions. More than likely, you'll believe them and you'll steer clear of the restaurant, even if you've had a positive first-hand experience in the past.

> Relationships strongly influence our belief systems. That's one more reason to pair up new reps with more tenured sales people who display high levels of conviction. It will help them "drink the Kool-Aid."

Insight into the Customer: When salespeople have taken the time to understand the full spectrum of issues—and possible solutions—facing potential customers, they can speak with much greater authority and conviction about a proposed solution. Imagine your doctor, upon hearing about a pain in the center of your chest, immediately recommending a heart transplant without conducting a single test. Are you suspicious? Of course. No matter how fervently the doc believes you need a new heart, he's not convincing because you know he doesn't have sufficient insight in your condition. What if it's just heartburn?

> If sales people are not closing deals, they may be using a sales discovery process that is insufficient. Consequently, they may lack the data and the insight necessary to be convincing.

Personal Values: A salesperson's personal values must also be considered. Though often hidden beneath the daily noise, character qualities such as integrity, honesty, respect, and genuine care for others will affect behavior. They will animate the reps' approach and reveal their true intentions. Is the driving motive to "do the right thing for the customer?" or "to close the deal, no matter what?"

> Transparency and integrity are important. Customers have a finely tuned sense of what's really driving a sales person's behavior.

Conclusion

The next time you're trying to figure out how to help under-performing sales people move up, it may not be their skills or strategy. You may not need to bring in a motivational speaker. Ask them how "we compare" in several key areas that your customers care about most. Their answers may surprise you. The impact of shifting their "conviction perspective" will be seen in their sales results.

About the Authors

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Scott Watson is a true training industry pioneer, having conducted nearly 1,000 training measurement projects. After graduating from Texas Tech 1n 1992 with his Master's Degree in Communication, Scott joined Acclivus Corporation, an international sales consultancy and training firm. At the time, little was known or being done about the measurement of training initiatives. Part statistician and part "sales guy," Scott has spent the past two decades connecting changes in human behavior with business performance. Scott has authored articles on sales performance and training measurement in numerous trade and business journals, including *USA Today*.

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INSIDER: Sales & Negotiation

By Laura Tweedie, MBA Candidate

One of the leading business speakers in the nation and bestselling author, Patrick Henry Hansen, draws insightful conclusions in his novel *Sales-Side Negotiation, Negotiation Strategies for Modern-Day Sales People*. Hansen describes the powerful link between effective sales results and skillful negotiation and provides ample examples throughout history showing how the two are correlated. To place this discussion in the context of the real estate industry, this article applies to the sales-side or to the agent. We offer five key think points from Hansen's work that are especially applicable for agents seeking to develop their selling power.

Think Point #1: The Role of Negotiation in Sales

While there is a distinction between sales and negotiation activities, the two are so intertwined, that without effective skill in either, results will be dismal. As any Real Estate agent understands, increasing your profits results from one of three activities:

1. Increase the number of Sales
2. Decrease the costs you incur
3. Improve margins

The focus of this article is on the third aspect of profit generators, or margin improvement, and this aspect very closely ties to skillful negotiation. When attempting to secure an agreement, there are inevitably a series of concessions the buyer will seek in order to satisfy their needs and interests. By shrinking these concessions, you engage in the third point above, and improve your margin, thereby improving the profits you will receive. Agents who have demonstrated negotiation skills stand to benefit from this area of profit growth and are well advised to develop their negotiation skills and understanding.

Think Point #2: Leverage Your Power

Power, or the amount of influence one person has over another, is one of the most influential aspects within a negotiation and is exercised to varying degrees in every relationship we engage. Understanding where power is derived and how to use that power is an essential factor of effective negotiation. Hansen explains that there are ultimately two sources of power in purchase-related negotiations, such as those in which Real Estate agents engage: buyer power and seller power. Specific sources of seller power especially relevant to Real Estate agents are:

- Information: what do you know that gives you an advantage?
- Differentiation: what makes you unique?
- Reputation: how are you positively perceived by others?

- Experience: what is your past history of success?
- Network: what supportive resources do you have at your disposal?

While neither party is capable of gaining a complete power monopoly, agents who implement the following three techniques, as defined by Hansen, will keep the power advantage in their court:

1. **Build Power**: During the initial stages of the selling cycle agents have the greatest opportunity to build a sense of power with the relationship. Namely, showing a sense of control and ownership of your work through effective time management as well as professionalism, especially during the initial interactions with the seller will demonstrate that you are prepared and competent. Convey confidence and assert yourself as self-assured professional who can be trusted and respected.

2. **Balance Power**: Often during the negotiation process the buyer will make attempts to shift the power scales in their direction. Think point three provides specific examples of the various styles of buyer tactics, and is a useful reference tool for identifying the category of buyer with whom you are negotiating. The main point of balancing power is to assess the current distribution of power and respond accordingly. Begin by asking yourself, how is power distributed in this relationship? If the buyer has more power in the relationship, implement some of the counter tactics described below in think point four. The ideal state is a balanced equilibrium of power between buyer and seller.

3. **Maintain Power**: Often time inexperienced negotiators give away power without realizing the harmful effect of their actions. Making a statement such as, "we are willing to negotiate" may diminish your power by inviting the buyer to engage in a series concession requests that may have not otherwise occurred. Protect the power that you own and be careful what information you share.

Think Point #3: Recognize Buyer Tactics

Both the buyer and the seller can leverage their power within the negotiation. Hansen's work specifically focuses on the sales-side of negotiation, and provides specific techniques to overcome buyer tactics of power leverage. To effectively counter such tactics, it is essential to first understand the types of buyer tactics. Hansen divides buyers into one of three categories and describes the strategies that they use to inflate their own power and diminish their opponent's power as follows:

> **Hard Negotiators**: These negotiators are not afraid of conflict and will implement their emotions as well as attempt to manipulate yours in order to reach an outcome that is most

satisfactory for themselves. Specific tactics of these negotiators include making outrageous demand or ultimatums, pretending anger, or playing "good guy, bad guy."

Calculating Buyers: The calculating buyer is one who is often more introspective and tends to be more reserved than the hard negotiator. Their source of power is often derived from attempting to either outlast the buyer or outsmart the buyer. Specific strategies such a negotiator may implement include displaying a selective memory, conveniently forgetting agreed-upon terms, continually offering "what if" scenarios to catch you off guard and remaining silent on a particular issue to wait for you to make the first move.

Soft Bargainers: Soft bargainers also tend to manipulate emotions, but from a positive, rather than negative, stance. Instead of trying to catch you off guard with anger, they will try to develop an emotional bond with their opponent in order to make it more difficult to remain true to their best deal. Tactics that these categories of negotiators often implement include evoking your sympathy, trying to create an atmosphere of "being fair" and using flattery to gain concessions.

Think Point #4: Initiate Counter Tactics

In response to the identified buyer tactics, sellers have a variety of techniques at their disposal to counter such threats to the negotiation success. The first step is to identify what type of negotiator you are dealing with and then respond accordingly. Hansen states that strategic negotiators implement the following process:

1. **Prevention**: Build power with the buyer in order to minimize the likelihood that they will try to use negotiation strategies against you. Refer to the section below about how to build this power through the use of building value.
2. **Recognition**: Identify the type of strategy the negotiator is using.
3. **Counter-Tactic Implementation**: Neutralize the buyer's tactics with your own counter tactics.

Some of the key counter techniques described by Hansen are as follows:

- *Question and Confirm*: When a buyer engages in asking for concessions during the negotiation process this can be a useful tactic to obtain more information. Recall that information is a source of power, so by gaining a deeper insight into the buyer's needs or interests, the seller can obtain useful information to use in future negotiations.
- *Reason and Rationale*: When a buyer begins to show objections, it is effective to have an answer prepared that logically connects and supports why the request is not reasonable. For example, if a buyer demands an extra 5K removed from the selling price because of a damaged roof, a reasonable response may be that the shape of the roof was already calculated into the listing price.
- *Silence*: In the face of an overly emotional outburst, silence is often the best way to assert your power. Engaging in an angry rhetoric will only diminish your power, especially once the heated moment has calmed. In the aftermath of an emotional outburst, a negotiator will often feel foolish for losing control. However, if in the face of verbal abuse you are able to maintain your composure, you stand to gain a great deal of respect.
- *Counter Demands*: In the moment that you receive an outrageous offer, the timer begins. The amount of power you hold in the negotiation begins to diminish if you are not prepared to provide a counter demand to re-anchor the discussion. Offers made that are far outside the bounds of what is expected must be quickly reigned in, so as not to give the impression that you are entertaining the possibility of accepting the offer.

Think Point #5: Top Principles of Sales-Side Negotiation

Hansen provides what he calls the Ten Commandments of Sales-Side Negotiation. Those include:

1. *Focus on Value, Not Price*: As Hansen states, "if you sell for price they will leave for price." What the author is saying is that negotiators actually diminish their power by focusing solely on price. It is relatively easy for a competitor to lower their price, and if this occurs then the seller has essentially lost all of their competitive advantage. If however, the seller is focused on creating a unique and distinguished value for the buyer, then they will have a more established advantage that is less likely to be copied or stolen.
2. *Negotiate Prepared*: As stated previously, information is a source of power. Therefore, equipping yourself with relevant information will assist in the effectiveness of your negotiation. Spend time with your client discussing their optimal outcome and also ask them to consider their walk-away point. Having this information will prepare you to strategically negotiate towards the desired outcome.
3. *Avoid Making the First Concession*: Inexperienced negotiators often make the mistake of giving the first concession in hopes of gaining a reciprocal concession from the buyer.

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However, this approach often backfires because in the game of negotiation is not grounded on the ideal of fairness. Making the first concession can cause you to appear too eager or perhaps even naive and may actually increase the buyer's demands.

4. *Concede Reluctantly*: Making a concession is essentially saying that you are willing to give up a piece of the pie. This is an act that should not be offered lightly. When making a concession, demonstrate that you are reluctant by showing that you are taking time to calculate the feasibility of the concession. A negotiator who simply says "okie dokie" to a concession request will appear to be detached from the negotiation outcome.
5. *Inflate your Initial Demand*: When calculating the list price for a property, it is a good idea to add a buffer zone to the price in order to provide yourself with some room to maneuver within the negotiation. The initial list price serves as an anchor around which all negotiations occur, so positioning this number higher than you expect to receive will lead to increased outcomes.
6. *Concentrate on Areas of Maximum Leverage*: Many agents may feel that price is the greatest leveraging tool when selling a house. However, the real leveraging areas involve those aspects that cannot be easily monetarily valued. For example, emphasizing the excellent school district or the access to local parks can be a method for creating a differentiated appeal for the particular property.
7. *Be Hard on Problems and Soft on People*: Stay focused on the issues at hand and avoid involving yourself in any activity that targets personality. The best method for implementing this approach is to listen carefully to the interests of the involved negotiator. By carefully listening to what is important most to them, you stand to arrive on common ground.
8. *Don't Give without Getting*: Making a concession must be prefaced as a "trade." When you give up something, you must include a counter demand in order to maximize negotiation power.
9. *Don't Broadcast your Willingness to Negotiate*: Acting too eager to negotiate will weaken your authority and ultimately your power. Portray the image that this is a firm offer and resist reacting enthusiastically when a buyer tries to engage or initiate negotiations.
10. *Negotiate as Little and as Late as Possible*: Do not negotiate unless you perceive it is the only option to close a deal.

Recommended Reading

Hansen, Patrick Henry (2006), *Sales-Side Negotiation Strategies for Modern-Day Sales People*, Alpine, Utah: Brave Publishing, Inc.

About The Author

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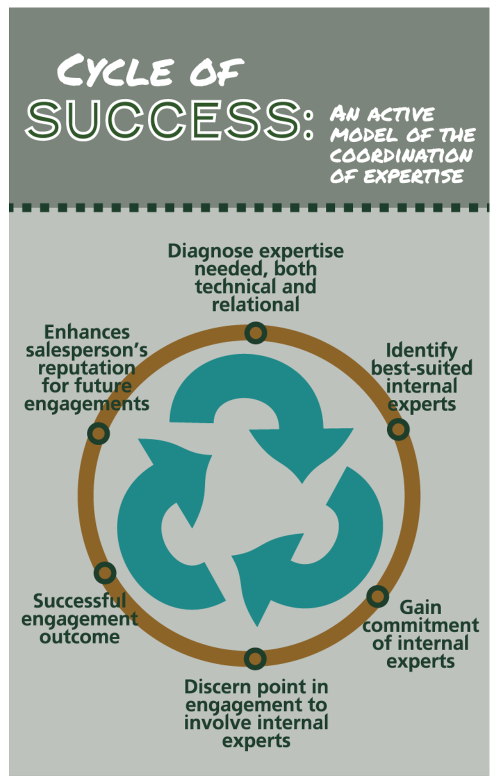
Keys to Success: Salesperson's Internal Relationships

By Michelle D. Steward, PhD, Beth A. Walker, PhD, Michael D. Hutt, PhD, and Ajith Kumar, PhD

Salespeople have myriad experts within the organization whom they can recruit to create a successful customer engagement. However, in companies in which experts are scattered across geographies and divisions, the tasks of both identifying the best-fitting experts for a specific customer engagement and gaining the support and commitment of the experts are challenging.

Further, these experts are often individuals over whom the salesperson does not have formal authority. This complicates the process. To be successful, salespeople need to develop effective skills in coordinating expertise.

Defining the Coordination of Expertise



Through interviews with salespeople and their sales managers at a *Fortune*-500 high-technology company, we uncovered the process followed for expertise coordination and found striking differences between higher and lower-performing salespeople (Steward, Walker, Hutt and Kumar 2010). Transcribed interviews produced over 1,000 single-spaced pages of data. From the data, four components of the coordination of expertise emerged: 1) diagnosing the customer's requirements, 2) identifying the experts, 3) assembling the experts, and 4) managing the ad hoc team of experts. When salespeople were grouped based on revenue, profit, and customer satisfaction generated, we found that higher-performing salespeople are better than lower-performing salespeople at coordinating expertise. The research is generalizable to situations in which a salesperson is responsible for managing an ad hoc team of experts for a customer engagement from the point of initial prospecting through the final delivery of the service. For agents helping clients with one of the largest financial decisions that they will make in their lifetime, the process of coordinating expertise may extend beyond the boundaries of the real estate agency to include experts such as appraisers, loan officers, city planners, construction companies, etc. Successfully coordinating expertise in this environment can offer agents an edge over competition.

Diagnosing the Problem

The results of our study illustrate that higher-performing salespeople are better at diagnosing the nature of the expertise needed for a customer engagement. Instead of selecting team members solely on technical expertise, higher performers also consider other relevant factors when selecting team members such as the customer organization's culture and the customer's experience in the co-production of the service. Higher-performing salespeople consider the technical *and* relational nature of the customer's problem; whereas, lower performers focus on the technical needs of the customer. Real estate agents need to consider more than just the technical needs of a buyer, and also consider factors such as the buyer's level of experience, the personality of the buyer, as well as the group of individuals who may influence the buyer's decisions. A complete diagnosis of the problem, both technical and relational, is critical because it guides the remaining process involved in the coordination of expertise.

Identifying, Assembling and Managing Experts

High-performing salespeople leverage their reputation for success both in their search for the right experts and as they work to gain the commitment of the desired experts once identified. Lower performers often relied on a formal database that the company provided to find available experts. The database did not take into account relational expertise skills such as effectiveness in working with new clients or the ability to work well in a negative customer culture.

Higher performers are also sensitive to the timing or when to involve each expert throughout the sales cycle. For example, salespeople involved some team members early in the sales process during contract negotiations, while using the skills of other team members behind the scenes, and reserving others to be trouble shooters. Other experts were involved from start to finish. This discernment of when to engage team members, versus involving all members throughout the sales cycle, is a differentiating feature of higher-performing salespeople as compared to their lower performing counterparts.

In managing these engagements, which could take months to years from the initial contact with the customer to the final delivery of the service, higher performers often selected a point-person to keep up-to-date daily with the next steps with the customer. Lower performers often carried out this role themselves, meaning less time to prospect or manage other customers in their portfolio of active engagements.

A Salesperson's Social Network and the Coordination of Expertise

Three key factors of the salesperson's social network helped to explain the salesperson's ability to coordinate expertise: 1) the reputation of the salesperson's social network, 2) the diversity of the salesperson's social network, and 3) the strength of the relationships with members of the social network.

While a salesperson may be able to identify the perfect expert to help with a specific customer, the expert may not be available when needed. Salespeople with a social network that has a positive reputation have a greater ability to successfully coordinate expertise. The reputation of the salesperson's social network can engender commitment and support of desired experts.

The diversity of the salesperson's social network, or the degree to which the social network contains people with non-overlapping skills and knowledge, enhances the salesperson's ability to coordinate expertise in that he/she has a greater pool of people from which to select and seek referrals of other experts.

Finally, stronger relationships with the social network help the salesperson to gain more tacit, often sensitive, information that can be critical when coordinating expertise for a client.

Conclusion

Higher-performing salespeople are better at coordinating expertise. The ability to coordinate expertise is enhanced if the salesperson has a social network known for being successful, containing diverse talent, and strong relationship ties. The resulting success of the salesperson improves his/her reputation, and aids in garnering the commitment of experts in the future.

Accordingly, real estate agencies should develop mechanisms to help agents: (1) diagnose the particular expertise that a client may require, including both the technical and relational needs; (2) identify the best-fitting experts; wherever they may exist, and (3) determine the most appropriate times in a nuanced sales cycle to involve organizational experts.

Reference

Steward, Michelle D., Beth A. Walker, Michael D. Hutt, and Ajith Kumar, "The Coordination Strategies of High-Performing Salespeople: Internal Working Relationships That Drive Success," (2010) *Journal of the Academy of Marketing Science*, 38 (5), 550-566.

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Dr. Michelle D. Steward (Ph.D., Arizona State University) is an Associate Professor of Marketing at Wake Forest University in Winston-Salem, North Carolina. Dr. Steward started her career at Wake Forest University in 2004, where she has received both the Faculty Scholarship Award and the T.B. Rose Fellowship in Business for Instructional Innovation at Wake Forest University's school of business.

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Dr. Steward's research has been published in the *Journal of the Academy of Marketing Science*, *Journal of Business Research*, *Journal of International Marketing*, *Journal of Business-to-Business Marketing*, *Omega: The International Journal of Management Science, Journal of Marketing Education, Journal of Marketing Theory & Practice, Business Horizons* and *Marketing Management Journal.* Dr. Steward is an editorial review board member of the *Journal of Marketing Education.*

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Beth's research has been published in the *Journal of Marketing, Journal of Marketing Research, MIT Sloan Management Review, Journal of Business Research, Psychology and Marketing, Journal of the Academy of Marketing Science, Journal of Product Innovation Management, Journal of Business and Industrial Marketing, Journal of Services Research, Research in Consumer Behavior* and in other scholarly publications. She was the recipient of the 2001 Richard Beckhard Prize for her most recent article in *MIT Sloan Management Review*. Beth also received the Malcolm S. Woldenberg Marketing Chair Award for her contributions to the *Journal of Business Research*. For her teaching contributions, Beth has been recognized by Arizona State University as a Wakonse Fellow and by the College of Business with the Outstanding Undergraduate Teaching Excellence Award.

In terms of service to the marketing discipline, Beth is the current president of the American Marketing Association Academic Division, has served as a co-chair of the 2005 AMA Summer Educator's Conference, and is serving as an elected member of Academic Council, the governing board of the AMA for educators. In addition, she was the co-chair of the 2007 John A. Howard Dissertation Award which recognizes excellence in dissertations that advance marketing knowledge and serve as a stimulus for research and teaching.

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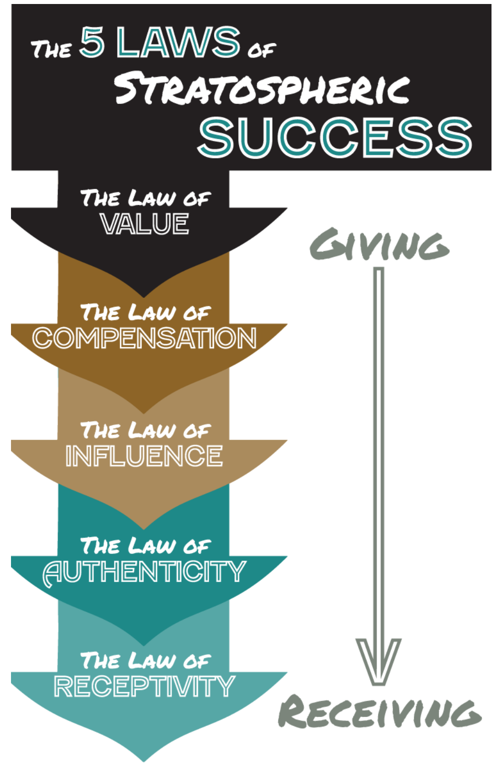
INSIDER: Go-Givers Sell More

By Amanda Holmes, MBA Candidate



We all know someone who has enjoyed extraordinary personal or professional success in their life: a classmate from high-school who has become a corporate executive, a childhood friend who has traveled the world in support of humanitarian causes, a legend with more sales than anyone in the history of the company. These ambitious individuals are often characterized as always having been "go-getters." In *Go-Givers Sell More* (2010), Bob Berg and John David Mann propose a new model for the successful salesperson; one that creates value, touches peoples' lives, builds networks, is authentic, and stays open to challenges and new ways to tackle those challenges. In so doing, the salesperson's focus shifts from trying to *get* something from a potential client to *giving* them value in their time and effort in building a genuine, personal connection. Go-getters may survive and even prosper, but to fully thrive, real-estate agents must be *go-givers* rather than go-getters, a much more rewarding—and profitable—way to conduct their personal and professional lives.

THINK POINT #1: True Worth Lies In Giving Value to Others. Over the past few years, the world's economy has hit virtually every sector of business hard. In creating value for others, you create your own, recession-proof, thriving economy. When your economy's currency is value, not just results and money, you are in complete control of the balance in the account, by creating value yourself instead of waiting on results and money to come from others' decisions. In creating value, sales and money will happen on their own, as people are drawn to those who are valuable to them. Making yourself valuable to others, including clients, includes being consistently excellent by 'investing yourself consciously in everything you do' (p. 15), paying attention to even the smallest details, empathizing with the clients' position, and truly appreciating others for what they bring to the table. When you create value by appreciating others, 'your value appreciates and when you don't, it depreciates' (p.18).

THINK POINT #2: Don't Just Make Money or Sales, Make Connections. For most individuals and businesses, the motivating factor in selling themselves (in job interviews and presentations) or their product (in pitches to clients) is to make money. Instead, focusing on making genuine personal connections increases your career and life's value and your impact on the world by touching people's lives. In so doing, you see the client for more than just a prospective sale; you see them as an opportunity to increase your own positive impact on the world, an infinitely more valuable commodity than monetary compensation. Building rapport with others involves a bit more than just finding common ground through the classic sales formula FORM—Family, Occupation, Recreation, and Message. Seeing the client as a person and being genuinely curious about his/her life breeds camaraderie and when you both become familiar with each other, you form a type of family. When this connection is forged, the sale and financial compensation will easily follow, because your focus was connecting with another person, not making money from a prospective client.

THINK POINT #3: The Art of Building Networks through Influence. It's no secret that successful salespeople build networks of clients that lead to other potential clients, and so on. Joe Girard, the greatest salesperson in the world according to the Guinness Book of World Records, says that everyone has about 250 people who would show up to their wedding or funeral. Following this logic, when you connect with one person, you actually grow your network by 250 people! This one new connection multiplies your impact by spreading what Stephen R. Covey calls your 'moral authority' far and wide, naturally resulting in status and success. This authority is built on your most valuable, but fragile, asset—reputation. Being known as a trustworthy, competent, sincere individual is built on asking great questions resulting in positive, morally influential experiences with people over time. Creating value in others' lives with your personal investment of your time, interest, and eventually, if it comes up, the benefits of your product, results in the greatest opportunity they will want to know more about and even purchase your item, subscribe to your idea, or even hire you.

THINK POINT #4: Authenticity Attracts People into Your Comfort Zone. Traditional sales techniques encourage stepping outside your comfort zone to reach out to prospects, convince others of your product's value, counteract objections, and finally, close the deal by landing their (perhaps unwilling) surrender to your persuasive selling prowess. A vastly more effective strategy to benefit from the connection you have made with the client is to be authentic in your interaction, telling stories from your own life that relate to their experiences as well. This draws them into *your* comfort zone, pulling them over to share your perspective on things, including how your product adds value to their lives with its many benefits. Rather than presenting with an anxious, me-versus-them mentality that focuses on yourself and renders you ineffective against their objections, offer a gift to your audience: engaging conversation that reflects a shared concurrence on the greatness of what you bring to the table. The willing customer will not be closed on the deal, but will have decided to share your perspective on your product because you invited them in with your authentic voice.

THINK POINT #5: It's Not Better to Give Than to Receive. You may be asking, but if it isn't better to give than to receive, what is all this about being a go-giver without expecting returns in-kind? Being receptive to the rewards of giving and being gracious and appreciative when they do come after the fact is different than expecting rewards as a condition for giving in the first place. Deeply ingrained in our culture is the notion that self-interest and altruism are mutually exclusive, as Nicole Miller describes, "I was brought up with a belief that that there are two types of people in the world. There are people who get rich, and there are people who do good . . . you're one or the other, you can't be both." Genuinely successful people see generosity an integral part of their success, and receiving as an integral part of generosity, joining in with the flow of give and take, financially, professionally, and personally. In giving, you receive, cause and effect, giving your time, effort, or money causes you to receive personal satisfaction, the life-long client, the sales record of your life.

Recommended Reading

Berg, Bob and John David Mann (2010), *Go-Givers Sell More*, New York: Portfolio.

About the Author

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Contributors

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Dr. Andrea Dixon (PhD - Indiana University) is the Executive Director of the Keller Center for Research and the Center for Professional Selling. She holds the Frank M. & Floy Smith Holloway Endowed Professor in Marketing at Baylor University. Coming from an industrial background in research, planning and advertising, her research interests embrace behavioral issues related to sales, service and client satisfaction. Andrea has published in the *Journal of Marketing, Harvard Business Review, Organizational Science, Journal of the Academy of Marketing Science, Leadership Quarterly,* the *Journal of Personal Selling and Sales Management, The Journal of Satisfaction, Dissatisfaction and Complaining Behavior,* and several other journals. In 2002, Dixon's research published in the *Journal of Marketing* was selected as the award-winning research in the sales area.

Prior to joining Baylor, Dixon was the Executive Director of the MS-Marketing Program and the Ronald J. Dornoff Teaching Fellow at the University of Cincinnati. She has co-authored the book, *Strategic Sales Leadership: BREAKthrough Thinking for BREAKthrough Results*, and multiple industry-wide research texts. Dixon serves on two editorial review boards and co-chaired the American Marketing Association's 2007 Winter Educator Conference. While serving as a faculty member at the University of Cincinnati (U.C.) and Indiana University-Bloomington (I.U.), Dr. Dixon taught an array of graduate and undergraduate courses. One of U.C.'s MBA EXCEL Teaching Award winners, Dixon was selected for a national teaching award by Irwin Publishing, as a distinguished professor by Indiana University MBA students, and for a university-wide award by her academic colleagues at I.U. In 2008, she was named the Academy of Marketing Science's Marketing Teacher Award winner. Prior to teaching at U.C., Andrea worked closely with GAMA International as the Senior Director of Product Development and Marketing.

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Chuck Fifield is a Senior Lecturer for Baylor University’s Hankamer School of Business, Marketing Department – Professional Sales and Communications and serves as the faculty consultant to Baylor’s Sales Team and Uproar Music and Entertainment Group, a student managed business. He joined the faculty at Baylor University in 2001, where he has also taught in the Graduate Business School (Operations Management), the Management Department (Negotiations and Conflict Resolution) and the Economics Department (Principles of Macroeconomics). Chuck has taught or guest lectured at other Texas-based Universities in the

fields of sales, international business, money and banking and finance/investments. Professor Fifield has conducted sales research and training for several organizations, including most recently State Farm Insurance. Prior to joining Baylor, Chuck was a financial consultant to businesses located throughout the U.S. for nearly thirty years. He owned and operated several financial service businesses in the fields of securities, real estate, oil and gas and insurance.

Sarah A. Fischbach, MBA
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Sarah Fischbach is a PhD candidate at New Mexico State University in Las Cruces, New Mexico. Coming from an industry background in personal selling, marketing and small business, she is able to apply practical knowledge to the problems that face industry today. Sarah is fairly new in her research career but has started with her feet on the ground. In her first semester at New Mexico State University she received acceptance for a special session presentation at the *National Conference on Sales Management* for April 2010. She presented her research on *"Customized Communication through Technology."* Sarah has also worked closely with the NMSU Center for the Arts. Under the leadership of Dr. Collin Payne, Sarah assisted in conducting focus groups marketing campaigns to bring NMSU and the Las Cruces community together. Her presentation for NMSU Center for the Arts will be featured in the *Marketing Research for Dummies* book supplemental DVD written by Dr. Michael Hyman. Sarah has several research and publications in progress related to technology and personal selling.

Ron Gajewski, MBA, BSEE
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Before joining Beyond ROI in 2009 as president, Ron Gajewski was a consulting sales manager with Better Communications, Inc. Prior to that, Ron spent 16 years as vice president and general manager of Acclivus Corporation. Ron is an active member and past officer of two industry associations: ISA—The Association of Learning Providers, and the Association for Services Management International. Ron also serves on the Advisory Board of the Baylor University Hankamer School of Business's Center for Professional Selling. He's been listed in both *Who's Who in America* and *Who's Who in Finance and Industry*. Originally from the south side of Chicago, Ron holds an M.B.A. from the University of Dallas and a B.S. in electronic engineering. Ron's wife and daughter are graduates of Baylor University.

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Dr. Michael D. Hutt (PhD, Michigan State University), is the Ford Motor Company Distinguished Professor of Marketing at the W. P. Carey School of Business, Arizona State University. He has also held faculty positions at Miami University (Ohio) and the University of Vermont.

Dr. Hutt's teaching and research interests are concentrated in the areas of business-to-business marketing and strategic marketing. His current research centers on the cross-functional role that marketing managers assume in the formation of strategy. Dr. Hutt's research has been published in the *Journal of Marketing, Journal of Marketing Research, MIT Sloan Management Review, Journal of Retailing, Journal of the Academy of Marketing Science,* and other scholarly journals. He is the co-author of *Business Marketing Management: B2B*, now in its tenth edition (Cengage/South-Western, 2009). He is also the co-author of *Macro Marketing* (John Wiley & Sons) and contributing author of *Marketing: Best Practices* (South-Western).

Assuming a variety of leadership roles for American Marketing Association programs, he co-chaired the Faculty Consortium on Strategic Marketing Management. He is a member of the editorial review boards of the *Journal of Business-to-Business Marketing, Journal of Business & Industrial Marketing, Industrial Marketing Management, Journal of the Academy of Marketing Science,* and the *Journal of Strategic Marketing.* For his 2000 contribution to *MIT Sloan Management Review,* he received the Richard Beckhard Prize. Dr. Hutt has consulted on marketing strategy issues for firms such as IBM, Motorola, Honeywell, AT&T, Arvin Industries, ADT, and Black-Clawson, and for the food industry's Public Policy Subcommittee on the Universal Product Code.

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Dr. Ajith Kumar (Ph.D., University of Massachusetts) is a Professor at Arizona State University. He has also held faculty positions at the University of South Carolina and State University of New York at Albany.

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Robertson's teaching experience includes a variety of undergraduate and graduate courses as well as in the College's EMBA program. Robertson has achieved recognition for his innovative use of technology developing a hybrid online/traditional class format enabling him to reach more than 1500 students per semester. He was named teaching professor of the year by the College of Business in 2003-2004. In 2011 he was named the Academy of Marketing Science's Outstanding Marketing Teacher award winner.

Prior to joining the PhD program at Cincinnati, Robertson had extensive experience in a variety of sales and marketing positions including acting as a commodity futures representative and broker, as an assistant campaign director for a local United Way, and most recently as the national sales manager for a consumer products company.

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Dr. Michelle D. Steward (Ph.D., Arizona State University) is an Associate Professor of Marketing at Wake Forest University in Winston-Salem, North Carolina. Dr. Steward started her career at Wake Forest University in 2004, where she has received both the Faculty Scholarship Award and the T.B. Rose Fellowship in Business for Instructional Innovation at Wake Forest University's school of business.

Her research interests center on issues that surround the role that knowledge management and the coordination of internal working relationships assume in driving superior account management performance in business-to-business markets. Within this research domain, her research also examines cross-national comparisons of customer satisfaction measurement in business markets and the interrelationships among salespeople, supply managers and their internal customers.

Dr. Steward's research has been published in the *Journal of the Academy of Marketing Science*, *Journal of Business Research*, *Journal of International Marketing*, *Journal of Business-to-Business Marketing*, *Omega: The International Journal of Management Science, Journal of Marketing Education, Journal of Marketing Theory & Practice, Business Horizons* and

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Dr. Beth A. Walker (Ph.D., Pennsylvania State University) is the Associate Dean for the W. P. Carey MBA program, and State Farm Professor of Marketing at Arizona State University. Beth most recently served as the Faculty Director for the W. P. Carey Evening MBA Program. Beth's research interests are centered on cross-functional working relationships in the development of marketing strategy and on isolating the characteristics of high-performance account managers.

Beth's research has been published in the *Journal of Marketing, Journal of Marketing Research, MIT Sloan Management Review, Journal of Business Research, Psychology and Marketing, Journal of the Academy of Marketing Science, Journal of Product Innovation Management, Journal of Business and Industrial Marketing, Journal of Services Research, Research in Consumer Behavior* and in other scholarly publications. She was the recipient of the 2001 Richard Beckhard Prize for her most recent article in *MIT Sloan Management Review*. Beth also received the Malcolm S. Woldenberg Marketing Chair Award for her contributions to the *Journal of Business Research*. For her teaching contributions, Beth has been recognized by Arizona State University as a Wakonse Fellow and by the College of Business with the Outstanding Undergraduate Teaching Excellence Award.

In terms of service to the marketing discipline, Beth is the current president of the American Marketing Association Academic Division, has served as a co-chair of the 2005 AMA Summer Educator's Conference, and is serving as an elected member of Academic Council, the governing board of the AMA for educators. In addition, she was the co-chair of the 2007 John A. Howard Dissertation Award which recognizes excellence in dissertations that advance marketing knowledge and serve as a stimulus for research and teaching.

Beth has consulted on strategy issues for State Farm Insurance, IBM Global Services, Lucent Technologies, Yellow Transportation, Honeywell and AT&T.

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Scott Watson is a true training industry pioneer, having conducted nearly 1,000 training measurement projects. After graduating from Texas Tech 1n 1992 with his Master's Degree in Communication, Scott joined Acclivus Corporation, an international sales consultancy and training firm. At the time, little was known or being done about the measurement of training initiatives. Part statistician and part "sales guy," Scott has spent the past two decades connecting changes in human behavior with business performance. Scott has authored articles on sales performance and training measurement in numerous trade and business journals, including *USA Today*.